



FINANCIAL SERVICES  
COMMISSION

RON DESANTIS  
GOVERNOR

JIMMY PATRONIS  
CHIEF FINANCIAL OFFICER

ASHLEY MOODY  
ATTORNEY GENERAL

NICOLE "NIKKI" FRIED  
COMMISSIONER OF  
AGRICULTURE

## OFFICE OF INSURANCE REGULATION

**DAVID ALTMAIER**  
COMMISSIONER

August 2, 2022

The Honorable Jimmy Patronis  
The Chief Financial Officer  
Department of Financial Services  
The Capitol, PL-11  
Tallahassee, FL 32399

Re: Weston Property & Casualty Insurance Company

Dear Chief Financial Officer Patronis:

Pursuant to Chapter 631, Florida Statutes, the Office of Insurance Regulation ("Office") has determined that one or more grounds exist for the Department of Financial Services, Division of Rehabilitation and Liquidation ("Division"), to initiate delinquency proceedings against Weston Property & Casualty Insurance Company ("Weston" or "Company"). Attached to this letter please find an affidavit setting forth the grounds specified including the date the Company was deemed impaired or insolvent as those terms are defined in Sections 631.011, a concise statement of the circumstances that led to the delinquency, and a summary of the actions taken by the Company and the Office to avoid delinquency, along with a consent to order of receivership signed by the company so that the Division can promptly initiate those proceedings.

As always, the Office stands ready to provide any additional information or assistance the Department needs in order for this matter to proceed as expeditiously as possible. Thank you for your attention to this matter.

Sincerely,

David Altmaier, Commissioner  
Office of Insurance Regulation

Enclosure

cc: Michael Dobson, General Counsel,  
Department of Financial Services

...

DAVID ALTMAIER • COMMISSIONER  
200 EAST GAINES STREET • TALLAHASSEE, FLORIDA 32399-0305 • (850) 413-5914 • FAX (850) 488-3334  
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**AFFIDAVIT OF VIRGINIA A. CHRISTY**

STATE OF FLORIDA

COUNTY OF Leon

**BEFORE ME**, the undersigned authority, personally appeared Virginia A. Christy, who after being duly sworn, deposes and says:

1. I, Virginia A. Christy, am over the age of eighteen (18), sui juris, and I am competent to testify to and have personal knowledge of the facts contained herein.

2. I have been employed by the Florida Office of Insurance Regulation (hereinafter referred to as "OFFICE") since July 2012. From July 2012 to August 2014, I served as Assistant General Counsel. From September 2014 to August 2017, I served as Chief Assistant General Counsel for the OFFICE. In that position, I supervised the Legal Division's Regulatory Section, which provided legal representation to several business units in the OFFICE, including Property & Casualty Financial Oversight.

3. Since September 2017, I have held the position of Director of the Property & Casualty Financial Oversight business unit. In this position, I supervise a team of over fifty employees, including twenty persons specifically assigned to financial analysis of insurance companies licensed to do business in Florida.

4. I have a Bachelor of Science degree in Business Administration with a major in Accounting from Missouri Southern State College and a Juris Doctor from Florida Coastal School of Law. I am a member of the Florida Bar.

5. Weston Property & Casualty Insurance Company holds a license as a state of Florida domestic property and casualty insurer and is authorized to write in the lines of (010) Fire,



(020) Allied Lines, (040) Homeowners Multi-Peril, (050) Commercial Multi-Peril, (170) Other Liability, (260) Burglary and Theft, and (270) Boiler and Machinery pursuant to Part III of Chapter 624, Florida Statutes.

6. As a licensed insurer, Weston Property and Casualty Insurance is subject to the regulation of the OFFICE pursuant to the Florida Insurance Code.

### **BACKGROUND**

7. Weston Insurance Company received a Certificate of authority in Florida on December 21, 2012.

8. On December 22, 2021, Weston Insurance Company merged with and into Weston Specialty Insurance Company, a Texas Domestic. Upon effectuation of the merger Weston Specialty Insurance Company redomesticated to Florida and changed its name to Weston Property & Casualty Insurance Company.

9. All original duties and obligations of both Weston Insurance Company and Weston Specialty Insurance Company were assumed by Weston Property & Casualty Insurance Company (collectively referred to herein as “WESTON”).

### **CIRCUMSTANCES THAT LED TO WESTON’S DELINQUENCY and ACTIONS TAKEN BY THE INSURER AND THE OFFICE TO AVOID DELINQUENCY**

10. On March 1, 2020, WESTON filed, as required by Section 624.424, Florida Statutes, its annual year-ended December 31, 2019 financial statement, attached as Exhibit A, which reported surplus as regards policyholders at \$38,410,465 (See Exhibit A, page 3, line 37), a net underwriting gain in the amount of \$818,051 (See Exhibit A, page 4, line 8) and a net gain of income reported in the amount of \$1,456,317 (See Exhibit A, page 4, line 20). In addition, the financial statement included as assets two receivables from its affiliate, Weston Insurance

Management. One of the receivables was the remaining balance from a 2016 intercompany receivable for advanced payments made to Weston Insurance Management that was converted to a loan and owed to WESTON by Weston Insurance Management in the amount of a \$1,800,000 (See Exhibit A, page 2 line 8). The other receivable was an intercompany receivable for advanced payments for services not yet earned by Weston Insurance Management in the amount of \$9,624,299 (See Exhibit A, page 2 line 23).

11. On May 15, 2020, WESTON filed, as required by Section 624.424, Florida Statutes, its first quarter as of March 31, 2020, financial statement, attached as Exhibit B, indicating that subsequent to December 31, 2019, WESTON loaned additional funds to Weston Insurance Management that increased the \$1,800,000 loan receivable balance owed to WESTON to \$3,100,000 and the \$9,624,299 receivable balance from Weston Insurance Management to \$12,436,594 (See Exhibit B, page 2, lines 8 and 23).

12. On May 21, 2020, the OFFICE issued Consent Order 263849-20-CO, attached as Exhibit C, that required WESTON to file a Capital Management Plan that would improve the liquidity of WESTON and reduce the receivable amounts owed to it by Weston Insurance Management. In addition, WESTON agreed, among other things, to file monthly financial statements that would include a balance sheet, income statement, and a statement of cash flows of its affiliate, Weston Insurance Management (See Exhibit C, paragraph 11.a.), and monthly financial statements of WESTON using the NAIC's Quarterly Financial Statement Blank (See Exhibit C, Paragraph 11.b.).

13. On or about June 9, 2020, the OFFICE approved the Capital Management Plan filed by WESTON pursuant to Consent Order 263849-20-CO, that included, among other things, payment reduction schedules to reduce the loan receivable from Weston Insurance Management

to zero by December 31, 2021 and the intercompany receivable from Weston Insurance Management by approximately 45% by December 31, 2021.

14. On July 17, 2020, the OFFICE approved by Consent Order 265450-20-CO, attached as Exhibit D, the indirect Acquisition of more than 50% of the outstanding voting securities, through a stock conversion, by HSCM BERMUDA FUND LTD. and HSCM Bermuda Special Opportunities Fund Ltd., two investment funds managed by Hudson Structured Capital Management Ltd. (“HSCM”). As part of the transaction, all preferred stock held by Weston Insurance Holdings Corporation, WESTON’s immediate parent, was converted to common stock. While the stock conversion provided no additional direct capital to WESTON, it did reduce expenses at the holding company level, since dividends for preferred stock would no longer be paid, leaving additional funds that could be utilized by the holding company for capital support to WESTON.

15. Subsequent to the acquisition of the shares of WESTON, HSCM undertook a more comprehensive review and analysis of WESTON. As a consequence of that review, HSCM concluded that it was necessary to restructure WESTON’s reinsurance program for 2021-2022 to reduce costs and better position it for the future and reported its plan to the OFFICE. The plan included among other things, a possible merger with and into an affiliate, nonrenewal or cancellations of policies, and efforts to seek additional capital within the coming year.

16. WESTON filed, as required by Section 624.424, Florida Statutes, its second quarter as of June 30, 2020 financial statement, attached as Exhibit E, third quarter as of September 30, 2020 financial statement, attached as Exhibits F and year-end December 31, 2020, annual financial statement, attached as Exhibit G. WESTON’s surplus as regards policyholders net underwriting income/loss, and net income/loss for the year 2020 are reflected in the table below:

WESTON's Financial Results for the 2020 Year	Exhibit B 2020Q1	Exhibit E 2020Q2	Exhibit F 2020Q3	Exhibit G 2020Q4	Exhibit G 2020A
Surplus as regards policyholders reported on the financial statement (See page 2, line 39)	\$37,458,579	\$26,860,447	\$25,049,393	\$28,939,652	\$28,939,652
Capital and paid in surplus reported on the financial statement (See page 5, line 16.2)	\$0	\$0	\$6,950,077	\$8,950,077	\$8,950,077
Net Underwriting income (loss) reported on the financial statement (See page 4, line 8)	\$133,761	(\$5,028,809)	(\$22,305,955)	(\$36,451,561)	(\$36,451,561)
Net Income (loss) (See page 4, line 20)	\$234,588	(\$4,749,063)	(\$21,975,244)	(\$35,955,499)	(\$35,955,499)
Calculated Capital and paid in surplus for the period	\$0	\$0	\$6,950,077	\$2,000,000	\$8,950,077
Calculated Net Underwriting Income (loss) for the period	\$133,761	(\$5,162,570)	(\$17,277,146)	(\$14,145,506)	(\$36,451,461)
Calculated Net Income (loss) for the period	\$234,588	(\$4,983,651)	(\$17,226,181)	(\$13,980,255)	(\$35,955,499)

The OFFICE continued to have monthly calls with WESTON to discuss the loss developments seen in its underwriting results which began to appear its 2020 second quarter financial statements. WESTON indicated that the growth of underwriting losses was the result of multiple reinsurance retentions within its reinsurance program that applied to multiple states covering many wind events.

17. On or about December 1, 2020, Hudson Structured Capital Management provided documentation to the OFFICE in support of a request to cancel or non-renew approximately 1,500 wind-only policies that the company indicated disproportionately increased WESTON's probable maximum loss, average annual loss, and reinsurance costs and threatened the company's solvency and status as a going concern.

18. On February 10, 2021, the OFFICE approved by Consent Order 275858-21-CO, attached as Exhibit H, the early cancellation of a smaller portion of the policies requested and identified as the Wind-Only Block in the Consent Order requiring at least 60 days' advance written notice to policy holders. Requirements for the early cancelation and remedial measures for the continued operations of WESTON are also outlined in this Consent Order. Weston was required to file a formal RBC Plan with the OFFICE before March 1, 2021 consistent with the provisions enumerated in Section 624.4085, Florida Statutes, all corrective actions required by the OFFICE

and consistent with the elements of the RBC Plan outlined in paragraph 7 of Consent Order 275858-21-CO.

19. On February 19, 2021 the OFFICE approved a Deferred Tax Asset Agreement between WESTON, Weston Holdings Corporation (WESTON's immediate parent) and HSCM Bermuda Fund, Ltd., which allowed WESTON to report a Deferred Tax Asset, in an amount up to \$8 million, as an admitted asset in its financial statements for any portion of the Deferred Tax Asset reported as of December 31, 2022 that would be unable to be utilized on its tax return by the year ended December 31, 2022. This \$8 million amount was secured by a guaranty of payment to be paid by HSCM Bermuda Fund, Ltd.

20. On March 1, 2021, Weston filed its year-end December 31, 2020, annual financial statement. WESTON continued to collect its affiliate receivables according to its schedule and reduced those receivables noted in paragraph 11., above, to \$2,650,000 and \$6,476,711 (See Exhibit G, lines 8 and 23)

21. On or about March 1, 2021 WESTON filed its RBC Plan with the OFFICE as required by Consent Order 275858-21-CO. The plan included, among other things, the reorganization of the companies that would require an application for the approval of a merger between Weston Insurance Company and Weston Specialty Insurance Company and the concurrent redomestication of Weston Specialty Insurance Company with a name change to Weston Property & Casualty Insurance Company.

22. On May 5, 2021, WESTON filed an application for the merger of Weston Insurance Company with and into Weston Specialty Insurance Company, a Texas domiciled property and casualty insurance company. State regulators in Texas and Florida were required to approve the transaction. The Boards of Directors of Weston Specialty Insurance Company, Weston Insurance

Company, and Weston Insurance Holdings Corporation provided written consent on May 3, 2021. WESTON indicated that it wanted to close the transaction by September 30, 2021.

23. On August 23, 2021, WESTON filed an application for the proposed redomestication of Weston Specialty Insurance Company that included the simultaneous change of its name to Weston Property & Casualty Insurance Company. The company indicated that it wanted to complete the merger, redomestication, and name change as part of the same transaction. Since regulatory approval by both Texas and Florida was required, WESTON amended its merger application now indicating a closing date on or before December 31, 2021.

24. On November 12, 2021, the OFFICE approved the merger of Weston Insurance Company with and into Weston Specialty Insurance Company by Consent Order 287110-21-CO, attached as Exhibit I. In addition, the OFFICE approved the redomestication of Weston Specialty Insurance Company by Consent Order 287111-21-CO, attached as Exhibit J. The merger, redomestication, and name change became effective on December 22, 2021.

25. WESTON's combined surplus as regards policyholders reported in its annual December 31, 2021, financial statement, attached as Exhibit K and filed with the OFFICE on March 1, 2022, was \$28,294,519 (See Exhibit K, page 3, line 37), which included capital infusions during the 2021 year totaling \$47,872,930 (See Exhibit K, page 5, line 16.2). \$29,328,466 of the \$47,872,930 in capital infusions was approved by the OFFICE for Statement of Statutory Accounting Principle No. 72 (SSAP 72)<sup>1</sup> treatment. Net underwriting losses reported for the 2021 year totaled \$58,378,023 (See Exhibit K, page 4, line 8) and net loss of income for the 2021 year totaled \$57,681,556 (See Exhibit K, page 4, line 20.)

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<sup>1</sup> The Statement of Statutory Accounting Principles Number 72 allows an insurance company to account for additional funds received after "the as of date" of its financial statement if approved by its domestic regulator and proof of the funds are received prior to the required filing date of its quarterly and annual statements.

26. Despite the actions taken by WESTON to reduce its unprofitable policies in force, revise its corporate structure, modify its reinsurance program, and increase paid-in capital, surplus as regards policyholders continued to deteriorate. On May 15, 2022 WESTON filed its first quarterly financial statement as of March 31, 2022, attached as Exhibit L. WESTON's surplus as regards policyholders as of March 31, 2022 was reported as \$19,197,625 (See Exhibit L, page 3, line 37) which included a capital contribution of \$3,000,000 during the period (See Exhibit L, page 5, line 16.2). Net underwriting loss reported for the first quarter financial statement for the period ended March 31, 2022 was \$12,188,030 (See Exhibit L, page 4, line 8)

#### **WESTON's 2022 CATASTROPHE REINSURANCE PROGRAM**

27. On or about June 30, 2022, WESTON notified the OFFICE that due to the cost and/or availability of reinsurance for its lower layer(s), WESTON could not fully place its reinsurance program. WESTON proposed the use of a captive cell ("Weston Cell") through an affiliate.

28. On July 12, 2022, the OFFICE received WESTON's Form D, Prior Notice of a transaction, regarding the use of the Weston Cell. However, since WESTON did not commit to immediately and fully fund the Weston Cell, but instead proposed the siphoning off of funds from Weston Insurance Management over a period of time through an increase in the fees paid by WESTON to Weston Insurance Management, the transaction could not be considered.

29. During the review of Form D noted above, the OFFICE determined that the company had been accounting for the Weston Cell arrangement as if it had been approved by the OFFICE. The last monthly financial statement filed with the OFFICE on June 21, 2022, for the period ended May 31, 2022, attached as Exhibit M, showed surplus as regards policyholders of \$15,114,110 (See Exhibit M, page 4, line 39), just slightly above WESTON's \$15,000,000

statutory surplus requirement. The monthly, period ended May 31, 2022, financial statement included the accounting for the use of the unapproved Weston Cell.

30. On July 19, 2022, the OFFICE held a conference call with WESTON and members of the OFFICE. WESTON indicated that during the month of April and the month of May the company had been accounting for the Weston Cell arrangement as if it had been approved. WESTON indicated that the effect of reversing that accounting treatment would be a reduction of surplus by approximately \$5,000,000.

31. On, July 27, 2022, the OFFICE held a conference call with WESTON, to discuss its options and to determine the effects of unwinding the accounting for the unapproved Weston Cell arrangement. During the call WESTON notified the OFFICE that it was insolvent. Weston ceased writing new business July 15, 2022 and renewal business on July 18, 2022.

32. On July 29, 2022, WESTON executed a Consent to Order of Receivership, including a Resolution of its Board of Directors (Attachment A), hereinafter referred to as “Consent”, a true and correct copy of the Consent is attached hereto as Exhibit N and hereby incorporated by reference, admitting that grounds exist for the appointment of a Receiver of WESTON for Rehabilitation or Liquidation pursuant to Sections 631.051 and 631.061, Florida Statutes, and specifically admitting that it is insolvent as that term is defined in Section 631.011(14), Florida Statutes.

33. The OFFICE has determined that grounds exist for the Department of Financial Services (hereinafter referred to as “DEPARTMENT”) to petition for an order, under Section 631.051 or 631.061, Florida Statutes, directing the DEPARTMENT to rehabilitate WESTON or appointing the DEPARTMENT as receiver for purposes of liquidating the business of WESTON. The four bases for this determination are summarized as follows:



## **BASIS ONE: WESTON IS IMPAIRED**

### **Authority: § 631.051(1) Fla. Stat.**

34. Section 631.011(13), Florida Statutes, defines “impairment of surplus” as a surplus in an amount that “does not meet the requirements of section 624.408.” Pursuant to Section 624.408, Florida Statutes, WESTON is required to “at all times” maintain surplus as regards policyholders of at least the greater of \$15 million or 10% of its total liabilities.

35. WESTON is required to maintain surplus as regards policyholders in the amount of \$15,000,000.

36. WESTON’s reported surplus as regards policyholders on May 31, 2022, was \$15,114,110 (See Exhibit N, page 4, line 39). Since the company had been accounting for the Weston Cell arrangement as if it had been approved, its surplus would be reduced by approximately \$5,000,000. WESTON was unable to commit to future finding to support the company’s operations. WESTON was impaired as defined in Section 631.011(13) Florida Statutes as of May 31, 2022.

37. WESTON was determined to be impaired on July 19, 2022.

## **BASIS TWO: WESTON IS INSOLVENT OR ABOUT TO BECOME INSOLVENT**

### **Authority: §§ 631.051(1) and 631.061(2) Fla. Stat.**

38. Section 631.011(14), Florida Statutes, defines “insolvency” as a condition in which all of the assets of the insurer, if made immediately available, would be insufficient to discharge all of the liabilities of the insurer.

39. WESTON's total liabilities reported on its month ended May 31, 2022, financial statement were \$102,602,519 (See Exhibit M, page 3, line 28) and its total assets were \$118,466,203 (See Exhibit M, page 2, line 28).

40. On the July 27, 2022, conference call noted in paragraph 31, above, WESTON disclosed that it owed approximately \$50 million in premium payments to reinsurers that were not included as a liability on its month ended May 31, 2022 financial statement. Section 631.011(14), Florida Statutes, defines insolvency to mean that all the assets of the insurer, if made immediately available, would not be sufficient to discharge all its liabilities. The premium payments owed by WESTON, but not recorded as a liability would, when added to the liabilities reported on its month ended May 31, 2022 financial statement, exceed the amount WESTON reported as assets. WESTON's assets are insufficient to discharge all its liabilities, when adjusted for the reinsurance premiums due, thereby rendering WESTON insolvent as defined in Section 631.011(14) Florida Statutes as of May 31, 2022.

41. WESTON was determined to be insolvent on July 27, 2022.

**BASIS THREE: FURTHER TRANSACTION OF INSURANCE BY WESTON IS  
HAZARDOUS TO POLICYHOLDERS, CREDITORS, STOCKHOLDERS,  
OR THE PUBLIC**

**Authority: §631.051(3), Fla. Stat.**

42. WESTON's 2022-2023 catastrophe reinsurance has not been fully placed.

43. WESTON currently has a \$25M reinsurance retention with less than \$15M in surplus. Therefore, it has insufficient surplus or other assets or reinsurance to pay claims to policyholders below its reinsurance retention level to cover its existing policyholders during the 2022-2023 Atlantic Hurricane season that began June 1, 2022.

44. Based on the above, the OFFICE has determined that WESTON is operating in an unsound condition that is hazardous to policyholders, creditors, and the public.

#### **BASIS FOUR: CONSENT TO REHABILITATION OR LIQUIDATION**

##### **Authority: §631.051(11), Fla. Stat.**

45. On July 29, 2022, WESTON, through a majority of its directors, executed a Consent to Order of Receivership for the appointment of the Department of Financial Services, Division of Rehabilitation and Liquidation as Receiver. (See, Exhibit N). In the Consent, WESTON specifically admits that it is insolvent as that term is defined in Section 631.011(14), Florida Statutes.

46. The Consent admits “that grounds exist for the appointment of a Receiver for Rehabilitation or Liquidation pursuant to Sections 631.051 and 631.061, Florida Statutes.” See Exhibit N, paragraph 4.

47. The Consent states as follows:

Pursuant to Sections 631.051 and 631.061, Florida Statutes, Respondent consents through a majority of its directors, stockholders, members or subscribers, to the entry of an Order of Liquidation, appointing the Florida Department of Financial Services, [hereinafter “the Department”] as the Receiver for Respondent, for purposes of liquidation, with the determination of the type of order to be sought and entered to be made at the sole discretion of the Department, and consents to any injunctions the receivership court, as defined by Section 631.021, deems necessary and appropriate, without the necessity of any hearing by the court.

Exhibit N, paragraph 4.

48. Further, the consent states:

Respondent additionally agrees that the Department may, at its sole discretion, apply to the Court for any additional orders regarding Respondent, and that all such orders entered shall be final when entered,

with Respondent waiving any right to appeal any of the orders entered by the receivership court as to the appointment of the Department as Receiver pursuant to Chapter 631, Part I, Florida Statutes, and any other matter, with all such orders being final orders.

Id.

### **CONCLUSION**

As set forth above, WESTON PROPERTY & CASUALTY INSURANCE COMPANY is impaired and insolvent or about to become insolvent; is in such condition or is using or has been subject to such methods or practices in the conduct of its business, as to render its further transaction of insurance presently or prospectively hazardous to its policyholders, creditors, stockholders, or the public; and has consented to rehabilitation or liquidation. Thus, grounds for issuing an Order for entry into receivership exist under Sections 631.051(1), 631.051(3), 631.051(11), and 631.061(1), Florida Statutes.

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FURTHER AFFIANT SAYETH NOT.

  
Virginia A. Christy, Director  
Property & Casualty Financial Oversight  
Office of Insurance Regulation


STATE OF Florida

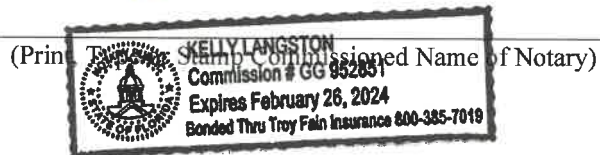
COUNTY OF Leon

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 2<sup>nd</sup> day of August 2022, by Virginia Christy  
(name of person)

as Director of PCFO/OIR for Florida Office of Insurance Regulation  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

  
(Signature of the Notary)



Personally Known ☒ OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires February 26, 2024



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# ANNUAL STATEMENT

For the Year Ended December 31, 2019  
OF THE CONDITION AND AFFAIRS OF THE  
**Weston Insurance Company**

NAIC Group Code	04957	04957	NAIC Company Code	14930	Employer's ID Number	90-0797817
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry	Florida		
Country of Domicile	United States					
Incorporated/Organized	02/21/2012		Commenced Business	12/21/2012		
Statutory Home Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		888-800-5002-1009	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	P.O. Box 14-2057		Coral Gables, FL, US 33114-2057			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		786-646-1189	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Lynn Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

## OFFICERS

Name	Title	Name	Title
Michael Christopher Lyons	Chief Executive Officer & President	Bryan Triplett McCully	SVP, CAO & General Counsel
Richard Bruno Primerano	SVP, CFO, COO & Treasurer		

## OTHER OFFICERS

\_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_

## DIRECTORS OR TRUSTEES

Michael Christopher Lyons	Bryan Triplett McCully	Gregory Ernest Alexander Morrison	Deanne Dietrich Nixon
Richard Bruno Primerano			

State of \_\_\_\_\_

SS

County of \_\_\_\_\_

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

Michael Christopher Lyons Chief Executive Officer & President	Bryan Triplett McCully SVP, CAO & General Counsel	Richard Bruno Primerano SVP, CFO, COO & Treasurer
Subscribed and sworn to before me this _____ day of _____,	a. Is this an original filing? Yes [ X ] No [ ]	
	b. If no:	
	1. State the amendment number	_____
	2. Date filed	_____
	3. Number of pages attached	_____

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Weston Insurance Company

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	18,506,264		18,506,264	18,661,868
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0		0	0
2.2 Common stocks.....	5,009,195		5,009,195	183,400
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	0
3.2 Other than first liens.....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances).....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances).....			0	0
5. Cash (\$ .....18,887,765 , Schedule E-Part 1), cash equivalents (\$ .....18,775,602 , Schedule E-Part 2) and short-term investments (\$ .....436,586 , Schedule DA).....	38,099,954		38,099,954	38,593,327
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA).....	1,800,000		1,800,000	2,400,000
9. Receivables for securities.....			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	63,415,413	0	63,415,413	59,838,595
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued.....	85,145		85,145	88,494
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,744,821	220,656	1,524,165	5,684,482
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....	3,499,277		3,499,277	3,668,721
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ).....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	655,340		655,340	1,271,938
16.2 Funds held by or deposited with reinsured companies.....			0	0
16.3 Other amounts receivable under reinsurance contracts.....	4,840,000		4,840,000	0
17. Amounts receivable relating to uninsured plans.....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	887,183		887,183	887,184
18.2 Net deferred tax asset.....	456,444		456,444	539,471
19. Guaranty funds receivable or on deposit.....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ).....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	0
23. Receivables from parent, subsidiaries and affiliates.....	9,624,299	3,338,353	6,285,946	5,482,315
24. Health care (\$ ..... ) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets.....	357,588	0	357,588	2,069,041
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	85,565,510	3,559,009	82,006,501	79,530,242
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27).....	85,565,510	3,559,009	82,006,501	79,530,242
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. ....			0	0
2502. Brokerage Sharing Commission Receivable.....	180,890		180,890	1,892,311
2503. State Income Tax Recoverable.....	176,698		176,698	176,699
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	31
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	357,588	0	357,588	2,069,041

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	2,671,130	745,819
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....		1,576
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	397,280	247,904
4. Commissions payable, contingent commissions and other similar charges .....		0
5. Other expenses (excluding taxes, licenses and fees) .....		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	136,700	492,195
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)).....		0
7.2 Net deferred tax liability.....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....38,785,037 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	2,016,667	1,562,500
10. Advance premium .....	1,731,555	1,221,526
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....		0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	26,400,327	27,910,596
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) .....	9,037,396	3,403,109
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated.....		0
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 3, Column 78) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....	745	0
20. Derivatives .....	0	0
21. Payable for securities .....		0
22. Payable for securities lending .....		0
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	1,204,236	870,343
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	43,596,036	36,455,567
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	43,596,036	36,455,567
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other-than-special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	38,800,000	41,500,000
35. Unassigned funds (surplus) .....	(2,889,535)	(925,325)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)	0	0
36.2 ..... shares preferred (value included in Line 31 \$ .....)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	38,410,465	43,074,675
38. Totals (Page 2, Line 28, Col. 3) .....	82,006,501	79,530,242
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Ceding Commissions.....	690,809	734,368
2502. Refunds Payable.....	162,747	135,975
2503. Escheat Payable.....	350,680	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,204,236	870,343
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) .....	0	0



## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	5,576,898	5,327,443
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7) .....	4,870,214	8,858,577
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	711,489	(36,128)
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	(822,855)	(1,323,241)
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	4,758,848	7,499,208
7. Net income of protected cells .....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	818,051	(2,171,765)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	413,839	420,720
10. Net realized capital gains (losses) less capital gains tax of \$ .....	44,884	220,955
11. Net investment gain (loss) (Lines 9 + 10) .....	458,723	641,675
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....	15,348 amount	
charged off \$ .....125,261 ) .....	(109,663)	(51,478)
13. Finance and service charges not included in premiums .....	289,206	268,214
14. Aggregate write-ins for miscellaneous income .....	0	0
15. Total other income (Lines 12 through 14) .....	179,543	216,736
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	1,456,317	(1,313,355)
17. Dividends to policyholders .....	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	1,456,317	(1,313,355)
19. Federal and foreign income taxes incurred .....	0	(10,174)
20. Net income (Line 18 minus Line 19) (to Line 22) .....	1,456,317	(1,303,181)
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	43,074,674	44,572,875
22. Net income (from Line 20) .....	1,456,317	(1,303,181)
23. Net transfers (to) from Protected Cell accounts .....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....	(9,450)	(168,842)
25. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
26. Change in net deferred income tax .....	(244,592)	246,607
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	(3,166,483)	(272,786)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	0	0
29. Change in surplus notes .....	0	0
30. Surplus (contributed to) withdrawn from protected cells .....	0	0
31. Cumulative effect of changes in accounting principles .....	0	0
32. Capital changes:		
32.1 Paid in .....	0	0
32.2 Transferred from surplus (Stock Dividend) .....	0	0
32.3 Transferred to surplus .....	0	0
33. Surplus adjustments:		
33.1 Paid in .....	(2,700,000)	0
33.2 Transferred to capital (Stock Dividend) .....	0	0
33.3 Transferred from capital .....	0	0
34. Net remittances from or (to) Home Office .....	0	0
35. Dividends to stockholders .....	0	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	(4,664,208)	(1,498,201)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	38,410,465	43,074,674
<b>DETAILS OF WRITE-INS</b>		
0501. ....	0	0
0502. ....	0	0
0503. ....	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0
1401. ....	0	0
1402. ....	0	0
1403. ....	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	0
3701. ....	0	0
3702. ....	0	0
3703. ....	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	0	0

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	5,484,792	389,383
2. Net investment income .....	452,241	458,588
3. Miscellaneous income .....	179,543	216,736
4. Total (Lines 1 through 3) .....	6,116,577	1,064,707
5. Benefit and loss related payments .....	2,328,304	9,634,641
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	(422,459)	(1,380,960)
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	(568,461)	503,389
10. Total (Lines 5 through 9) .....	1,337,385	8,757,070
11. Net cash from operations (Line 4 minus Line 10) .....	4,779,192	(7,692,364)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	6,403,658	9,687,011
12.2 Stocks .....	5,206,397	13,936,449
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	600,000	600,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	(844)
12.7 Miscellaneous proceeds .....	0	150,289
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	12,210,056	24,372,906
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	6,274,061	3,235,251
13.2 Stocks .....	9,999,837	9,667,152
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	16,273,899	12,902,403
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(4,063,843)	11,470,502
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	(2,700,000)	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	0
16.6 Other cash provided (applied) .....	1,491,278	(4,451,613)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(1,208,722)	(4,451,613)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(493,373)	(673,474)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	38,593,327	39,266,801
19.2 End of year (Line 18 plus Line 19.1) .....	38,099,954	38,593,327

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1 - PREMIUMS EARNED**

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	0	0	0	0
2.	Allied lines .....	6,031,065	1,562,500	2,016,667	5,576,898
3.	Farmowners multiple peril .....	0	0	0	0
4.	Homeowners multiple peril .....	0	0	0	0
5.	Commercial multiple peril .....	0	0	0	0
6.	Mortgage guaranty .....	0	0	0	0
8.	Ocean marine .....	0	0	0	0
9.	Inland marine .....	0	0	0	0
10.	Financial guaranty .....	0	0	0	0
11.1	Medical professional liability-occurrence .....	0	0	0	0
11.2	Medical professional liability-claims-made .....	0	0	0	0
12.	Earthquake .....	0	0	0	0
13.	Group accident and health .....	0	0	0	0
14.	Credit accident and health (group and individual) .....	0	0	0	0
15.	Other accident and health .....	0	0	0	0
16.	Workers' compensation .....	0	0	0	0
17.1	Other liability-occurrence .....	0	0	0	0
17.2	Other liability-claims-made .....	0	0	0	0
17.3	Excess workers' compensation .....	0	0	0	0
18.1	Products liability-occurrence .....	0	0	0	0
18.2	Products liability-claims-made .....	0	0	0	0
19.1,19.2	Private passenger auto liability .....	0	0	0	0
19.3,19.4	Commercial auto liability .....	0	0	0	0
21.	Auto physical damage .....	0	0	0	0
22.	Aircraft (all perils) .....	0	0	0	0
23.	Fidelity .....	0	0	0	0
24.	Surety .....	0	0	0	0
26.	Burglary and theft .....	0	0	0	0
27.	Boiler and machinery .....	0	0	0	0
28.	Credit .....	0	0	0	0
29.	International .....	0	0	0	0
30.	Warranty .....	0	0	0	0
31.	Reinsurance-nonproportional assumed property .....	0	0	0	0
32.	Reinsurance-nonproportional assumed liability .....	0	0	0	0
33.	Reinsurance-nonproportional assumed financial lines .....	0	0	0	0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0
35.	TOTALS	6,031,065	1,562,500	2,016,667	5,576,898
DETAILS OF WRITE-INS					
3401.	.....	0	0	0	0
3402.	.....	0	0	0	0
3403.	.....	0	0	0	0
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire .....					0
2.	Allied lines .....	2,016,667				2,016,667
3.	Farmowners multiple peril .....					0
4.	Homeowners multiple peril .....					0
5.	Commercial multiple peril .....					0
6.	Mortgage guaranty .....					0
8.	Ocean marine .....					0
9.	Inland marine .....					0
10.	Financial guaranty .....					0
11.1	Medical professional liability-occurrence .....					0
11.2	Medical professional liability-claims-made .....					0
12.	Earthquake .....					0
13.	Group accident and health .....					0
14.	Credit accident and health (group and individual) .....					0
15.	Other accident and health .....					0
16.	Workers' compensation .....					0
17.1	Other liability-occurrence .....					0
17.2	Other liability-claims-made .....					0
17.3	Excess workers' compensation .....					0
18.1	Products liability-occurrence .....					0
18.2	Products liability-claims-made .....					0
19.1,19.2	Private passenger auto liability .....					0
19.3,19.4	Commercial auto liability .....					0
21.	Auto physical damage .....					0
22.	Aircraft (all perils) .....					0
23.	Fidelity .....					0
24.	Surety .....					0
26.	Burglary and theft .....					0
27.	Boiler and machinery .....					0
28.	Credit .....					0
29.	International .....					0
30.	Warranty .....					0
31.	Reinsurance-nonproportional assumed property .....					0
32.	Reinsurance-nonproportional assumed liability .....					0
33.	Reinsurance-nonproportional assumed financial lines .....					0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0	0
35.	TOTALS .....	2,016,667	0	0	0	2,016,667
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Lines 35 through 37) .....					2,016,667
<b>DETAILS OF WRITE-INS</b>						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	0	0	0	0

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

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....						.0
2. Allied lines .....	80,127,861		51,894		74,148,690	6,031,065
3. Farmowners multiple peril .....						.0
4. Homeowners multiple peril .....						.0
5. Commercial multiple peril .....						.0
6. Mortgage guaranty .....						.0
8. Ocean marine .....						.0
9. Inland marine .....						.0
10. Financial guaranty .....						.0
11.1 Medical professional liability-occurrence .....						.0
11.2 Medical professional liability-claims-made .....						.0
12. Earthquake .....						.0
13. Group accident and health .....						.0
14. Credit accident and health (group and individual) .....						.0
15. Other accident and health .....						.0
16. Workers' compensation .....						.0
17.1 Other liability-occurrence .....						.0
17.2 Other liability-claims-made .....						.0
17.3 Excess workers' compensation .....						.0
18.1 Products liability-occurrence .....						.0
18.2 Products liability-claims-made .....						.0
19.1,19.2 Private passenger auto liability .....						.0
19.3,19.4 Commercial auto liability .....						.0
21. Auto physical damage .....						.0
22. Aircraft (all perils) .....						.0
23. Fidelity .....						.0
24. Surety .....						.0
26. Burglary and theft .....						.0
27. Boiler and machinery .....						.0
28. Credit .....						.0
29. International .....						.0
30. Warranty .....						.0
31. Reinsurance-nonproportional assumed property .....	XXX					.0
32. Reinsurance-nonproportional assumed liability .....	XXX					.0
33. Reinsurance-nonproportional assumed financial lines .....	XXX					.0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
35. TOTALS	80,127,861	0	51,894	0	74,148,690	6,031,065
<b>DETAILS OF WRITE-INS</b>						
3401. ....						
3402. ....						
3403. ....						
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

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

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



## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Weston Insurance Company

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire .....				0	0	0	0	0.0
2. Allied lines .....	40,827,513	1,191,844	39,074,455	2,944,902	2,671,130	745,819	4,870,214	87.3
3. Farmowners multiple peril .....				0	0	0	0	0.0
4. Homeowners multiple peril .....				0	0	0	0	0.0
5. Commercial multiple peril .....				0	0	0	0	0.0
6. Mortgage guaranty .....				0	0	0	0	0.0
8. Ocean marine .....				0	0	0	0	0.0
9. Inland marine .....				0	0	0	0	0.0
10. Financial guaranty .....				0	0	0	0	0.0
11.1 Medical professional liability-occurrence .....				0	0	0	0	0.0
11.2 Medical professional liability-claims-made .....				0	0	0	0	0.0
12. Earthquake .....				0	0	0	0	0.0
13. Group accident and health .....				0	0	0	0	0.0
14. Credit accident and health (group and individual) .....				0	0	0	0	0.0
15. Other accident and health .....				0	0	0	0	0.0
16. Workers' compensation .....				0	0	0	0	0.0
17.1 Other liability-occurrence .....				0	0	0	0	0.0
17.2 Other liability-claims-made .....				0	0	0	0	0.0
17.3 Excess workers' compensation .....				0	0	0	0	0.0
18.1 Products liability-occurrence .....				0	0	0	0	0.0
18.2 Products liability-claims-made .....				0	0	0	0	0.0
19.1,19.2 Private passenger auto liability .....				0	0	0	0	0.0
19.3,19.4 Commercial auto liability .....				0	0	0	0	0.0
21. Auto physical damage .....				0	0	0	0	0.0
22. Aircraft (all perils) .....				0	0	0	0	0.0
23. Fidelity .....				0	0	0	0	0.0
24. Surety .....				0	0	0	0	0.0
26. Burglary and theft .....				0	0	0	0	0.0
27. Boiler and machinery .....				0	0	0	0	0.0
28. Credit .....				0	0	0	0	0.0
29. International .....				0	0	0	0	0.0
30. Warranty .....				0	0	0	0	0.0
31. Reinsurance-nonproportional assumed property .....	XXX			0	0	0	0	0.0
32. Reinsurance-nonproportional assumed liability .....	XXX			0	0	0	0	0.0
33. Reinsurance-nonproportional assumed financial lines .....	XXX			0	0	0	0	0.0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0	0	0.0
35. TOTALS .....	40,827,513	1,191,844	39,074,455	2,944,902	2,671,130	745,819	4,870,214	87.3
DETAILS OF WRITE-INS								
3401. ....				0	0	0	0	0.0
3402. ....				0	0	0	0	0.0
3403. ....				0	0	0	0	0.0
3408. Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0	0	0	0.0
3498. Totals (Lines 3401 through 3403 + 3498) (Line 34 above) .....	0	0	0	0	0	0	0	0.0

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Weston Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire				0				0	
2. Allied lines	27,228,949	7,500	26,574,854	661,595	21,035,794	0	19,026,259	2,671,130	397,280
3. Farmowners multiple peril				0				0	
4. Homeowners multiple peril				0				0	
5. Commercial multiple peril				0				0	
6. Mortgage guaranty				0				0	
8. Ocean marine				0				0	
9. Inland marine				0				0	
10. Financial guaranty				0				0	
11.1 Medical professional liability-occurrence				0				0	
11.2 Medical professional liability-claims-made				0				0	
12. Earthquake				0				0	
13. Group accident and health				0				(a)	0
14. Credit accident and health (group and individual)				0				(a)	0
15. Other accident and health				0				0	
16. Workers' compensation				0				0	
17.1 Other liability-occurrence				0				0	
17.2 Other liability-claims-made				0				0	
17.3 Excess workers' compensation				0				0	
18.1 Products liability-occurrence				0				0	
18.2 Products liability-claims-made				0				0	
19.1,19.2 Private passenger auto liability				0				0	
19.3,19.4 Commercial auto liability				0				0	
21. Auto physical damage				0				0	
22. Aircraft (all perils)				0				0	
23. Fidelity				0				0	
24. Surety				0				0	
26. Burglary and theft				0				0	
27. Boiler and machinery				0				0	
28. Credit				0				0	
29. International				0				0	
30. Warranty				0				0	
31. Reinsurance-nonproportional assumed property	XXX			0	XXX			0	
32. Reinsurance-nonproportional assumed liability	XXX			0	XXX			0	
33. Reinsurance-nonproportional assumed financial lines	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35. TOTALS	27,228,949	7,500	26,574,854	661,595	21,035,794	0	19,026,259	2,671,130	397,280
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3408. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3409. Totals (Lines 3401 through 3403 + 3408) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 3 - EXPENSES**

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	2,420,370			2,420,370
1.2 Reinsurance assumed .....	16,178			16,178
1.3 Reinsurance ceded .....	1,725,058			1,725,058
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	711,489	0	0	711,489
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....		0		0
2.2 Reinsurance assumed, excluding contingent .....		447,563		447,563
2.3 Reinsurance ceded, excluding contingent .....		25,265,933		25,265,933
2.4 Contingent-direct .....				0
2.5 Contingent-reinsurance assumed .....				0
2.6 Contingent-reinsurance ceded .....				0
2.7 Policy and membership fees .....		1,191,065		1,191,065
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	(23,627,305)	0	(23,627,305)
3. Allowances to manager and agents .....		20,608,191		20,608,191
4. Advertising .....				0
5. Boards, bureaus and associations .....		171,872		171,872
6. Surveys and underwriting reports .....				0
7. Audit of assureds' records .....				0
8. Salary and related items:				
8.1 Salaries .....				0
8.2 Payroll taxes .....				0
9. Employee relations and welfare .....				0
10. Insurance .....				0
11. Directors' fees .....				0
12. Travel and travel items .....				0
13. Rent and rent items .....				0
14. Equipment .....				0
15. Cost or depreciation of EDP equipment and software .....		31,167		31,167
16. Printing and stationery .....				0
17. Postage, telephone and telegraph, exchange and express .....				0
18. Legal and auditing .....		364,750		364,750
19. Totals (Lines 3 to 18) .....	0	21,175,980	0	21,175,980
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		1,433,334		1,433,334
20.2 Insurance department licenses and fees .....		12,869		12,869
20.3 Gross guaranty association assessments .....				0
20.4 All other (excluding federal and foreign income and real estate) .....				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	1,446,203	0	1,446,203
21. Real estate expenses .....				0
22. Real estate taxes .....				0
23. Reimbursements by uninsured plans .....				0
24. Aggregate write-ins for miscellaneous expenses .....	0	182,267	460,686	642,953
25. Total expenses incurred .....	711,489	(822,855)	460,686	(a) 349,320
26. Less unpaid expenses-current year .....	397,280	136,700		533,980
27. Add unpaid expenses-prior year .....	247,329	492,195	0	739,524
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	561,538	(467,360)	460,686	554,864
<b>DETAILS OF WRITE-INS</b>				
2401. Miscellaneous Expenses .....		69,943		69,943
2402. Consulting/Professional Fees .....		112,324		112,324
2403. Investment Fees .....			460,686	460,686
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	0	182,267	460,686	642,953

(a) Includes management fees of \$ 20,397,284 to affiliates and \$ 0 to non-affiliates.



**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Eamed During Year
1. U.S. Government bonds	(a).....110,869	.....110,840
1.1 Bonds exempt from U.S. tax	(a).....	.....0
1.2 Other bonds (unaffiliated)	(a).....272,131	.....272,415
1.3 Bonds of affiliates	(a).....0	.....0
2.1 Preferred stocks (unaffiliated)	(b).....0	.....0
2.11 Preferred stocks of affiliates	(b).....0	.....0
2.2 Common stocks (unaffiliated)	.....22,889	.....22,889
2.21 Common stocks of affiliates	.....0	.....0
3. Mortgage loans	(c).....	.....0
4. Real estate	(d).....	.....0
5. Contract loans	.....	.....0
6. Cash, cash equivalents and short-term investments	(e).....373,320	.....373,320
7. Derivative instruments	(f).....	.....0
8. Other invested assets	.....95,061	.....95,061
9. Aggregate write-ins for investment income	.....0	.....0
10. Total gross investment income	874,269	874,525
11. Investment expenses		(g).....460,686
12. Investment taxes, licenses and fees, excluding federal income taxes		(g).....
13. Interest expense		(h).....
14. Depreciation on real estate and other invested assets		(i).....
15. Aggregate write-ins for deductions from investment income		.....0
16. Total deductions (Lines 11 through 15)		.....460,686
17. Net investment income (Line 10 minus Line 16)		413,839
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page	.....0	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ .....15,128 accrual of discount less \$ .....50,181 amortization of premium and less \$ .....49,992 paid for accrued interest on purchases.  
 (b) Includes \$ .....accrual of discount less \$ .....amortization of premium and less \$ .....0 paid for accrued dividends on purchases.  
 (c) Includes \$ .....0 accrual of discount less \$ .....0 amortization of premium and less \$ .....paid for accrued interest on purchases.  
 (d) Includes \$ .....for company's occupancy of its own buildings; and excludes \$ .....interest on encumbrances.  
 (e) Includes \$ .....32,018 accrual of discount less \$ .....299 amortization of premium and less \$ .....872 paid for accrued interest on purchases.  
 (f) Includes \$ .....accrual of discount less \$ .....amortization of premium.  
 (g) Includes \$ .....investment expenses and \$ .....investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ .....interest on surplus notes and \$ .....interest on capital notes.  
 (i) Includes \$ .....depreciation on real estate and \$ .....depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	.....302		.....302		
1.1 Bonds exempt from U.S. tax	.....0		.....0		
1.2 Other bonds (unaffiliated)	.....2,776		.....2,776		
1.3 Bonds of affiliates	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated)	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated)	.....41,805	.....0	.....41,805	.....(18,645)	.....0
2.21 Common stocks of affiliates	.....0	.....0	.....0	.....9,195	.....0
3. Mortgage loans	.....0	.....0	.....0	.....0	.....0
4. Real estate	.....0	.....0	.....0	.....0	.....0
5. Contract loans	.....0		.....0		
6. Cash, cash equivalents and short-term investments	.....0		.....0	.....0	.....0
7. Derivative instruments	.....0		.....0		
8. Other invested assets	.....0	.....0	.....0	.....0	.....0
9. Aggregate write-ins for capital gains (losses)	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses)	44,884	0	44,884	(9,450)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income .....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	220,656	151,685	(68,971)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset.....	0	240,841	240,841
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	3,338,353	0	(3,338,353)
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	3,559,009	392,526	(3,166,483)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27)	3,559,009	392,526	(3,166,483)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The financial statements of Weston Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	2019	2018
<b>Net Income</b>					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 1,456,317	\$ (1,303,181)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 1,456,317	\$ (1,303,181)
<b>Surplus</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 38,410,465	\$ 43,074,675
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 38,410,465	\$ 43,074,675

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

#### D. Going Concern - Not Applicable

### 2. Accounting Changes and Corrections of Errors - Not Applicable

### 3. Business Combinations and Goodwill - Not Applicable

### 4. Discontinued Operations - Not Applicable

## Notes to the Financial Statements

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							Current Year			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	335,984				335,984	449,832	(113,848)		335,984	0.391	0.408
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets	4,840,000				4,840,000	3,750,000	1,090,000		4,840,000	5.638	5.882
o. Total restricted assets	\$ 5,175,984	\$	\$	\$	\$ 5,175,984	\$ 4,199,832	\$ 976,152	\$	\$ 5,175,984	6.030%	6.290%

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

The Company has restricted assets in the amount of \$4,840,000 per the terms of a reinsurance contract, requiring deposit accounting, inception June 1, 2019.



## Notes to the Financial Statements

## 5. Investments (Continued)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							Percentage	
	Current Year							(9)	(10)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)		
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase/ (Decrease) (5 - 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %
Asset Protection Contract	\$ 4,840,000	\$	\$	\$	\$ 4,840,000	\$ 3,750,000	\$ 1,090,000	\$	5.638 %
Total	\$ 4,840,000	\$	\$	\$	\$ 4,840,000	\$ 3,750,000	\$ 1,090,000	\$	5.638 %

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees - Not Applicable

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	2019			2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 476,402	\$ (8,995)	\$ 467,407	\$ 776,359	\$ 3,952	\$ 780,311	\$ (299,957)	\$ (12,947)	\$ (312,904)
(b) Statutory valuation allowance adjustments									
(c) Adjusted gross deferred tax assets (1a - 1b)	476,402	(8,995)	467,407	776,359	3,952	780,311	(299,957)	(12,947)	(312,904)
(d) Deferred tax assets nonadmitted				236,890	3,952	240,842	(236,890)	(3,952)	(240,842)
(e) Subtotal net admitted deferred tax asset (1c - 1d)	476,402	(8,995)	467,407	539,469		539,469	(63,067)	(8,995)	(72,062)
(f) Deferred tax liabilities	10,964		10,964				10,964		10,964
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	465,438	(8,995)	456,443	539,469		539,469	(74,031)	(8,995)	(83,026)

(2) Admission calculation components SSAP No. 101

	2019			2018			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks									
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	467,407		467,407	539,470		539,470	(72,063)		(72,063)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	467,407		467,407	539,470		539,470	(72,063)		(72,063)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX	5,998,841	XXX	XXX	(5,998,841)
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	(10,964)		(10,964)				(10,964)		(10,964)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	456,443		456,443	539,470		539,470	(83,027)		(83,027)

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

## (3) Ratio used as basis of admissibility

	2019	2018
(a) Ratio percentage used to determine recovery period and threshold limitation amount	360.000%	543.000%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 38,448,828	\$ 39,992,275

## (4) Impact of tax-planning strategies

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

	2019		2018		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 476,402	\$ (8,995)	\$ 776,359	\$ 3,952	\$ (299,957)	\$ (12,947)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	—%	—%	—%	—%	—%	—%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 476,402	\$ (8,995)	\$ 539,469	\$ —	\$ (63,067)	\$ (8,995)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	—%	—%	—%	—%	—%	—%

## (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

## B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

## C. Major Components of Current Income Taxes Incurred

	(1)	(2)	(3)
	2019	2018	Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ —	\$ (10,174)	\$ 10,174
(b) Foreign	—	—	—
(c) Subtotal	\$ —	\$ (10,174)	\$ 10,174
(d) Federal income tax on net capital gains	—	—	—
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ —	\$ (10,174)	\$ 10,174

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1)	(2)	(3)
	2019	2018	Change (1-2)
Current income taxes incurred consist of the following major components:			
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 12,887	\$ 4,180	\$ 8,707
(2) Unearned premium reserve	157,425	116,929	40,496
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	46,338	31,854	14,484
(11) Net operating loss carry-forward	259,752	623,396	(363,644)
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)			
(99) Subtotal	\$ 476,402	\$ 776,359	\$ (299,957)
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted		236,890	(236,890)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 476,402	\$ 539,469	\$ (63,067)
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward	15	15	-
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)	(9,010)	3,937	(12,947)
(99) Subtotal	\$ (8,995)	\$ 3,952	\$ (12,947)
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted		3,952	(3,952)
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	(8,995)	-	(8,995)
(i) Admitted deferred tax assets (2d + 2h)	\$ 467,407	\$ 539,469	\$ (72,062)

	(1)	(2)	(3)
	2019	2018	Change (1-2)
Current income taxes incurred consist of the following major components:			
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$	\$	\$
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other (including items <5% of total ordinary tax liabilities)	10,964		10,964
(99) Subtotal	\$ 10,964	\$	\$ 10,964
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 10,964	\$	\$ 10,964
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 456,443	\$ 539,469	\$ (83,026)

The change in net deferred income taxes is composed of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	12/31/19	12/31/18	Change
Total deferred tax assets	467,407	780,311	(312,904)
Total deferred tax liabilities	(10,964)	-	(10,964)
Net deferred tax assets/liabilities	456,443	780,311	(323,868)
Statutory valuation allowance	-	-	-
Net deferred tax assets/liabilities after valuation allowance	456,443	780,311	(323,868)
Tax effect of unrealized gains/(losses)	-	-	-
Statutory valuation allowance on unrealized	-	-	-
Change in net deferred income tax [(expense)/benefit]	456,443	780,311	(323,868)

Reconciliation of Federal Income Tax Rate to Actual Effective Rate.

## D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant terms causing this difference are as follows:

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	2019	Effective Tax Rate
Provision computed at statutory rate	\$ 305,826	21.000%
Non-deductible expenses		
Change in the statutory valuation allowance		
Change in non-admitted assets	14,484	0.995
Change in enacted rate		
Other, including prior year true-up	3,558	0.244
Total	\$ 323,868	22.239%

	2019	Effective Tax Rate
Federal and foreign income taxes incurred	\$	%
Change in net deferred income taxes	323,868	22.239
Total statutory income taxes	\$ 323,868	22.239%

## E. Operating Loss and Tax Credit Carryforwards

The Company had net operating losses of: 1,236,914

The net operating losses carryforwards begin to expire in 2039.

The following represents income tax expense for 2018 and 2019 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2018	-	-	-
2019	-	-	-

(1) The net operating losses carryforwards begin to expire in 2039.

(2) Income tax expense available for recoupment - Not Applicable

(3) Deposits admitted under IRC Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entity:

- Weston Insurance Holding Corporation

(2) The method of allocation is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with a credit for current losses pursuant to the terms of the tax.

## G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

## H. Repatriation Transition Tax (RTT) - Not Applicable

## I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

## A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

## B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the "Termination Date") unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.

On December 31, 2019, the amount of the loan outstanding is \$1,800,000. Interest income in the amount of \$95,061 was recorded by the Company in 2019.

The Company invested \$50 for 25,000 shares of its wholly-owned subsidiary, Weston Select Insurance Company on May 1, 2019.

## C. Amount of Transactions &amp; Effects of Change in Terms of Intercompany Arrangements - Not Applicable

## D. Amounts due to or from related parties

The Company has a receivable of \$10,011,903 from WIM.

## E. Guarantees or Contingencies - Not Applicable

## F. Management, service contracts, cost sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and for claims administration. An expense of \$21,042,869 and \$22,320,619 was recorded for the twelve months ending December 31, 2019 and 2018 respectively, per the terms of the MGA agreement.



## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

- G. Nature of Relationships that Could Affect Operations - Not Applicable  
H. Amount Deducted for Investment in Upstream Company - Not Applicable  
I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable  
J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable  
K. Foreign Subsidiary Value Using CARVM - Not Applicable  
L. Downstream Holding Company Value Using Look-Through Method - Not Applicable  
M. All SCA Investments

## (1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities	XXX	\$	\$	\$
c. SSAP No. 97 8b(iii) Entities				
Weston Select Insurance Company	100.000%	\$ 5,009,436	\$ 5,009,436	\$ -
Total SSAP No. 97 8b(iii) Entities	XXX	\$ 5,009,436	\$ 5,009,436	\$ -
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)	XXX	\$ 5,009,436	\$ 5,009,436	\$ -
f. Aggregate Total (a+e)	XXX	\$ 5,009,436	\$ 5,009,436	\$ -

## (2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities			\$			
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities			\$			
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities			\$			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities			\$			
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)			\$			
f. Aggregate Total (a+e)			\$			

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

\*\* I - Immaterial or M - Material

## N. Investment in Insurance SCAs

- (1)  
(2) The monetary effect on net income and surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA had Completed Statutory Financial Statements*
Weston Select Insurance Company	\$	\$	\$ 5,009,436	\$ 5,009,436

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

(3)

## O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## Notes to the Financial Statements

### 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

#### 1. Outstanding shares

As of December 31, 2019 and 2018 the Company has 25,000 shares of authorized, issued and outstanding common stock at par value of one hundred dollars (\$100) per share.

#### 2. Dividend Rate of Preferred Stock - Not Applicable

#### 3. Dividend restrictions

Florida Statute 628.371 restricts dividend payment for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation the total amount of dividend restriction for WIC is \$3,876,162, which is 10% of surplus.

#### 4. Dates and amounts of dividends paid

The company paid a total of \$2,700,000 to parent Weston Insurance Holdings Company during the first quarter of 2019.

#### 5. Company Profits Paid as Ordinary Dividends - Not Applicable

#### 6. Surplus Restrictions - Not Applicable

#### 7. Surplus Advances - Not Applicable

#### 8. Stock Held for Special Purposes - Not Applicable

#### 9. Changes in Special Surplus Funds - Not Applicable

#### 10. Unassigned funds (surplus) - Not Applicable

#### 11. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable

#### 12. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable

#### 13. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

#### A. Contingent Commitments - Not Applicable

#### B. Assessments - Not Applicable

#### C. Gain Contingencies - Not Applicable

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

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims-related ECO and bad faith losses paid during the reporting period	\$ 17,500

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

A

Method used to disclose claim count information:

(f) Per Claim [X]                      (g) Per Claimant []

#### E. Product Warranties - Not Applicable

#### F. Joint and Several Liabilities - Not Applicable

#### G. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

### 15. Leases - Not Applicable

### 16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

## Notes to the Financial Statements

## 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

In 2012, the Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the Company. All authorities for WIM with respect to the MGA contract remain unchanged.

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CA,R,P,B,U	\$ 80,127,861
Total					\$ 80,127,861

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Common Stock	\$ 5,028,238	\$	\$	\$	\$ 5,028,238
Total assets at fair value/NAV	\$ 5,028,238	\$	\$	\$	\$ 5,028,238
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$	\$	\$

## (2) Fair value measurements in Level 3 of the fair value hierarchy

Description	Ending balance as of 12/31/2018	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2019
a. Assets										
Total assets	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
b. Liabilities										
Total liabilities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

(3)

(4)

(5)

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 18,506,264	\$ 18,506,264	\$ 18,506,264	\$	\$	\$	\$
Common Stock	5,028,238	5,028,238	5,028,238				
Cash, Cash Equivalents and Short-Term Investments	38,101,518	38,101,518	38,101,518				

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

1. Assets in the amount of \$335,983 are on deposit with the State of Florida, Department of Financial Services, and \$125,685 is on deposit with the State of South Carolina, as required by law.

2. For the twelve months ending December 31, 2019, the Company wrote \$78,202,196 of direct premium, assumed \$64,119 of premium from Citizens Property Insurance Corporation, and assumed \$116,013 from Texas Windstorm Insurance Association (TWIA). The TWIA premium is a result of a reclassification of assumed reinsurance premium to direct premium via a novation contract that inceptioned on June 1, 2019.

## 3. Agent balances certification

- Agents' balance or uncollected premiums as reported on Page 2, Line 15.1 were \$2,484,609.
- Amounts of agents' balances or uncollected premiums from Page 2, Line 15.1 that is due from "controlled" or "controlling" persons were \$0.
- Amount reported in #2 above and secured by a trust fund, letter of credit and financial guaranty bond as required by Section 625.012, Florida Statutes were \$0.

## D. Business Interruption Insurance Recoveries - Not Applicable



## Notes to the Financial Statements

## 21. Other Items (Continued)

- E. State Transferable and Non-Transferable Tax Credits - Not Applicable
- F. Subprime-Mortgage-Related Risk Exposure - Not Applicable
- G. Insurance-Linked Securities (ILS) Contracts - Not Applicable
- H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy

(1) Amount of admitted balance that could be realized from an investment vehicle	\$	
(2) Percentage bonds		%
(3) Percentage stocks		%
(4) Percentage mortgage loans		%
(5) Percentage real estate		%
(6) Percentage cash and short-term investments		%
(7) Percentage derivatives		%
(8) Percentage other invested assets		%

## 22. Events Subsequent

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act?		
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment	\$	\$
F. Total adjusted capital after surplus adjustment	\$	\$
G. Authorized control level	\$	\$
H. Would reporting the ACA assessment as of Dec 31 have triggered an RBC action level?		

## Type II

In January 2020, the Company's parent, Weston Insurance Holdings Corporation, issued a letter of intent to purchase 100% of the outstanding shares of Anchor Specialty Insurance Company (NAIC No. 11853). The purchase is expected to close in the first quarter 2020.

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

Amount (000) omitted

NAIC Group Code	Federal ID#	Name of Reinsurer	Amount
26921	22-2005057	EVEREST REINS CO LTD	\$ 4,415
19453	13-5616275	TRANSATLANTIC REINS CO	2,129
23680	47-0698507	ODYSSEY REINS CO	1,488
10227	13-4924125	MUNICH REINS AMER CORP	1,997
0	AA-9991310	FHCF	32,304
0	AA-3190686	Partner Reins Co Ltd	1,593
0	AA-3191315	XL Bermuda Ltd	1,271

## B. Reinsurance Recoverable in Dispute - Not Applicable

## C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$	\$	\$	\$
b. All other	—	—	38,785,037	11,408,619	(38,785,037)	(11,408,619)
c. Total	\$	\$	\$ 38,785,037	\$ 11,408,619	\$ (38,785,037)	\$ (11,408,619)
d. Direct unearned premium reserve			\$ 40,801,703			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

## D. Uncollectible Reinsurance - Not Applicable

## E. Commutation of Ceded Reinsurance - Not Applicable

## F. Retroactive Reinsurance - Not Applicable

**Notes to the Financial Statements****23. Reinsurance (Continued)****G. Reinsurance Accounted for as a Deposit**

The Company participates in a reinsurance agreement that is accounted for as a deposit. The contract covers \$2,420,000 per occurrence and \$4,840,000 in the aggregate with a retention of \$590,335. The contract inception date is June 1, 2019.

Description	Interest Income	Cash Recoveries	Deposit Balance
Asset Protection Cover	\$	\$	\$ 4,840,000

**H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable****I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable****J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination - Not Applicable****25. Changes in Incurred Losses and Loss Adjustment Expenses****A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years**

Reserves as of December 31, 2018 were \$993,723. For the twelve months ending December 31, 2019, \$780,647 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$314,990 resulting in unfavorable development of \$101,914. Increases or decreases of this nature occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims.

**B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses**

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

**26. Intercompany Pooling Arrangements - Not Applicable****27. Structured Settlements - Not Applicable****28. Health Care Receivables - Not Applicable****29. Participating Policies - Not Applicable****30. Premium Deficiency Reserves - Not Applicable****31. High Deductibles - Not Applicable****32. Discounting of Liabilities by Withdrawal Characteristics For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable****33. Asbestos/Environmental Reserves - Not Applicable****34. Subscriber Savings Accounts - Not Applicable****35. Multiple Peril Crop Insurance - Not Applicable****36. Financial Guaranty Insurance - Not Applicable**

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES****GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes ☒ No ☐ N/A ☐
- 1.3 State Regulating? Florida
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes ☐ No ☒
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes ☐ No ☒
- 2.2 If yes, date of change: 12/31/2015
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/30/2017
- 3.4 By what department or departments? Florida Office Of Insurance Regulation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ☐ No ☐ N/A ☒
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ☐ No ☐ N/A ☒
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? Yes ☒ No ☐  
4.12 renewals? Yes ☒ No ☐
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? Yes ☐ No ☒  
4.22 renewals? Yes ☐ No ☒
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ☐ No ☒  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

7.21 State the percentage of foreign control 0.0 %

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

1 Nationality	2 Type of Entity

## GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]  
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 RSM 100 Second Avenue South, Suite 600, St. Petersburg, FL 33701.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Ryan Purdy, FCAS, MAAA, Consulting Actuary Merlino & Associates 3274 Medlock Bridge Rd. Peachtree Corners, GA 30092.....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [ X ]  
 12.11 Name of real estate holding company .....  
 12.12 Number of parcels involved .....0  
 12.13 Total book/adjusted carrying value \$.....
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ X ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ X ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ X ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).



## GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

## BOARD OF DIRECTORS

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

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....
- 20.12 To stockholders not officers \$.....
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....
- 20.22 To stockholders not officers \$.....
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....
- 21.22 Borrowed from others \$.....
- 21.23 Leased from others \$.....
- 21.24 Other \$.....
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....
- 22.22 Amount paid as expenses \$.....
- 22.23 Other amounts paid \$.....
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☐ No ☒
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....

## INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes ☒ No ☐
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes ☐ No ☐ NA ☒
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ NA ☒
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ NA ☒
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ NA ☒
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0
- 24.103 Total payable for securities lending reported on the liability page \$.....0



## GENERAL INTERROGATORIES

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes ☒ No ☐

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

25.21 Subject to repurchase agreements	\$	
25.22 Subject to reverse repurchase agreements	\$	
25.23 Subject to dollar repurchase agreements	\$	
25.24 Subject to reverse dollar repurchase agreements	\$	
25.25 Placed under option agreements	\$	
25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock	\$	
25.27 FHLB Capital Stock	\$	
25.28 On deposit with states	\$	125,000
25.29 On deposit with other regulatory bodies	\$	300,000
25.30 Pledged as collateral – excluding collateral pledged to an FHLB	\$	
25.31 Pledged as collateral to FHLB – including assets backing funding agreements	\$	
25.32 Other	\$	4,840,000

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ☐ No ☐ N/A ☒  
If no, attach a description with this statement.

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

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

26.4 If the response to 26.3 is YES, does the reporting entity utilize:

26.41 Special accounting provision of SSAP No. 108	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
26.42 Permitted accounting practice	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
26.43 Other accounting guidance	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:

Yes ☐ No ☒

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

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes ☐ No ☒

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

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

1 Name of Custodian(s)	2 Custodian's Address
Merrill Lynch	355 Alhambra Cir, Ste 1502 Coral Gables, FL 33134

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

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

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

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

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

## GENERAL INTERROGATORIES

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management LLC.....	A.....
.....	.....
.....	.....
.....	.....

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes [ ] No [ X ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes [ ] No [ X ]

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....
.....	.....	.....	.....	.....

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b) (1)])?

Yes [ ] No [ X ]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
.....	.....	.....
.....	.....	.....
.....	.....	.....
29.2999 TOTAL		0

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	18,960,825	187,775,603	168,814,778
30.2 Preferred Stocks.....	0		0
30.3 Totals	18,960,825	187,775,603	168,814,778

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

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?

Yes [ X ] No [ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?

Yes [ X ] No [ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes [ X ] No [ ]

32.2 If no, list exceptions:

## GENERAL INTERROGATORIES

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
  - b. Issuer or obligor is current on all contracted interest and principal payments.
  - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [ ] No [ X ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [ ] No [ X ]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [ X ]

## OTHER

- 36.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 171,872

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

1 Name	2 Amount Paid
Insurance Services Office.....	\$ 71,561

- 37.1 Amount of payments for legal expenses, if any? \$ 209

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

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

- 38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers, or departments of government, if any? \$ 48,000

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

1 Name	2 Amount Paid
Koon Group LLC.....	\$ 48,000

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]
- 1.2 If yes, indicate premium earned on U. S. business only ..... \$.....0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$.....0
- 1.31 Reason for excluding .....

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$.....0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$.....0
- 1.6 Individual policies:

Most current three years:

1.61 Total premium earned ..... \$.....0

1.62 Total incurred claims ..... \$.....0

1.63 Number of covered lives ..... 0

All years prior to most current three years:

1.64 Total premium earned ..... \$.....0

1.65 Total incurred claims ..... \$.....0

1.66 Number of covered lives ..... 0

- 1.7 Group policies:

Most current three years:

1.71 Total premium earned ..... \$.....0

1.72 Total incurred claims ..... \$.....0

1.73 Number of covered lives ..... 0

All years prior to most current three years:

1.74 Total premium earned ..... \$.....0

1.75 Total incurred claims ..... \$.....0

1.76 Number of covered lives ..... 0

#### 2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ .....0	\$ .....0
2.2	Premium Denominator	\$ .....5,576,898	\$ .....5,327,443
2.3	Premium Ratio (2.1/2.2)	.....0.000	.....0.000
2.4	Reserve Numerator	\$ .....0	\$ .....0
2.5	Reserve Denominator	\$ .....5,085,077	\$ .....2,557,798
2.6	Reserve Ratio (2.4/2.5)	.....0.000	.....0.000

- 3.1 Does the reporting entity issue both participating and non-participating policies? ..... Yes [ ] No [ X ]
- 3.2 If yes, state the amount of calendar year premiums written on:

3.21 Participating policies ..... \$.....

3.22 Non-participating policies ..... \$.....

#### 4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ ]
- 4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ ] No [ ]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. .... \$.....

#### 5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents? ..... Yes [ ] No [ ]
- 5.2 If yes, is the commission paid:

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

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

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

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? ..... Yes [ ] No [ ]
- 5.5 If yes, give full information .....



## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: .....  
N/A The Company does not write Worker's Compensation Insurance.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: .....  
The Company is exposed to hurricane risks in FL and TX. The probable maximum loss is derived from multiple catastrophe modeling software applications. The software uses historical occurrences and modeled event probabilities along with stochastic distributions to calculate probable maximum losses.....
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....  
Weston's reinsurance program includes quota share and XOL protection. Cat XOL is purchased in excess of the 100 year return period. The maximum exposure is \$10.8M in the aggregate and \$5.4M for the first occurrence. ....
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?..... Yes ☒ No ☐
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes ☒ No ☐
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions:.....1
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?..... Yes ☒ No ☐
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?..... Yes ☐ No ☒
- 8.2 If yes, give full information.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity..... Yes ☐ No ☒
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. .... Yes ☐ No ☒
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R - Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? ..... Yes ☐ No ☒
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
(a) The entity does not utilize reinsurance; or,  
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or  
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. .... Yes ☐ No ☒
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? ..... Yes ☒ No ☐ N/A ☐

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?..... Yes [ ] No [ X ]
- 11.2 If yes, give full information .....
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses..... \$ .....
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$ .....
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$ .....
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... Yes [ ] No [ ] N/A [ X ]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From..... %
- 12.42 To..... %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?..... Yes [ ] No [ X ]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of Credit..... \$ .....
- 12.62 Collateral and other funds..... \$ .....
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$ .....2,700,000
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? ..... Yes [ X ] No [ ]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....2
- 14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract?..... Yes [ ] No [ X ]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants: .....
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [ ] No [ X ]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [ X ] No [ ]
- 14.5 If the answer to 14.4 is no, please explain: .....
- 15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [ ] No [ X ]
- 15.2 If yes, give full information .....
- 16.1 Does the reporting entity write any warranty business?..... Yes [ ] No [ X ]
- If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.12 Products.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.13 Automobile.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.14 Other*.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

\* Disclose type of coverage:

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

	Gross amount of unauthorized reinsurance in Schedule F – Part 3	
17.11	exempt from the statutory provision for unauthorized reinsurance.....	\$ .....
17.12	Unfunded portion of Interrogatory 17.11.....	\$ .....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11.....	\$ .....
17.14	Case reserves portion of Interrogatory 17.11.....	\$ .....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$ .....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$ .....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$ .....

18.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. .... \$ .....

18.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

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

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ X ] No [ ]

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]

## FIVE-YEAR HISTORICAL DATA

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

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	80,179,755	86,550,165	88,034,446	100,621,224	113,986,002
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
6. Total (Line 35) .....	80,179,755	86,550,165	88,034,446	100,621,224	113,986,002
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	6,031,065	4,889,943	5,691,505	713,125	722,664
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
12. Total (Line 35) .....	6,031,065	4,889,943	5,691,505	713,125	722,664
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....	818,051	(2,171,765)	(832,870)	(2,226,217)	3,327,766
14. Net investment gain (loss) (Line 11) .....	458,723	641,675	764,423	68,309	13,769
15. Total other income (Line 15) .....	179,543	216,736	145,490	170,388	202,227
16. Dividends to policyholders (Line 17) .....	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19) .....	0	(10,174)	10,175	1,098	1,126,024
18. Net income (Line 20) .....	1,456,317	(1,303,181)	66,868	(1,988,618)	2,417,739
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	82,006,501	79,530,242	86,052,356	83,071,102	108,467,121
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1) .....	1,524,165	5,684,482	2,793,042	6,578,946	1,995,447
20.2 Deferred and not yet due (Line 15.2) .....	3,499,277	3,668,721	4,341,092	4,640,514	4,290,968
20.3 Accrued retrospective premiums (Line 15.3) .....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	43,596,036	36,455,567	41,479,480	38,049,884	62,097,047
22. Losses (Page 3, Line 1) .....	2,671,130	745,819	285,682	514,479	202,259
23. Loss adjustment expenses (Page 3, Line 3) .....	397,280	247,904	226,313	609,446	354,157
24. Unearned premiums (Page 3, Line 9) .....	2,016,667	1,562,500	2,000,000	0	0
25. Capital paid up (Page 3, Lines 30 & 31) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	38,410,465	43,074,675	44,572,876	45,021,218	46,370,074
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....	4,779,192	(7,692,364)	1,337,080	6,239,714	19,618,103
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....	38,410,465	43,074,675	44,572,876	45,021,218	46,370,074
29. Authorized control level risk-based capital .....	10,724,501	7,923,656	9,806,992	3,315,752	2,504,401
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1) .....	29.2	31.2	35.0	0.2	0.0
31. Stocks (Lines 2.1 & 2.2) .....	7.9	0.3	6.2	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3) .....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5) .....	60.1	64.5	54.6	94.8	100.0
35. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7) .....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8) .....	2.8	4.0	4.2	5.0	0.0
38. Receivables for securities (Line 9) .....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1) .....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....	5,009,195	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
46. Affiliated mortgage loans on real estate .....	0	0	0	0	0
47. All other affiliated .....	0	2,400,000	3,000,000	3,250,000	0
48. Total of above Lines 42 to 47 .....	5,009,195	2,400,000	3,000,000	3,250,000	0
49. Total investment in parent included in Lines 42 to 47 above .....	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0) .....	13.0	5.6	6.7	7.2	0.0



## FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	(9,450)	(168,842)	140,331	0	0
52. Dividends to stockholders (Line 35) .....	0	0	(342,000)	0	0
53. Change in surplus as regards policyholders for the year (Line 38) .....	(4,664,208)	(1,498,201)	(448,342)	(1,348,856)	2,340,371
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	42,019,357	87,950,937	62,775,820	10,047,457	202,031
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
59. Total (Line 35) .....	42,019,357	87,950,937	62,775,820	10,047,457	202,031
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	2,944,902	8,398,440	7,678,570	6,943,617	202,031
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
65. Total (Line 35) .....	2,944,902	8,398,440	7,678,570	6,943,617	202,031
<b>Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	87.3	166.3	201.8	1,017.5	30.3
68. Loss expenses incurred (Line 3) .....	12.8	(0.7)	0.1	80.1	85.8
69. Other underwriting expenses incurred (Line 4) .....	(14.8)	(24.8)	(79.3)	(685.4)	(623.0)
70. Net underwriting gain (loss) (Line 8) .....	14.7	(40.8)	(22.6)	(312.2)	606.9
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....	(16.6)	(31.5)	(54.0)	(709.3)	(500.7)
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	100.1	165.6	201.9	1,097.6	116.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....	15.7	11.4	12.8	1.6	1.6
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11) .....	(186)	1,729	(110)	100	149
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....	(0.4)	3.9	(0.2)	0.2	0.3
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....	1,466	1,789	(242)	149	174
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) .....	3.3	4.0	(0.5)	0.3	0.3

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

Yes [ ] No [ ]

If no, please explain

## SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

### SCHEDULE P - PART 1 - SUMMARY

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 2010	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2011	0	0	0	0	0	0	0	0	0	0	0	XXX
4. 2012	4,272	4,272	0	19	19	0	0	2	2	0	0	XXX
5. 2013	72,428	73,083	(655)	347	92	108	8	51	15	0	391	XXX
6. 2014	103,521	105,786	(2,265)	141	0	84	0	41	0	0	265	XXX
7. 2015	126,068	125,520	548	246	0	165	0	35	0	0	446	XXX
8. 2016	104,785	104,072	713	28,715	19,408	2,617	2,265	1,034	917	0	9,777	XXX
9. 2017	94,101	90,409	3,692	122,688	115,729	16,507	16,421	4,312	4,300	0	7,056	XXX
10. 2018	87,508	82,181	5,327	48,696	41,697	2,446	2,342	499	255	0	7,347	XXX
11. 2019	83,455	77,878	5,577	2,558	0	319	0	149	0	0	3,026	XXX
12. Totals	XXX	XXX	XXX	203,411	176,945	22,246	21,036	6,122	5,488	0	28,309	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7. ....	0	0	0	0	0	0	0	0	0	0	0	0	XXX
8. ....	375	375	2,351	2,302	49	49	327	320	0	0	0	57	XXX
9. ....	22,719	22,719	10,621	10,592	907	893	1,476	1,472	0	0	0	47	XXX
10. ....	3,561	3,481	6,226	6,132	132	107	865	852	0	0	0	211	XXX
11. ....	582	0	1,838	0	78	0	255	0	0	0	0	2,753	XXX
12. ....	27,236	26,575	21,036	19,026	1,166	1,048	2,924	2,645	0	0	0	3,068	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2. 0	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3. 0	0	0	0	0.0	0.0	0.0	0	0	0	0	0
4. 20	20	0	0	0.5	0.5	0.0	0	0	0	0	0
5. 507	115	391	0.7	0.2	(59.8)	0	0	0	0	0	0
6. 265	0	265	0.3	0.0	(11.7)	0	0	0	0	0	0
7. 446	0	446	0.4	0.0	81.3	0	0	0	0	0	0
8. 35,468	25,635	9,833	33.8	24.6	1,378.9	0	0	0	0	50	7
9. 179,231	172,127	7,103	190.5	190.4	192.4	0	0	0	0	29	19
10. 62,424	54,866	7,558	71.3	66.8	141.9	0	0	0	0	173	38
11. 5,780	0	5,780	6.9	0.0	103.6	0	0	0	0	2,420	334
12. XXX	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	2,671	397

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

## ANNUAL STATEMENT FOR THE YEAR 2019 OF THE Weston Insurance Company

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	One Year	Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 2010	0	0	0	0	0	0	0	0	0	0	0	0
3. 2011	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0	0	0
5. 2013	XXX	XXX	XXX	279	373	453	453	352	403	356	(47)	4
6. 2014	XXX	XXX	XXX	XXX	317	386	386	247	236	225	(12)	(22)
7. 2015	XXX	XXX	XXX	XXX	XXX	452	552	450	439	411	(28)	(39)
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	7,651	7,883	9,753	9,716	(37)	1,833
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,401	7,230	7,092	(139)	(309)
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,237	7,314	77	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,631	XXX	XXX
12. Totals											(186)	1,466

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
1. Prior	000	0	0	0	0	0	0	0	0	0	XXX	XXX
2. 2010	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2011	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0	XXX	XXX
5. 2013	XXX	XXX	XXX	193	335	349	352	352	356	356	XXX	XXX
6. 2014	XXX	XXX	XXX	XXX	78	193	223	225	225	225	XXX	XXX
7. 2015	XXX	XXX	XXX	XXX	XXX	198	298	374	409	411	XXX	XXX
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	7,055	7,604	9,647	9,659	XXX	XXX
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,268	6,946	7,044	XXX	XXX
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,788	7,103	XXX	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,877	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 2010	0	0	0	0	0	0	0	0	0	0
3. 2011	XXX	0	0	0	0	0	0	0	0	0
4. 2012	XXX	XXX	0	0	0	0	0	0	0	0
5. 2013	XXX	XXX	XXX	49	14	24	101	0	7	0
6. 2014	XXX	XXX	XXX	XXX	202	141	140	23	12	0
7. 2015	XXX	XXX	XXX	XXX	XXX	131	107	44	28	0
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	68	96	60	57
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	63	314	33
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	269	106
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,093

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated By States And Territories									
States, etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	0	0	0	0	0	0	0	0
2. Alaska	AK	0	0	0	0	0	0	0	0
3. Arizona	AZ	0	0	0	0	0	0	0	0
4. Arkansas	AR	0	0	0	0	0	0	0	0
5. California	CA	0	0	0	0	0	0	0	0
6. Colorado	CO	0	0	0	0	0	0	0	0
7. Connecticut	CT	0	0	0	0	0	0	0	0
8. Delaware	DE	0	0	0	0	0	0	0	0
9. Dist. Columbia	DC	0	0	0	0	0	0	0	0
10. Florida	FL	60,873,127	63,574,244	0	38,132,076	28,839,295	45,258,576	220,309	0
11. Georgia	GA	0	0	0	0	0	0	0	0
12. Hawaii	HI	0	0	0	0	0	0	0	0
13. Idaho	ID	0	0	0	0	0	0	0	0
14. Illinois	IL	0	0	0	0	0	0	0	0
15. Indiana	IN	0	0	0	0	0	0	0	0
16. Iowa	IA	0	0	0	0	0	0	0	0
17. Kansas	KS	0	0	0	0	0	0	0	0
18. Kentucky	KY	0	0	0	0	0	0	0	0
19. Louisiana	LA	0	0	0	0	0	0	0	0
20. Maine	ME	0	0	0	0	0	0	0	0
21. Maryland	MD	0	0	0	0	0	0	0	0
22. Massachusetts	MA	0	0	0	0	0	0	0	0
23. Michigan	MI	0	0	0	0	0	0	0	0
24. Minnesota	MN	0	0	0	0	0	0	0	0
25. Mississippi	MS	10,156	3,906	0	0	0	0	0	0
26. Missouri	MO	0	0	0	0	0	0	0	0
27. Montana	MT	0	0	0	0	0	0	0	0
28. Nebraska	NE	0	0	0	0	0	0	0	0
29. Nevada	NV	0	0	0	0	0	0	0	0
30. New Hampshire	NH	0	0	0	0	0	0	0	0
31. New Jersey	NJ	0	0	0	0	0	0	0	0
32. New Mexico	NM	0	0	0	0	0	0	0	0
33. New York	NY	0	0	0	0	0	0	0	0
34. No. Carolina	NC	0	0	0	0	0	0	0	0
35. No. Dakota	ND	0	0	0	0	0	0	0	0
36. Ohio	OH	0	0	0	0	0	0	0	0
37. Oklahoma	OK	0	0	0	0	0	0	0	0
38. Oregon	OR	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	0	0	0	0	0	0	0	0
40. Rhode Island	RI	0	0	0	0	0	0	0	0
41. So. Carolina	SC	0	0	0	0	0	0	0	0
42. So. Dakota	SD	0	0	0	0	0	0	0	0
43. Tennessee	TN	0	0	0	0	0	0	0	0
44. Texas	TX	19,244,578	17,749,871	0	2,695,252	(22,628)	3,006,167	68,897	0
45. Utah	UT	0	0	0	0	0	0	0	0
46. Vermont	VT	0	0	0	0	0	0	0	0
47. Virginia	VA	0	0	0	0	0	0	0	0
48. Washington	WA	0	0	0	0	0	0	0	0
49. West Virginia	WV	0	0	0	0	0	0	0	0
50. Wisconsin	WI	0	0	0	0	0	0	0	0
51. Wyoming	WY	0	0	0	0	0	0	0	0
52. American Samoa	AS	0	0	0	0	0	0	0	0
53. Guam	GU	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	0	0	0	0	0	0	0	0
57. Canada	CAN	0	0	0	0	0	0	0	0
58. Aggregate other alien	OT	0	0	0	0	0	0	0	0
59. Totals	XXX	80,127,861	81,328,021	0	40,827,328	28,816,667	48,264,743	289,206	0
<b>DETAILS OF WRITE-INS</b>									
58001.	XXX	0	0	0	0	0	0	0	0
58002.	XXX	0	0	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0	0	0
58998. Sum. of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

## (a) Active Status Counts

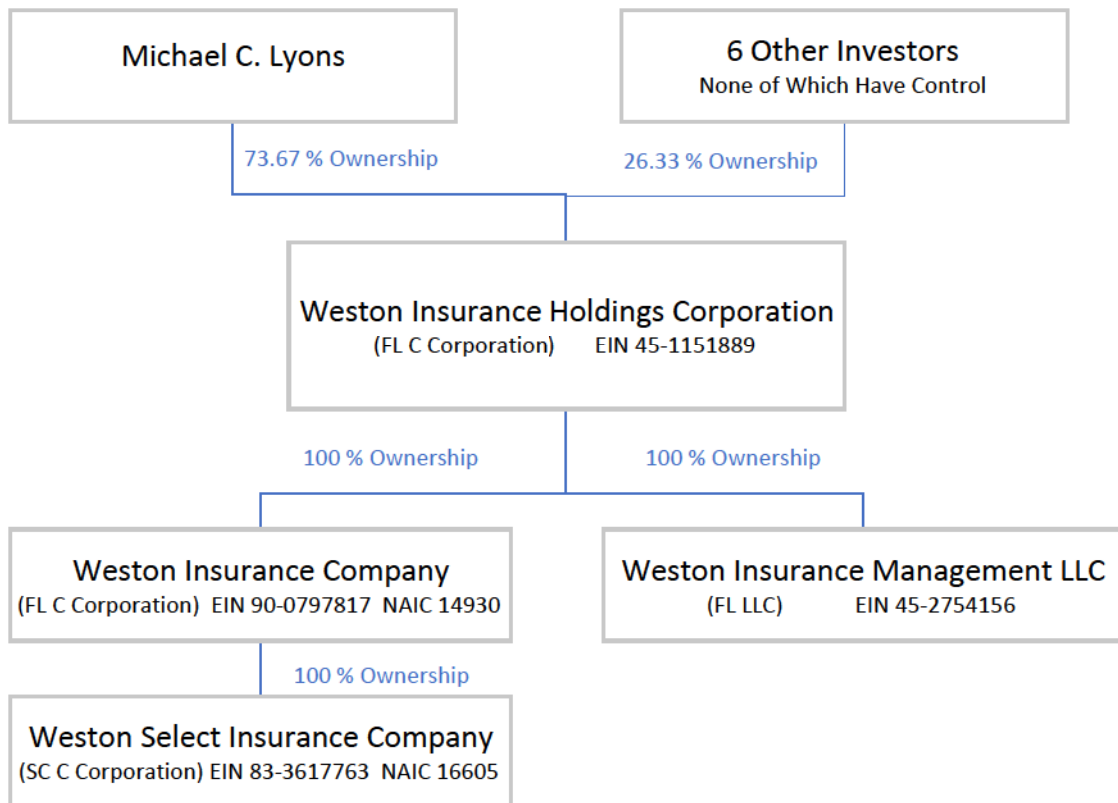
L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG ..... 5 R – Registered – Non-domiciled RRGs ..... 0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) ..... 0 Q – Qualified – Qualified or accredited reinsurer ..... 1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile ..... 0 N – None of the above – Not allowed to write business in the state ..... 51

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

All premiums are allocated to the state in which the risk is located.

STATEMENT FOR DECEMBER 31, 2019 OF WESTON INSURANCE COMPANY SCHEDULE Y –  
INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY

GROUP PART 1 – ORGANIZATIONAL CHART





# ALPHABETICAL INDEX

## ANNUAL STATEMENT BLANK

Assets	2
Cash Flow	5
Exhibit of Capital Gains (Losses)	12
Exhibit of Net Investment Income	12
Exhibit of Nonadmitted Assets	13
Exhibit of Premiums and Losses (State Page)	19
Five-Year Historical Data	17
General Interrogatories	15
Jurat Page	1
Liabilities, Surplus and Other Funds	3
Notes To Financial Statements	14
Overflow Page For Write-Ins	100
Schedule A – Part 1	E01
Schedule A – Part 2	E02
Schedule A – Part 3	E03
Schedule A – Verification Between Years	SI02
Schedule B – Part 1	E04
Schedule B – Part 2	E05
Schedule B – Part 3	E06
Schedule B – Verification Between Years	SI02
Schedule BA – Part 1	E07
Schedule BA – Part 2	E08
Schedule BA – Part 3	E09
Schedule BA – Verification Between Years	SI03
Schedule D – Part 1	E10
Schedule D – Part 1A – Section 1	SI05
Schedule D – Part 1A – Section 2	SI08
Schedule D – Part 2 – Section 1	E11
Schedule D – Part 2 – Section 2	E12
Schedule D – Part 3	E13
Schedule D – Part 4	E14
Schedule D – Part 5	E15
Schedule D – Part 6 – Section 1	E16
Schedule D – Part 6 – Section 2	E16
Schedule D – Summary By Country	SI04
Schedule D – Verification Between Years	SI03
Schedule DA – Part 1	E17



## ALPHABETICAL INDEX

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### ANNUAL STATEMENT BLANK (Continued)

Schedule DA – Verification Between Years	SI10
Schedule DB – Part A – Section 1	E18
Schedule DB – Part A – Section 2	E19
Schedule DB – Part A – Verification Between Years	SI11
Schedule DB – Part B – Section 1	E20
Schedule DB – Part B – Section 2	E21
Schedule DB – Part B – Verification Between Years	SI11
Schedule DB – Part C – Section 1	SI12
Schedule DB – Part C – Section 2	SI13
Schedule DB – Part D – Section 1	E22
Schedule DB – Part D – Section 2	E23
Schedule DB – Part E	E24
Schedule DB – Verification	SI14
Schedule DL – Part 1	E25
Schedule DL – Part 2	E26
Schedule E – Part 1 – Cash	E27
Schedule E – Part 2 – Cash Equivalents	E28
Schedule E – Part 2 - Verification Between Years	SI15
Schedule E – Part 3 – Special Deposits	E29
Schedule F – Part 1	20
Schedule F – Part 2	21
Schedule F – Part 3	22
Schedule F – Part 4	27
Schedule F – Part 5	28
Schedule F – Part 6	29
Schedule H – Part 1 - Accident and Health Exhibit	30
Schedule H – Part 2, Part 3, and Part 4	31
Schedule H – Part 5 – Health Claims	32
Schedule P – Part 1 – Summary	33
Schedule P – Part 1A – Homeowners/Farmowners	35
Schedule P – Part 1B – Private Passenger Auto Liability/Medical	36
Schedule P – Part 1C – Commercial Auto/Truck Liability/Medical	37
Schedule P – Part 1D – Workers' Compensation (Excluding Excess Workers' Compensation)	38

## ALPHABETICAL INDEX

### ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 1E – Commercial Multiple Peril	39
Schedule P – Part 1F – Section 1 – Medical Professional Liability – Occurrence	40
Schedule P – Part 1F – Section 2 – Medical Professional Liability – Claims-Made	41
Schedule P – Part 1G – Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler and Machinery)	42
Schedule P – Part 1H – Section 1 – Other Liability–Occurrence	43
Schedule P – Part 1H – Section 2 – Other Liability – Claims-Made	44
Schedule P – Part 1I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45
Schedule P – Part 1J – Auto Physical Damage	46
Schedule P – Part 1K – Fidelity/Surety	47
Schedule P – Part 1L – Other (Including Credit, Accident and Health)	48
Schedule P – Part 1M – International	49
Schedule P – Part 1N – Reinsurance – Nonproportional Assumed Property	50
Schedule P – Part 1O – Reinsurance – Nonproportional Assumed Liability	51
Schedule P – Part 1P – Reinsurance – Nonproportional Assumed Financial Lines	52
Schedule P – Part 1R – Section 1 – Products Liability – Occurrence	53
Schedule P – Part 1R – Section 2 – Products Liability – Claims – Made	54
Schedule P – Part 1S – Financial Guaranty/Mortgage Guaranty	55
Schedule P – Part 1T – Warranty	56
Schedule P – Part 2, Part 3 and Part 4 – Summary	34
Schedule P – Part 2A – Homeowners/Farmowners	57
Schedule P – Part 2B – Private Passenger Auto Liability/Medical	57
Schedule P – Part 2C – Commercial Auto/Truck Liability/Medical	57
Schedule P – Part 2D – Workers' Compensation (Excluding Excess Workers' Compensation)	57
Schedule P – Part 2E – Commercial Multiple Peril	57
Schedule P – Part 2F – Section 1 – Medical Professional Liability – Occurrence	58
Schedule P – Part 2F – Section 2 – Medical Professional Liability – Claims – Made	58
Schedule P – Part 2G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	58
Schedule P – Part 2H – Section 1 – Other Liability – Occurrence	58
Schedule P – Part 2H – Section 2 – Other Liability – Claims – Made	58
Schedule P – Part 2I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	59
Schedule P – Part 2J – Auto Physical Damage	59
Schedule P – Part 2K – Fidelity, Surety	59
Schedule P – Part 2L – Other (Including Credit, Accident and Health)	59
Schedule P – Part 2M – International	59
Schedule P – Part 2N – Reinsurance – Nonproportional Assumed Property	60
Schedule P – Part 2O – Reinsurance – Nonproportional Assumed Liability	60
Schedule P – Part 2P – Reinsurance – Nonproportional Assumed Financial Lines	60
Schedule P – Part 2R – Section 1 – Products Liability – Occurrence	61
Schedule P – Part 2R – Section 2 – Products Liability – Claims-Made	61
Schedule P – Part 2S – Financial Guaranty/Mortgage Guaranty	61
Schedule P – Part 2T – Warranty	61
Schedule P – Part 3A – Homeowners/Farmowners	62

## ALPHABETICAL INDEX

### ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 3B – Private Passenger Auto Liability/Medical	62
Schedule P – Part 3C – Commercial Auto/Truck Liability/Medical	62
Schedule P – Part 3D – Workers' Compensation (Excluding Excess Workers' Compensation)	62
Schedule P – Part 3E – Commercial Multiple Peril	62
Schedule P – Part 3F – Section 1 – Medical Professional Liability – Occurrence	63
Schedule P – Part 3F – Section 2 – Medical Professional Liability – Claims-Made	63
Schedule P – Part 3G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	63
Schedule P – Part 3H – Section 1 – Other Liability – Occurrence	63
Schedule P – Part 3H – Section 2 – Other Liability – Claims-Made	63
Schedule P – Part 3I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, and Theft)	64
Schedule P – Part 3J – Auto Physical Damage	64
Schedule P – Part 3K – Fidelity/Surety	64
Schedule P – Part 3L – Other (Including Credit, Accident and Health)	64
Schedule P – Part 3M – International	64
Schedule P – Part 3N – Reinsurance – Nonproportional Assumed Property	65
Schedule P – Part 3O – Reinsurance – Nonproportional Assumed Liability	65
Schedule P – Part 3P – Reinsurance – Nonproportional Assumed Financial Lines	65
Schedule P – Part 3R – Section 1 – Products Liability – Occurrence	66
Schedule P – Part 3R – Section 2 – Products Liability – Claims-Made	66
Schedule P – Part 3S – Financial Guaranty/Mortgage Guaranty	66
Schedule P – Part 3T – Warranty	66
Schedule P – Part 4A – Homeowners/Farmowners	67
Schedule P – Part 4B – Private Passenger Auto Liability/Medical	67
Schedule P – Part 4C – Commercial Auto/Truck Liability/Medical	67
Schedule P – Part 4D – Workers' Compensation (Excluding Excess Workers' Compensation)	67
Schedule P – Part 4E – Commercial Multiple Peril	67
Schedule P – Part 4F – Section 1 – Medical Professional Liability – Occurrence	68
Schedule P – Part 4F – Section 2 – Medical Professional Liability – Claims-Made	68
Schedule P – Part 4G – Special Liability (Ocean Marine, Aircraft (All Perils), Boiler and Machinery)	68
Schedule P – Part 4H – Section 1 – Other Liability – Occurrence	68
Schedule P – Part 4H – Section 2 – Other Liability – Claims-Made	68
Schedule P – Part 4I – Special Property (Fire, Allied Lines, Inland Marine, Earthquake, Burglary and Theft)	69
Schedule P – Part 4J – Auto Physical Damage	69
Schedule P – Part 4K – Fidelity/Surety	69
Schedule P – Part 4L – Other (Including Credit, Accident and Health)	69
Schedule P – Part 4M – International	69
Schedule P – Part 4N – Reinsurance – Nonproportional Assumed Property	70
Schedule P – Part 4O – Reinsurance – Nonproportional Assumed Liability	70
Schedule P – Part 4P – Reinsurance – Nonproportional Assumed Financial Lines	70
Schedule P – Part 4R – Section 1 – Products Liability – Occurrence	71
Schedule P – Part 4R – Section 2 – Products Liability – Claims-Made	71

## ALPHABETICAL INDEX

### ANNUAL STATEMENT BLANK (Continued)

Schedule P – Part 4S – Financial Guaranty/Mortgage Guaranty	71
Schedule P – Part 4T – Warranty	71
Schedule P – Part 5A – Homeowners/Farmowners	72
Schedule P – Part 5B – Private Passenger Auto Liability/Medical	73
Schedule P – Part 5C – Commercial Auto/Truck Liability/Medical	74
Schedule P – Part 5D – Workers' Compensation (Excluding Excess Workers' Compensation)	75
Schedule P – Part 5E – Commercial Multiple Peril	76
Schedule P – Part 5F – Medical Professional Liability – Claims-Made	78
Schedule P – Part 5F – Medical Professional Liability – Occurrence	77
Schedule P – Part 5H – Other Liability – Claims-Made	80
Schedule P – Part 5H – Other Liability – Occurrence	79
Schedule P – Part 5R – Products Liability – Claims-Made	82
Schedule P – Part 5R – Products Liability – Occurrence	81
Schedule P – Part 5T – Warranty	83
Schedule P – Part 6C – Commercial Auto/Truck Liability/Medical	84
Schedule P – Part 6D – Workers' Compensation (Excluding Excess Workers' Compensation)	84
Schedule P – Part 6E – Commercial Multiple Peril	85
Schedule P – Part 6H – Other Liability – Claims-Made	86
Schedule P – Part 6H – Other Liability – Occurrence	85
Schedule P – Part 6M – International	86
Schedule P – Part 6N – Reinsurance – Nonproportional Assumed Property	87
Schedule P – Part 6O – Reinsurance – Nonproportional Assumed Liability	87
Schedule P – Part 6R – Products Liability – Claims-Made	88
Schedule P – Part 6R – Products Liability – Occurrence	88
Schedule P – Part 7A – Primary Loss Sensitive Contracts	89
Schedule P – Part 7B – Reinsurance Loss Sensitive Contracts	91
Schedule P Interrogatories	93
Schedule T – Exhibit of Premiums Written	94
Schedule T – Part 2 – Interstate Compact	95
Schedule Y – Part 1 - Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule Y – Part 1A – Detail of Insurance Holding Company System	97
Schedule Y – Part 2 – Summary of Insurer's Transactions With Any Affiliates	98
Statement of Income	4
Summary Investment Schedule	SI01
Supplemental Exhibits and Schedules Interrogatories	99
Underwriting and Investment Exhibit Part 1	6
Underwriting and Investment Exhibit Part 1A	7
Underwriting and Investment Exhibit Part 1B	8
Underwriting and Investment Exhibit Part 2	9
Underwriting and Investment Exhibit Part 2A	10
Underwriting and Investment Exhibit Part 3	11





PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF MARCH 31, 2020  
OF THE CONDITION AND AFFAIRS OF THE

## Weston Insurance Company

NAIC Group Code	04957	04957	NAIC Company Code	14930	Employer's ID Number	90-0797817
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry	Florida		
Country of Domicile	United States					
Incorporated/Organized	02/21/2012		Commenced Business	12/21/2012		
Statutory Home Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		888-800-5002-1009	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	P.O. Box 14-2057		Coral Gables, FL, US 33114-2057			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		786-646-1189	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Lynn Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

### OFFICERS

Name	Title	Name	Title
Michael Christopher Lyons	Chief Executive Officer & President	Bryan Triplett McCully	SVP, CAO & General Counsel
Richard Bruno Primerano	SVP, CFO, COO & Treasurer		

### OTHER OFFICERS

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### DIRECTORS OR TRUSTEES

Michael Christopher Lyons	Bryan Triplett McCully	Gregory Ernest Alexander Morrison	Deanne Dietrich Nixon
Richard Bruno Primerano			

State of \_\_\_\_\_

County of \_\_\_\_\_

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

Michael Christopher Lyons Chief Executive Officer & President	Bryan Triplett McCully SVP, CAO & General Counsel	Richard Bruno Primerano SVP, CFO, COO & Treasurer
--	--	--

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_



## STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	18,664,737		18,664,737	18,506,264
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	5,009,195		5,009,195	5,009,195
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... 17,740,774 ), cash equivalents (\$ ..... 16,865,417 ) and short-term investments (\$ ..... 286,427 ) .....	34,892,618		34,892,618	38,099,954
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	3,100,000		3,100,000	1,800,000
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	61,666,550	0	61,666,550	63,415,413
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	154,428		154,428	85,145
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	11,834,070	260,678	11,573,392	7,323,547
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	3,171,571		3,171,571	3,499,277
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	52,331		52,331	655,340
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	4,840,000		4,840,000	4,840,000
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	887,183		887,183	887,183
18.2 Net deferred tax asset .....	407,180		407,180	456,444
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	12,436,594	4,486,041	7,950,553	6,285,946
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	352,080	0	352,080	357,588
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	95,801,988	4,746,719	91,055,269	87,805,883
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	95,801,988	4,746,719	91,055,269	87,805,883
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. ....			0	0
2502. Brokerage Sharing Commission Receivable .....	175,382		175,382	180,890
2503. State Income Tax Recoverable .....	176,698		176,698	176,698
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	352,080	0	352,080	357,588

## STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ _____ )	2,987,027	2,671,130
2. Reinsurance payable on paid losses and loss adjustment expenses	451,307	0
3. Loss adjustment expenses	412,618	397,280
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	379,722	136,700
7.1 Current federal and foreign income taxes (including \$ _____ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ _____ and interest thereon \$ _____		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ _____ 48,711,403 and including warranty reserves of \$ _____ and accrued accident and health experience rating refunds including \$ _____ for medical loss ratio rebate per the Public Health Service Act)	806,667	2,016,667
10. Advance premium	2,987,784	1,731,555
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	36,813,105	32,199,709
13. Funds held by company under reinsurance treaties	7,560,304	9,037,396
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ _____ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates	745	745
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ _____ and interest thereon \$ _____		0
25. Aggregate write-ins for liabilities	1,197,409	1,204,236
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	53,596,688	49,395,418
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	53,596,688	49,395,418
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,500,000	2,500,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	38,800,000	38,800,000
35. Unassigned funds (surplus)	(3,841,421)	(2,889,535)
36. Less treasury stock, at cost:		
36.1 _____ shares common (value included in Line 30 \$ _____ )		0
36.2 _____ shares preferred (value included in Line 31 \$ _____ )		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	37,458,579	38,410,465
38. Totals (Page 2, Line 28, Col. 3)	91,055,267	87,805,883
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Ceding Commissions	666,439	690,809
2502. Refunds Payable	152,745	162,747
2503. Escheat Payable	378,226	350,680
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,197,409	1,204,236
2901. _____		0
2902. _____		0
2903. _____		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. _____		0
3202. _____		0
3203. _____		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 16,443,564 )	20,054,267	20,090,363	81,328,021
1.2 Assumed (written \$ 7,194,055 )	4,725,827	1,287,337	2,126,872
1.3 Ceded (written \$ 23,344,011 )	23,276,487	20,200,449	77,877,995
1.4 Net (written \$ 293,608 )	1,503,608	1,177,251	5,576,898
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 1,291,287 ):			
2.1 Direct	571,764	446,212	28,816,667
2.2 Assumed	729,814	17,214	204,345
2.3 Ceded	(103,356)	3,290	24,150,798
2.4 Net	1,404,933	460,136	4,870,214
3. Loss adjustment expenses incurred	159,980	78,163	711,489
4. Other underwriting expenses incurred	(195,066)	(205,916)	(822,855)
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	1,369,847	332,383	4,758,848
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	133,761	844,868	818,050
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	71,482	116,102	413,839
10. Net realized capital gains (losses) less capital gains tax of \$	(7,062)	12,090	44,884
11. Net investment gain (loss) (Lines 9 + 10)	64,420	128,193	458,723
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	(40,022)	(13,587)	(109,663)
13. Finance and service charges not included in premiums	76,429	67,260	289,206
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	36,407	53,673	179,543
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	234,588	1,026,733	1,456,317
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	234,588	1,026,733	1,456,317
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	234,588	1,026,733	1,456,317
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	38,410,465	43,074,673	43,074,674
22. Net income (from Line 20)	234,588	1,026,733	1,456,317
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	0	(9,450)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(49,265)	(113,175)	(244,592)
27. Change in nonadmitted assets	(1,137,209)	12,400	(3,166,483)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	(2,700,000)	(2,700,000)	(2,700,000)
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(951,886)	(1,774,042)	(4,664,209)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	37,458,579	41,300,632	38,410,465
<b>DETAILS OF WRITE-INS</b>			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	2,201,071	(738,512)	5,484,792
2. Net investment income .....	2,199	60,178	452,241
3. Miscellaneous income .....	36,407	53,673	179,543
4. Total (Lines 1 to 3) .....	2,239,677	(624,661)	6,116,577
5. Benefit and loss related payments .....	486,027	3,661,794	2,328,304
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	111,293	61,502	(422,459)
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	(98,529)	(396,953)	(568,461)
10. Total (Lines 5 through 9) .....	498,791	3,326,343	1,337,385
11. Net cash from operations (Line 4 minus Line 10) .....	1,740,886	(3,951,004)	4,779,192
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,292,857	1,458,081	6,403,658
12.2 Stocks .....	0	179,929	5,206,397
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	150,000	150,000	600,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	1,831	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,442,857	1,789,840	12,210,056
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	1,463,244	1,215,215	6,274,061
13.2 Stocks .....	0	0	9,999,837
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	1,450,000	0	0
13.6 Miscellaneous applications .....	5,967	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	2,919,211	1,215,215	16,273,899
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(1,476,354)	574,626	(4,063,843)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	(2,700,000)	(2,700,000)
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	(3,471,868)	(2,228,186)	1,491,278
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	(3,471,868)	(4,928,186)	(1,208,722)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(3,207,336)	(8,304,564)	(493,373)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	38,099,954	38,593,327	38,593,327
19.2 End of period (Line 18 plus Line 19.1) .....	34,892,618	30,288,763	38,099,954



## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The financial statements of Weston Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	03/31/2020	12/31/2019
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 234,588	\$ 1,456,317
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ 234,588	\$ 1,456,317
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 37,458,579	\$ 38,410,465
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 37,458,579	\$ 38,410,465

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

#### D. Going Concern - Not Applicable

### 2. Accounting Changes and Corrections of Errors - Not Applicable

### 3. Business Combinations and Goodwill - Not Applicable

### 4. Discontinued Operations - Not Applicable



## Notes to the Financial Statements

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

	Gross (Admitted & Nonadmitted) Restricted										
	Current Year						Current Year				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	339,614				339,614	335,984	3,630		339,614		
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets	4,840,000				4,840,000	4,840,000	—		4,840,000		
o. Total restricted assets	\$ 5,179,614	\$	\$	\$	\$ 5,179,614	\$ 5,175,984	\$ 3,630	\$	\$ 5,179,614	%	%

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

The Company has restricted assets in the amount of \$4,840,000 per the terms of a reinsurance contract, requiring deposit accounting, incepting June 1, 2019.

## Notes to the Financial Statements

## 5. Investments (Continued)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							Percentage		
	Current Year							(8)	(9)	(10)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)			
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase/ (Decrease) (5 - 6)			
Asset Protection Contract	\$ 4,840,000	\$	\$	\$	\$ 4,840,000	\$ 4,840,000	\$ —		%	%
Total	\$ 4,840,000	\$	\$	\$	\$ 4,840,000	\$ 4,840,000	\$ —	\$	%	%

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees - Not Applicable

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes - No Significant Changes

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

A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the Termination Date ) unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.

On March 31, 2020, the amount of the loan outstanding is \$3,100,000. Interest income in the amount of \$36,889 was recorded by the Company in 2020.

C. Amount of Transactions & Effects of Change in Terms of Intercompany Arrangements - Not Applicable

D. Amounts due to or from related parties

The Company has a receivable of \$10,011,903 from WIM.

E. Guarantees or Contingencies - Not Applicable

F. Management, service contracts, cost sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and for claims administration. An expense of \$5,526,124 and \$3,995,441 was recorded for the three months ending March 31, 2020 and 2019 respectively, per the terms of the MGA agreement.

G. Nature of Relationships that Could Affect Operations - Not Applicable

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

## M. All SCA Investments

## (1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities .....	XXX	\$ .....	\$ .....	\$ .....
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities .....	XXX	\$ .....	\$ .....	\$ .....
c. SSAP No. 97 8b(iii) Entities				
Weston Select Insurance Company .....	%	\$ .....	\$ .....	\$ .....
Total SSAP No. 97 8b(iii) Entities .....	XXX	\$ .....	\$ .....	\$ .....
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities .....	XXX	\$ .....	\$ .....	\$ .....
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....	XXX	\$ .....	\$ .....	\$ .....
f. Aggregate Total (a+e) .....	XXX	\$ .....	\$ .....	\$ .....

## (2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities .....			\$ .....			
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities .....			\$ .....			
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities .....			\$ .....			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities .....			\$ .....			
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....			\$ .....			
f. Aggregate Total (a+e) .....			\$ .....			

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

\*\* I - Immaterial or M - Material

## N. Investment in Insurance SCAs

## (1)

## (2) The monetary effect on net income and surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA had Completed Statutory Financial Statements*
Weston Select Insurance Company .....	\$ .....	\$ .....	\$ .....	\$ .....

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

## (3)

## O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## 1. Outstanding shares

As of March 31, 2020 and 2019 the Company has 25,000 shares of authorized, issued and outstanding common stock at par value of one hundred dollars (\$100) per share.

## 2. Dividend Rate of Preferred Stock - Not Applicable

## 3. Dividend restrictions

## Notes to the Financial Statements

### 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)

Florida Statute 628.371 restricts dividend payment for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation the total amount of dividend restriction for WIC is \$3,876,162, which is 10% of surplus.

#### 4. Dates and amounts of dividends paid

The company paid a total of \$2,700,000 to parent Weston Insurance Holdings Company during the first quarter of 2019.

5. Company Profits Paid as Ordinary Dividends - Not Applicable
6. Surplus Restrictions - Not Applicable
7. Surplus Advances - Not Applicable
8. Stock Held for Special Purposes - Not Applicable
9. Changes in Special Surplus Funds - Not Applicable
10. Unassigned funds (surplus) - Not Applicable
11. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
12. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
13. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments - Not Applicable
- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

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

A

Method used to disclose claim count information:

(f) Per Claim (g) Per Claimant

- E. Product Warranties - Not Applicable
- F. Joint and Several Liabilities - Not Applicable
- G. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

### 15. Leases - Not Applicable

### 16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

### 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

In 2012, the Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the Company. All authorities for WIM with respect to the MGA contract remain unchanged.



## Notes to the Financial Statements

## 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (Continued)

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CA,R,PB,U	\$ 16,443,564
Total					\$ 16,443,564

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

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

## (2) Fair value measurements in Level 3 of the fair value hierarchy

Description	Ending balance as of 12/31/2019	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance for 03/31/2020
a. Assets										
Total assets	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
b. Liabilities										
Total liabilities	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

(3)

(4)

(5)

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$	\$	\$	\$	\$	\$	\$
Common Stock							
Cash, Cash Equivalents and Short-Term Investments	17,152,001	17,152,001	17,152,001				

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

- Assets in the amount of \$339,614 are on deposit with the State of Florida, Department of Financial Services, and \$124,812 is on deposit with the State of South Carolina, as required by law.
- For the twelve months ending December 31, 2019, the Company wrote \$78,202,196 of direct premium, assumed \$64,119 of premium from Citizens Property Insurance Corporation, and assumed \$116,013 from Texas Windstorm Insurance Association (TWIA). The TWIA premium is a result of a reclassification of assumed reinsurance premium to direct premium via a novation contract that inception on June 1, 2019.
- Agent balances certification
  - Agents' balance or uncollected premiums as reported on Page 2, Line 15.1 were \$2,484,609.
  - Amounts of agents' balances or uncollected premiums from Page 2, Line 15.1 that is due from controlled or controlling persons were \$0.
  - Amount reported in #2 above and secured by a trust fund, letter of credit and financial guaranty bond as required by Section 625.012, Florida Statutes were \$0.

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable



## Notes to the Financial Statements

## 21. Other Items (Continued)

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

(1) Amount of admitted balance that could be realized from an investment vehicle	\$
(2) Percentage bonds	%
(3) Percentage stocks	%
(4) Percentage mortgage loans	%
(5) Percentage real estate	%
(6) Percentage cash and short-term investments	%
(7) Percentage derivatives	%
(8) Percentage other invested assets	%

## 22. Events Subsequent

The dissolution of the Weston Select Insurance Corporation (an affiliated company, WSIC) was authorized by a unanimous written consent action of WSIC's Board of Directors on April 15, 2020, and by a written consent action of WSIC's shareholder on April 15, 2020. The dissolution of WSIC was authorized by resolution of the Board of Directors in accordance with Section 33-14-101 of the South Carolina Statutes, and by WSIC's shareholder in accordance with Section 33-14-102 of the South Carolina Statutes. These Articles of Dissolution are effective as of April 16, 2020.

On April 28, 2020 the Florida Office of Insurance Regulation approved an extraordinary dividend from WIC to Weston Insurance Holdings Corporation for \$5 million.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act?		
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment	\$	
F. Total adjusted capital after surplus adjustment	\$	
G. Authorized control level	\$	
H. Would reporting the ACA assessment as of Dec 31 have triggered an RBC action level?		

## Type II

In January 2020, the Company's parent, Weston Insurance Holdings Corporation, issued a letter of intent to purchase 100% of the outstanding shares of Anchor Specialty Insurance Company (NAIC No. 11853). The purchase is expected to close in the second quarter 2020.

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

Amount (000) omitted

NAIC Group Code	Federal ID#	Name of Reinsurer	Amount
0	AA-5320039	Peak Reinsurance Company Limited (Pioneer CAT o/b/o Peak Reinsurance Company Limited)	\$ 1,621
26921	22-2005057	Everest Reinsurance Company	15,987
32484	13-2832845	Munich Reinsurance America, Inc.	12,008
23680	47-0698507	Odyssey Reinsurance Company	6,719
93483	22-2374444	Swiss Reinsurance America Corporation, By: Swiss Re Underwriters Agency Inc.	1,255
19453	13-5616275	Transatlantic Reinsurance Company	11,697
0	AA-3190873	Ariel Reins Co Ltd	2,120
0	AA-3190686	Partner Reinsurance Company Ltd	9,402
0	AA-3191315	L Bermuda Limited	4,961
0	AA-0057203	General Reins Ltd	4,982
0	AA-9991310	Florida Hurricane Catastrophe Fund	26,853

## B. Reinsurance Recoverable in Dispute - Not Applicable

## C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 11,770,166	\$ 3,462,194	\$ 11,770,166	\$ 3,462,194	\$ -	\$ -
b. All other	-	-	35,063,650	10,313,973	(35,063,650)	(10,313,973)
c. Total	\$ 11,770,166	\$ 3,462,194	\$ 46,833,816	\$ 13,776,167	\$ (35,063,650)	\$ (10,313,973)
d. Direct unearned premium reserve			\$ 35,870,316			

**Notes to the Financial Statements****23. Reinsurance (Continued)**

(2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

(3) Risks attributed to each of the company's protected cells - Not Applicable

D. Uncollectible Reinsurance - Not Applicable

E. Commutation of Ceded Reinsurance - Not Applicable

F. Retroactive Reinsurance - Not Applicable

G. Reinsurance Accounted for as a Deposit

The Company participates in a reinsurance agreement that is accounted for as a deposit. The contract covers \$2,420,000 per occurrence and \$4,840,000 in the aggregate with a retention of \$590,335. The contract inceptioned June 1, 2019.

Description	Interest Income	Cash Recoveries	Deposit Balance
Asset Protection Cover .....	\$ .....	\$ .....	\$ .....

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination - Not Applicable****25. Changes in Incurred Losses and Loss Adjustment Expenses**

A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2019 were \$3,068,411. For the three months ending March 31, 2020, \$714,935 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,344,809 resulting in favorable development of \$8,668. Increases or decreases of this nature occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims.

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

**26. Intercompany Pooling Arrangements - Not Applicable****27. Structured Settlements - Not Applicable****28. Health Care Receivables - Not Applicable****29. Participating Policies - Not Applicable****30. Premium Deficiency Reserves - Not Applicable****31. High Deductibles - Not Applicable****32. Discounting of Liabilities by Withdrawal Characteristics For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable****33. Asbestos/Environmental Reserves - Not Applicable****34. Subscriber Savings Accounts - Not Applicable****35. Multiple Peril Crop Insurance - Not Applicable****36. Financial Guaranty Insurance - Not Applicable**

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes ☐ No ☒
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes ☐ No ☐
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes ☐ No ☒
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes ☒ No ☐
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
Weston Insurance Holdings Company, the parent organization of Weston Insurance Company, acquired Anchor Specialty Insurance Company including a number of their employees.....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes ☐ No ☒
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes ☐ No ☒  
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes ☐ No ☐ NA ☐  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2015
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....05/30/2017
- 6.4 By what department or departments?  
Florida Office of Insurance Regulation.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes ☐ No ☐ NA ☒
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes ☐ No ☐ NA ☒
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes ☐ No ☒
- 7.2 If yes, give full information:  
.....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes ☐ No ☒
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.  
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes ☐ No ☒
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

**GENERAL INTERROGATORIES**

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain: .....
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes ☐ No ☒
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s). .....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes ☐ No ☒
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). .....

**FINANCIAL**

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes ☐ No ☒
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....

**INVESTMENT**

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes ☐ No ☒
- 11.2 If yes, give full and complete information relating thereto: .....
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes ☒ No ☐
- 14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....5,009,195	\$ .....5,009,436
14.24 Short-Term Investments .....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate .....	\$ .....0	\$ .....0
14.26 All Other .....	\$ .....0	\$ .....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ .....5,009,195	\$ .....5,009,436
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....0	\$ .....0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes ☐ No ☒
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes ☐ No ☐ NA ☒
- If no, attach a description with this statement.
- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ .....0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ .....0
- 16.3 Total payable for securities lending reported on the liability page ..... \$ .....0



## GENERAL INTERROGATORIES

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

- 17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Merrill Lynch	355 Alhambra Cir. Ste 1502 Coral Gables, FL 33134

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? .....

Yes ☐ No ☒

- 17.4 If yes, give full and complete information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management	A

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? .....

Yes ☒ No ☐

- 18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?.....

Yes ☐ No ☒

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?.....

Yes ☐ No ☒



## GENERAL INTERROGATORIES

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:.....
- a. The shares were purchased prior to January 1, 2019.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - d. The fund only or predominantly holds bonds in its portfolio.
  - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [X]

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes ☐ No ☐ NA ☒

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes ☐ No ☒

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes ☐ No ☒

- 3.2 If yes, give full and complete information thereto.

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? ..... Yes ☐ No ☐

- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			
				5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

- 6.1 Do you act as a custodian for health savings accounts? ..... Yes ☐ No ☒

- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$

- 6.3 Do you act as an administrator for health savings accounts? ..... Yes ☐ No ☒

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes ☒ No ☐

- 7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes ☐ No ☐

**STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company**

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date - Allocated by States and Territories							
States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL		0		0		0
2. Alaska	AK		0		0		0
3. Arizona	AZ		0		0		0
4. Arkansas	AR		0		0		0
5. California	CA		0		0		0
6. Colorado	CO		0		0		0
7. Connecticut	CT		0		0		0
8. Delaware	DE		0		0		0
9. Dist. Columbia	DC		0		0		0
10. Florida	FL	11,760,479	11,361,793	2,773,364	15,072,851	41,849,486	16,556,984
11. Georgia	GA		0		0		0
12. Hawaii	HI		0		0		0
13. Idaho	ID		0		0		0
14. Illinois	IL		0		0		0
15. Indiana	IN		0		0		0
16. Iowa	IA		0		0		0
17. Kansas	KS		0		0		0
18. Kentucky	KY		0		0		0
19. Louisiana	LA		0		0		0
20. Maine	ME		0		0		0
21. Maryland	MD		0		0		0
22. Massachusetts	MA		0		0		0
23. Michigan	MI		0		0		0
24. Minnesota	MN		0		0		0
25. Mississippi	MS		0		0		0
26. Missouri	MO		0		0		0
27. Montana	MT		0		0		0
28. Nebraska	NE		0		0		0
29. Nevada	NV		0		0		0
30. New Hampshire	NH		0		0		0
31. New Jersey	NJ		0		0		0
32. New Mexico	NM		0		0		0
33. New York	NY		0		0		0
34. No. Carolina	NC		0		0		0
35. No. Dakota	ND		0		0		0
36. Ohio	OH		0		0		0
37. Oklahoma	OK		0		0		0
38. Oregon	OR		0		0		0
39. Pennsylvania	PA		0		0		0
40. Rhode Island	RI		0		0		0
41. So. Carolina	SC		0		0		0
42. So. Dakota	SD		0		0		0
43. Tennessee	TN		0		0		0
44. Texas	TX	4,683,085	3,141,554	1,315,072	305,614	2,898,585	4,035,477
45. Utah	UT		0		0		0
46. Vermont	VT		0		0		0
47. Virginia	VA		0		0		0
48. Washington	WA		0		0		0
49. West Virginia	WV		0		0		0
50. Wisconsin	WI		0		0		0
51. Wyoming	WY		0		0		0
52. American Samoa	AS		0		0		0
53. Guam	GU		0		0		0
54. Puerto Rico	PR		0		0		0
55. U.S. Virgin Islands	VI		0		0		0
56. Northern Mariana Islands	MP		0		0		0
57. Canada	CAN		0		0		0
58. Aggregate Other Alien	OT	0	0	0	0	0	0
59. Totals	XXX	16,443,564	14,503,347	4,088,436	15,378,465	44,748,071	20,592,461
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

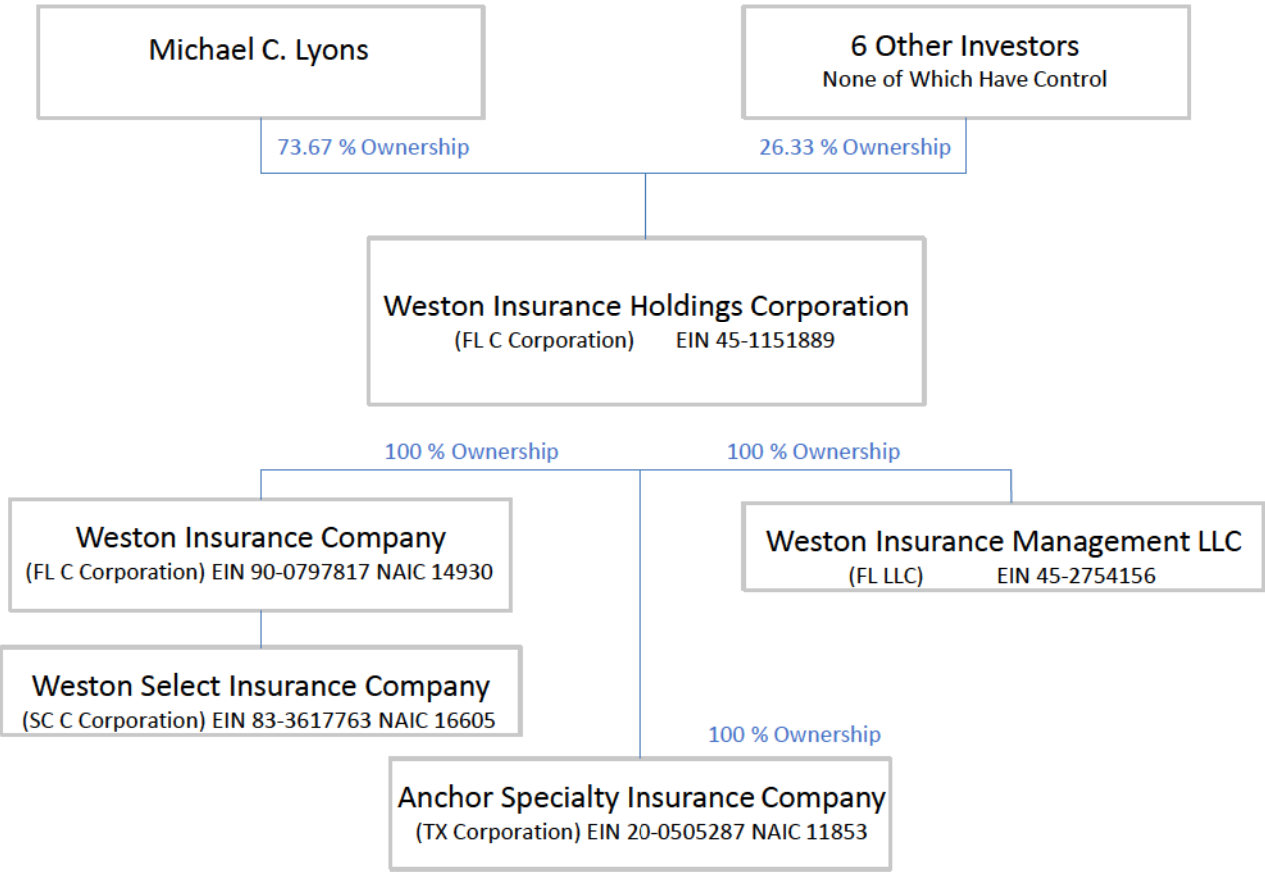
(a) Active Status Counts

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG \_\_\_\_\_ 5 R - Registered - Non-domiciled RRGs \_\_\_\_\_ 0  
 E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI) \_\_\_\_\_ 0 Q - Qualified - Qualified or accredited reinsurer \_\_\_\_\_ 1  
 D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile \_\_\_\_\_ 0 N - None of the above - Not allowed to write business in the state \_\_\_\_\_ 51

STATEMENT FOR MARCH 31, 2020 OF WESTON INSURANCE COMPANY

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY

GROUP PART 1 – ORGANIZATIONAL CHART





**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

[illegible]

Asterisk	Explanation
0000001	

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire			0.0	0.0
2. Allied lines	20,054,267	571,764	2.9	2.2
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril			0.0	0.0
5. Commercial multiple peril			0.0	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine			0.0	0.0
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made			0.0	0.0
12. Earthquake			0.0	0.0
13. Group accident and health			0.0	0.0
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence			0.0	0.0
17.2 Other liability-claims made			0.0	0.0
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity			0.0	0.0
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. TOTALS	20,054,267	571,764	2.9	2.2
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	0	0	0
2. Allied lines	16,443,564	16,443,564	14,503,347
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	0	0	0
5. Commercial multiple peril	0	0	0
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	0	0	0
10. Financial guaranty	0	0	0
11.1 Medical professional liability-occurrence	0	0	0
11.2 Medical professional liability-claims made	0	0	0
12. Earthquake	0	0	0
13. Group accident and health	0	0	0
14. Credit accident and health	0	0	0
15. Other accident and health	0	0	0
16. Workers' compensation	0	0	0
17.1 Other liability occurrence	0	0	0
17.2 Other liability-claims made	0	0	0
17.3 Excess Workers' Compensation	0	0	0
18.1 Products liability-occurrence	0	0	0
18.2 Products liability-claims made	0	0	0
19.1,19.2 Private passenger auto liability	0	0	0
19.3,19.4 Commercial auto liability	0	0	0
21. Auto physical damage	0	0	0
22. Aircraft (all perils)	0	0	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	0	0	0
27. Boiler and machinery	0	0	0
28. Credit	0	0	0
29. International	0	0	0
30. Warranty	0	0	0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0
35. TOTALS	16,443,564	16,443,564	14,503,347
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

## STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company

## PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2020 Loss and LAE Payments on Claims Reported as of Prior Year-End	2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2020 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2017 + Prior	15	89	104	0	0	0	15	0	85	99	0	(5)	(5)
2. 2018	105	106	211	96	0	96	66	23	23	111	57	(61)	(4)
3. Subtotals 2018 + prior	119	196	315	96	0	96	80	23	107	210	57	(65)	(8)
4. 2019	660	2,093	2,753	468	151	619	108	119	1,907	2,134	(84)	83	0
5. Subtotals 2019 + prior	779	2,289	3,068	564	151	715	188	142	2,015	2,345	(27)	18	(9)
6. 2020	XXX	XXX	XXX	XXX	527	527	XXX	634	412	1,046	XXX	XXX	XXX
7. Totals	779	2,289	3,068	564	678	1,242	188	776	2,427	3,391	(27)	18	(9)
8. Prior Year-End Surplus As Regards Policy- holders	38,410										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (3.4)	2. 0.8	3. (0.3)
													Col. 13, Line 7 Line 8
													4. 0.0

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

**Response**

- |  |              |
|--|--------------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?                         | .....NO..... |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?                         | .....NO..... |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?                | .....NO..... |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | .....NO..... |

**Explanation:**

**Bar Code:**

- |    |  |
|----|--|
| 1. | <br>1 4 9 3 0 2 0 2 0 4 9 0 0 0 0 0 1 |
| 2. | <br>1 4 9 3 0 2 0 2 0 4 5 5 0 0 0 0 1 |
| 3. | <br>1 4 9 3 0 2 0 2 0 3 6 5 0 0 0 0 1 |
| 4. | <br>1 4 9 3 0 2 0 2 0 5 0 5 0 0 0 0 1 |

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A – VERIFICATION**

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition			0
3. Current year change in encumbrances			0
4. Total gain (loss) on disposals			0
5. Deduct amounts received on disposals			0
6. Total foreign exchange change in book/adjusted carrying value			0
7. Deduct current year's other-than-temporary impairment recognized			0
8. Deduct current year's depreciation			0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)		0	0
10. Deduct total nonadmitted amounts		0	0
11. Statement value at end of current period (Line 9 minus Line 10)		0	0

**SCHEDULE B – VERIFICATION**

Mortgage Loans		1	2
		Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition			0
3. Capitalized deferred interest and other			0
4. Accrual of discount			0
5. Unrealized valuation increase (decrease)			0
6. Total gain (loss) on disposals			0
7. Deduct amounts received on disposals			0
8. Deduct amortization of premium and mortgage interest points and commitment fees			0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest			0
10. Deduct current year's other-than-temporary impairment recognized			0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		0	0
12. Total valuation allowance			0
13. Subtotal (Line 11 plus Line 12)		0	0
14. Deduct total nonadmitted amounts		0	0
15. Statement value at end of current period (Line 13 minus Line 14)		0	0

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		1,800,000	2,400,000
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition		1,450,000	0
3. Capitalized deferred interest and other			0
4. Accrual of discount			0
5. Unrealized valuation increase (decrease)			0
6. Total gain (loss) on disposals			0
7. Deduct amounts received on disposals		150,000	600,000
8. Deduct amortization of premium and depreciation			0
9. Total foreign exchange change in book/adjusted carrying value			0
10. Deduct current year's other-than-temporary impairment recognized			0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		3,100,000	1,800,000
12. Deduct total nonadmitted amounts		0	0
13. Statement value at end of current period (Line 11 minus Line 12)		3,100,000	1,800,000

**SCHEDULE D – VERIFICATION**

Bonds and Stocks		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year		23,515,459	18,845,268
2. Cost of bonds and stocks acquired		1,463,244	16,273,899
3. Accrual of discount		3,261	15,128
4. Unrealized valuation increase (decrease)		0	(9,450)
5. Total gain (loss) on disposals		(1,095)	44,884
6. Deduct consideration for bonds and stocks disposed of		1,292,857	11,610,055
7. Deduct amortization of premium		14,080	50,181
8. Total foreign exchange change in book/adjusted carrying value		0	0
9. Deduct current year's other-than-temporary impairment recognized		0	0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		0	5,967
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)		23,673,932	23,515,459
12. Deduct total nonadmitted amounts		0	0
13. Statement value at end of current period (Line 11 minus Line 12)		23,673,932	23,515,459

## STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company

**SCHEDULE D - PART 1B**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) _____	14,076,335	949,121	918,000	144,755	14,252,212	0	0	14,076,335
2. NAIC 2 (a) _____	4,884,489	514,123	543,952	(155,708)	4,698,952	0	0	4,884,489
3. NAIC 3 (a) _____	0	0	0	0	0	0	0	0
4. NAIC 4 (a) _____	0	0	0	0	0	0	0	0
5. NAIC 5 (a) _____	0	0	0	0	0	0	0	0
6. NAIC 6 (a) _____	0	0	0	0	0	0	0	0
7. Total Bonds	18,960,825	1,463,244	1,461,952	(10,953)	18,951,164	0	0	18,960,825
<b>PREFERRED STOCK</b>								
8. NAIC 1 _____	0				0	0	0	0
9. NAIC 2 _____	0				0	0	0	0
10. NAIC 3 _____	0				0	0	0	0
11. NAIC 4 _____	0				0	0	0	0
12. NAIC 5 _____	0				0	0	0	0
13. NAIC 6 _____	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	18,960,825	1,463,244	1,461,952	(10,953)	18,951,164	0	0	18,960,825

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$

; NAIC 2 \$ ;

NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	286,426	XXX	286,854	3,063	0

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	436,586	6,996,681
2. Cost of short-term investments acquired	0	436,853
3. Accrual of discount	134	31,352
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	0	0
6. Deduct consideration received on disposals	150,000	7,028,000
7. Deduct amortization of premium	294	299
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other-than-temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	286,427	436,586
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	286,427	436,586

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

**SCHEDULE E – PART 2 – VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	18,775,602	6,545,462
2. Cost of cash equivalents acquired .....	2,584,104	107,140,023
3. Accrual of discount .....	25	667
4. Unrealized valuation increase (decrease) .....	.0	.0
5. Total gain (loss) on disposals .....	.0	.0
6. Deduct consideration received on disposals .....	4,494,315	94,910,550
7. Deduct amortization of premium .....	.0	.0
8. Total foreign exchange change in book/adjusted carrying value .....	.0	.0
9. Deduct current year's other-than-temporary impairment recognized .....	.0	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	16,865,417	18,775,602
11. Deduct total nonadmitted amounts .....		.0
12. Statement value at end of current period (Line 10 minus Line 11)	16,865,417	18,775,602



**SCHEDULE A - PART 2**[illegible][illegible]

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

**SCHEDULE D - PART 3**

[illegible]

## STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company

## SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value				16	17	18	19	20	21	22	
CUSIP Identifi- cation	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol	
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
000704-K-2	ACTAVIS PUNING SOL.	05/12/2020	Maturity @ 100.00	XXX	250,000	250,000	255,488	255,488	0	(258)	0	(258)	0	250,000	0	0	0	3,750	05/12/2020	3PE	
022950-K-2	ALTRIA GROUP INC.	01/14/2020	Maturity @ 100.00	XXX	250,000	250,000	253,959	253,959	0	0	0	0	0	250,000	0	0	0	3,281	01/14/2020	3PE	
011182-B1-K	AMERX INC.	03/22/2020	Redemption @ 100.00	XXX	42,857	42,857	44,227	44,227	0	(171)	0	(171)	0	43,952	0	(1,855)	0	0	11/15/2021	3PE	
589331-K5-K	MERCK & CO INC. PHILIP MORRIS	02/10/2020	Maturity @ 100.00	XXX	250,000	250,000	247,038	247,038	0	238	0	238	0	250,000	0	0	0	2,315	02/10/2020	3PE	
718172-B1-K	INTERNATIONAL INC.	02/21/2020	Maturity @ 100.00	XXX	250,000	250,000	250,873	250,873	0	(50)	0	(50)	0	250,000	0	0	0	2,500	02/21/2020	3PE	
948748-K5-K	WELLS FARGO & CO.	01/30/2020	Maturity @ 100.00	XXX	250,000	250,000	251,285	251,285	0	(38)	0	(38)	0	250,000	0	0	0	3,685	01/30/2020	3PE	
3999999 - Bonds - Industrial and Miscellaneous (Unaffiliated)																					
					1,282,837	1,282,837	1,302,954	1,302,954	0	(270)	0	(270)	0	1,283,952	0	(1,855)	(1,855)	14,531	XXX	XXX	
3999999 - Bonds - Subtotals - Bonds - Part 4					1,282,837	1,282,837	1,302,954	1,302,954	0	(270)	0	(270)	0	1,283,952	0	(1,855)	(1,855)	14,531	XXX	XXX	
3999999 - Bonds - Subtotals - Bonds					1,282,837	1,282,837	1,302,954	1,302,954	0	(270)	0	(270)	0	1,283,952	0	(1,855)	(1,855)	14,531	XXX	XXX	

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part E

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**



**SCHEDULE E - PART 1 - CASH**E13

**STATEMENT AS OF MARCH 31, 2020 OF THE Weston Insurance Company**

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

[illegible]



4. The December 31, 2019, financial statement for WESTON filed with the OFFICE includes assets that are receivables from its affiliates including the following:

- a. A \$1.8 million loan receivable due from WIM and
- b. A receivable of approximately \$9.5 million from WIM.

5. Subsequent to December 31, 2019, Weston Select Insurance Company (“Weston Select”), a subsidiary of WESTON, was dissolved as a part of a planned expansion into other states that included the acquisition of Anchor Specialty Insurance Company by Weston Holdings. As a result of the dissolution of Weston Select, the stock of Weston Select was cancelled and the underlying assets of Weston Select were absorbed by WESTON. The dissolution of Weston Select provided additional liquidity to WESTON.

6. In accordance with Section 628.371(4), Florida Statutes, WESTON requested approval of an extraordinary dividend of up to \$5 million, which the OFFICE approved on April 23, 2020. On April 28, 2020, WESTON paid a dividend to Weston Holdings in the amount of \$5 million.

7. Subsequent to December 31, 2019, WESTON loaned additional funds to WIM that increased the \$1.8 million loan balance, listed in paragraph 4.a. above, to \$3.1 million as of March 31, 2020. In addition, the receivable from WIM reported on line 23 of WESTON’s March 31, 2020, financial statement, and listed in paragraph 4.b. above, increased to approximately \$12.4 million.

8. The amounts receivable from WIM, listed in paragraph 4 above, are more than 10% of WESTON’s admitted assets and approximately 60% of its reported March 31, 2020, surplus in excess of the minimum surplus required. This exceeds the limitations of Section 625.325, Florida Statutes.

9. In order to improve the liquidity of WESTON, the Company agrees that it will submit a Capital Management Plan (“Plan”) to the OFFICE by June 1, 2020. The Plan must address the following:

a. A schedule of quarterly or more frequent payments to reduce the amount of the current \$3.1 million loan receivable from WIM to a zero balance and the termination of the loan agreement;

b. A schedule of quarterly or more frequent payments to reduce the amount of the \$12.4 million receivable from WIM and the limitation of the receivable to \$100,000 or less; and

c. The planned use of reinsurance to mitigate WESTON’s catastrophic risk.

10. WESTON agrees to cooperate with the OFFICE in its review of the Plan and to implement the Plan as approved by the OFFICE.

11. WESTON agrees to the following restrictions until such time as it completes the Plan as approved by the OFFICE:

a. WESTON will file monthly financial statements of WIM, including balance sheet, income statement, and a statement of cash flows. Those statements are due 21 days after the end of each month, beginning with a due date of May 21, 2020, for the month ending April 30, 2020.

b. WESTON will file monthly financial statements of WESTON using the NAIC’s Quarterly Financial Statement Blank. Those statements are due 21 days after the end of each month, beginning with a due date of May 21, 2020, for the month ending April 30, 2020.

c. All premiums produced through WIM will be deposited directly into WESTON accounts only and will not be processed or held by WIM.



- d. WESTON will not loan or advance any additional funds to WIM.
  - e. WESTON agrees to maintain total adjusted capital at 3 times the authorized control level risk-based capital.
  - f. WESTON will not file applications for a Certificate of Authority, or request authority for any additional lines of business, or seek eligible surplus lines status in any state without the prior written approval of the OFFICE.
  - g. WESTON will enter into reinsurance agreements only with non-affiliated reinsurers.
  - h. WESTON will provide, by June 1, 2020, a detailed analysis of the reasonableness of the fees and expenses paid by WESTON related to the business of insurance.
  - i. WESTON will not participate in any additional take-outs from Citizens Property Insurance Corporation or the Texas Windstorm Insurance Association without the prior written approval of the OFFICE.
  - j. WESTON will not pay dividends without the prior written approval of the OFFICE.
12. WESTON agrees that any failure to comply with any of the terms above will constitute a willful violation of a lawful order of the OFFICE.
13. WESTON acknowledges and agrees that failure to comply with any of the terms of this Consent Order would constitute an immediate danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of WESTON in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.
14. Any prior orders, consent orders, or corrective action plans that WESTON has

entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for WESTON, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

15. Each party to this action shall bear its own costs and fees.

16. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE.

17. WESTON expressly waives its rights to a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings to which WESTON may be entitled, either by law or by rules of the OFFICE. WESTON hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

18. The parties agree this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of WESTON, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, WESTON agrees that the signature of their authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between WESTON INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 21 day of May 2020.



*David Altmaier*

---

David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for WESTON INSURANCE COMPANY.

WESTON INSURANCE COMPANY

By: 

Print Name: Michael C. Lyons

Title: President & CEO

Date: May 20, 2020

STATE OF Florida

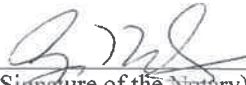
COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 20th day of May 2020, by Michael C. Lyons  
(name of person)

as President & CEO for Weston Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



  
(Signature of the Notary)

Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known XX OR Produced Identification N/A

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

COPIES FURNISHED TO:

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**FILED**

JUL 17 2020

INSURANCE REGULATION  
Docketed by: 

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 265450-20-CO

Application for the Indirect Acquisition of  
WESTON INSURANCE COMPANY  
by ADAM J. BARRON, HSCM BERMUDA  
FUND LTD., and HSCM BERMUDA SPECIAL  
OPPORTUNITIES FUND LTD.

---

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") for its approval of the indirect acquisition of WESTON INSURANCE COMPANY ("WESTON") by ADAM J. BARRON, an individual, and HSCM BERMUDA FUND LTD., and HSCM BERMUDA SPECIAL OPPORTUNITIES FUND LTD., each Bermuda exempted companies, (collectively, "HSCM APPLICANTS" and, together with ADAM J. BARRON, "APPLICANTS"), pursuant to Section 628.461, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter the parties herein.
2. WESTON is a domestic property and casualty insurer that is authorized to transact property and casualty insurance in Florida pursuant to a subsisting Certificate of Authority issued by the OFFICE, pursuant to Chapter 624, Part III, Florida Statutes.
3. In order to strengthen its liquidity, WESTON is currently operating pursuant to a

Capital Management Plan approved by the OFFICE, pursuant to Consent Order 263849-20-CO executed May 21, 2020. A true and correct copy of the Consent Order is attached hereto as Exhibit A.

4. All of the voting securities of the HSCM APPLICANTS are owned by HUDSON STRUCTURED CAPITAL MANAGEMENT LTD. ("HUDSON CAPITAL"), a Bermuda exempted company, whose voting securities are owned 99.5% by Hudson Structured Capital Management LP, a Bermuda limited partnership, whose General Partner is HSCM GP LLC, a Delaware limited liability company, whose Managing Member is Michael J. Millette.

5. WESTON is owned 100% by WESTON INSURANCE HOLDINGS CORPORATION ("WESTON HOLDINGS"). WESTON HOLDINGS presently has one class of common voting stock, of which 73.67% is currently owned by MICHAEL C. LYONS, an individual, and 13.22% by SOUTHWIND HOLDINGS, LLC ("SOUTHWIND"), with no other 10% or greater shareholders.

6. The Application represents that the proposed indirect acquisition of 10% or more of the outstanding voting securities of WESTON would be the result of a planned conversion of all preferred equity (non-voting) shares of WESTON HOLDINGS to common (voting) shares ("Stock Conversion"). Following the Stock Conversion, WESTON HOLDINGS will be owned approximately 11% by MICHAEL LYONS; approximately 14% by ADAM J. BARRON; and approximately 55% by the HSCM APPLICANTS in the aggregate, with no other 10% or greater shareholders. As a result of the Stock Conversion APPLICANTS will have indirectly acquired control of WESTON without any contribution of additional capital by APPLICANTS.

7. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS have made material representations that, except as disclosed in the Application,

neither ADAM J. BARRON, nor any of the officers, directors, or managers of the HSCM APPLICANTS, HUDSON CAPITAL, or HSCM GP LLC, nor any of the post-Stock Conversion officers or directors of WESTON HOLDINGS or WESTON have been found guilty of, or have pleaded guilty or nolo contendere to, a felony or a misdemeanor, other than a civil traffic offense.

8. Within 30 business days after the execution of this Consent Order, APPLICANTS shall submit, or cause to be submitted, to the OFFICE any documents required by the Application not already provided to the OFFICE, including, but not limited to: Biographical Affidavits; third-party verification reports produced by an approved vendor; fingerprint cards for ADAM J. BARRON, Michael Millette, David Andrews, Dawn Griffiths, Andrew McComb, Ajay Mehra, Jeff Sangster, and Edouard von Herberstein; service of process forms; relevant financial information; and other information as requested by the OFFICE. All documents required to be submitted shall include signatures and notarizations as required.

9. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS have further represented that, except as noted in paragraph 8 above, they have submitted complete background information on all individuals referenced in paragraph 7 above. If complete information has not been provided to the OFFICE, or if the sources utilized by the OFFICE in its investigation process reveal that the representations made in paragraph 7 above are inaccurate, said entity shall, within 30 days of receipt of notification from the OFFICE, undertake such remedial actions with regard to the individual at issue as directed by the OFFICE. Such actions may include removing the individual as officer, director, or manager of said entity and replacing them with a person or persons acceptable to the OFFICE, as well the entity requiring that an individual 10% or greater shareholder divest their ownership to below 10%.

10. If, upon receipt of such notification from the OFFICE, pursuant to paragraph 9 above, APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, or WESTON HOLDINGS do not timely take the required corrective action, APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS agree that such failure to act would constitute an immediate serious danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of WESTON without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

11. All parties to this Consent Order agree that this Consent Order shall be deemed null and void if the Stock Conversion contemplated in the Application is not completed, or required regulatory approvals are not obtained, within 60 days of execution of this Consent Order.

12. Within 10 business days after the Stock Conversion contemplated in this Application is completed, APPLICANTS shall submit, or cause to be submitted, to the OFFICE any documents evidencing completion of said Stock Conversion not already provided to the OFFICE. APPLICANTS, WESTON HOLDINGS, or WESTON shall notify the OFFICE within 3 business days of a final determination that the Stock Conversion contemplated in this Application will not occur.

13. WESTON shall, no later than 15 days after the month in which the Stock Conversion contemplated in this Application is completed, file an update to its Holding Company Registration Statement, as required by Section 628.801, Florida Statutes, and Rule 69O-143.046, Florida Administrative Code.

14. Pursuant to Sections 628.461(3)(f)-(g), Florida Statutes, APPLICANTS, or any other party meeting the definition of “ultimate controlling person” as defined in Section

628.801(2), Florida Statutes, shall file with the OFFICE the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all additional information necessary to evaluate the enterprise risk of WESTON and its affiliates.

15. Pursuant to Section 624.10(3), Florida Statutes, and upon completion of the Stock Conversion, APPLICANTS will be controlling entities and, as such, shall comply with Section 628.461(12)(b), Florida Statutes, should APPLICANTS choose to divest their controlling interest in WESTON.

16. Any prior orders, consent orders, or corrective action plans that WESTON has entered into with the OFFICE prior to the issuance of this Consent Order shall apply and remain in full force and effect for WESTON, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

17. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS affirm and represent that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the acquisition and future operations of WESTON. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

18. WESTON shall report to the OFFICE, Property & Casualty Financial Oversight,

any time that WESTON is named as a party defendant in a class action lawsuit within 15 days after the class is certified. WESTON shall include a copy of the complaint at the time it reports the class action lawsuit to the OFFICE.

19. WESTON shall maintain an information security program for the security and protection of confidential and proprietary information under its control that complies with all applicable laws and regulations regarding information security. WESTON agrees that it shall continually monitor and enhance its information security program in order to mitigate data security breaches. WESTON further agrees that it shall notify the OFFICE within 5 business days of identifying a data breach.

20. Executive Order 13224 prohibits any transactions by U.S. persons involving the blocked assets and interests of terrorists and terrorist support organizations. WESTON shall maintain and adhere to procedures necessary to detect and prevent prohibited transactions with those individuals and entities, which have been identified at the Treasury Department's Office of Foreign Assets Control website, <http://www.treas.gov/ofac>.

21. Within 60 days from the date of the execution of this Consent Order, APPLICANTS shall submit, or cause to be submitted, to the OFFICE a certification evidencing compliance with all of the requirements of this Consent Order. Any exceptions shall be so noted and contained in the certification. Exceptions noted in the certification shall also include a timeline defining when the outstanding requirements of the Consent Order will be complete. Said certification shall be submitted to the OFFICE via electronic mail and directed to the attention of the Assistant General Counsel representing the OFFICE in this matter and as named in this Consent Order.

22. Any deadlines, reporting requirements, other provisions, or requirements set forth



in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

23. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, MICHAEL C. LYONS, SOUTHWIND, WESTON, and WESTON HOLDINGS expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, MICHAEL C. LYONS, SOUTHWIND, WESTON, and WESTON HOLDINGS hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

24. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS affirm that all requirements set forth herein are material to the issuance of this Consent Order.

25. APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, WESTON, and WESTON HOLDINGS agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon the Certificate of Authority of WESTON in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

26. Each party to this action shall bear its own costs and fees.

27. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signatures of APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, MICHAEL C. LYONS, SOUTHWIND,

WESTON, and WESTON HOLDINGS, or their authorized representatives, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, APPLICANTS, HUDSON CAPITAL, HSCM GP LLC, MICHAEL C. LYONS, SOUTHWIND, WESTON, and WESTON HOLDINGS agree that their signatures or the signatures of their authorized representatives as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, subject to the terms and conditions set forth above, the Application for the indirect acquisition of WESTON INSURANCE COMPANY by ADAM J. BARRON, HSCM BERMUDA FUND LTD., and HSCM BERMUDA SPECIAL OPPORTUNITIES FUND LTD., pursuant to Section 628.461, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 17 day of July 2020.



*David Altmaier*

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David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order.

WESTON INSURANCE COMPANY

By: 

Print Name: Michael C. Lyons

Title: President & CEO

Date: July 8, 2020

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 8th day of July 2020, by Michael C. Lyons  
(name of person)  
as President & CEO for Weston Insurance Company.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



  
(Signature of the Notary)

Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

By execution hereof, WESTON INSURANCE HOLDINGS CORPORATION consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE HOLDINGS CORPORATION to the terms and conditions of this Consent Order.

WESTON INSURANCE HOLDINGS CORPORATION

By: 

Print Name: Michael C. Lyons

Title: President & CEO

Date: July 8, 2020

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 8th day of July 2020, by Michael C. Lyons  
(name of person)  
as President & CEO for Weston Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)





(Signature of the Notary)

Bryan T. McCully

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification                     

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

By execution hereof, ADAM J. BARRON consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein.

Adam J. Barron



ADAM J. BARRON

Date: July 14, 2020

STATE OF TEXAS

COUNTY OF DENTON

The foregoing instrument was acknowledged before me by means of ☐ physical presence

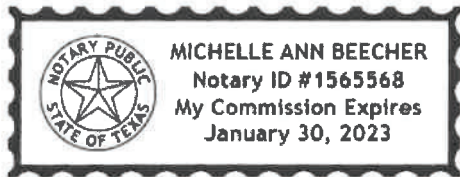
or ☒ online notarization, this 14 day of July 2020, by Adam J. Barron

(name of person)

as \_\_\_\_\_ for \_\_\_\_\_

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)



Michelle Ann Beecher



(Signature of the Notary)

Michelle Ann Beecher

(Print, Type or Stamp Commissioned Name of Notary)

Online Notary Public. This notarial act involved the use of online audio/video communication technology.

Personally Known \_\_\_\_\_ OR Produced Identification ☒

British Passport

Type of Identification Produced \_\_\_\_\_

01/30/2023

My Commission Expires: \_\_\_\_\_

By execution hereof, HSCM BERMUDA FUND LTD., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HSCM BERMUDA FUND LTD., to the terms and conditions of this Consent Order.

HSCM BERMUDA FUND LTD.

By: Michael Millette

Print Name: Michael J. Millette

Title: Director

Date: 07/10/2020

STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of ☐ physical presence  
or ☒ online notarization, this 10 day of July 2020, by MICHAEL J. MILLETTE  
(name of person)  
as DIRECTOR for HSCM BERMUDA FUND LTD.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



A. Requejado

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification ☒

Type of Identification Produced DRIVER'S LICENSE

My Commission Expires: \_\_\_\_\_



By execution hereof, HSCM BERMUDA SPECIAL OPPORTUNITIES FUND LTD., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HSCM BERMUDA SPECIAL OPPORTUNITIES FUND LTD., to the terms and conditions of this Consent Order.

HSCM BERMUDA SPECIAL OPPORTUNITIES FUND LTD.

By: Michael Millette

Print Name: Michael J. Millette

Title: Director

Date: 07/10/2020

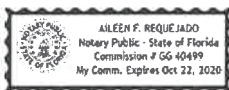
STATE OF FLORIDA

COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 10 day of JULY 2020, by MICHAEL J. MILLETTE

as DIRECTOR HSCM BERMUDA SPECIAL OPPORTUNITIES FUND  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



A. Requejado

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification ☒

Type of Identification Produced DRIVER'S LICENSE

My Commission Expires: \_\_\_\_\_

By execution hereof, HUDSON STRUCTURED CAPITAL MANAGEMENT LTD., consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HUDSON STRUCTURED CAPITAL MANAGEMENT LTD., to the terms and conditions of this Consent Order.

HUDSON STRUCTURED CAPITAL MANAGEMENT LTD.

By: Michael Millette

Print Name: Michael J. Millette

Title: Managing Partner

Date: 07/10/2020

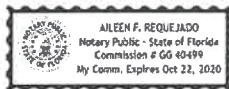
STATE OF FLORIDA

COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 10 day of July 2020, by MICHAEL J. MILLETTE

as MANAGING PARTNER for HUDSON STRUCTURED CAPITAL MANAGEMENT LTD  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



A. Requejado  
(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification ☒

Type of Identification Produced DRIVER'S LICENSE

My Commission Expires: \_\_\_\_\_

By execution hereof, HSCM GP LLC consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind HSCM GP LLC to the terms and conditions of this Consent Order.

HSCM GP LLC

By: Michael Millette

Print Name: Michael J. Millette

Title: Managing Member

Date: 07/10/2020

STATE OF FLORIDA

COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 10 day of July 2020, by MICHAEL J. MILLETTE  
as MANAGING MEMBER for HSCM GP LLC  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



A. Requejado

(Signature of the Notary)

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification ☒

Type of Identification Produced DRIVER'S LICENSE

My Commission Expires: \_\_\_\_\_

By execution hereof, MICHAEL C. LYONS consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein.

  
MICHAEL C. LYONS

Date: July 8, 2020

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 8th day of July 2020, by Michael C. Lyons  
(name of person)

as N/A for N/A  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



  
(Signature of the Notary)

Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

By execution hereof, SOUTHWIND HOLDINGS, LLC, consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind SOUTHWIND HOLDINGS, LLC, to the terms and conditions of this Consent Order.

SOUTHWIND HOLDINGS, LLC

By: [Signature]

Print Name: Peter A. Appel

Title: Managing member

Date: July 9, 2020

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 9th day of July, 2020, by Peter A. Appel  
(name of person)  
as Managing Member for Southwind Holdings, LLC  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]  
(Signature of the Notary)



Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification                     

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

COPIES FURNISHED TO:

MICHAEL J. MILLETTE  
HSCM Bermuda Fund Ltd.  
HSCM Bermuda Special Opportunities Fund  
Ltd.  
Hudson Structured Capital Management  
Ltd.  
HSCM GP LLC  
2187 Atlantic Street, Suite 4  
Stamford, Connecticut 06902  
Telephone: (203) 975-4852  
Email: [michael.millette@hscm.com](mailto:michael.millette@hscm.com)

ADAM J. BARRON  
5 Spencer Hill  
London  
SW19 4PA United Kingdom  
Telephone: +44 7793 168 585  
Email: [adam@acuityinvestments.co.uk](mailto:adam@acuityinvestments.co.uk)

MICHAEL LYONS, PRESIDENT  
Weston Insurance Holdings Corporation  
Weston Insurance Company  
P.O. Box 142057  
Coral Gables, Florida 33114-2057  
Email: [michael.lyons@weston-ins.com](mailto:michael.lyons@weston-ins.com)

PETER APPEL  
Southwind Holdings, LLC  
c/o Wilkie Farr Gallagher LLP  
787 Seventh Avenue  
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Email: [paa@oregonhill.us](mailto:paa@oregonhill.us)

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ALISON STERETT, FINANCIAL  
ADMINISTRATOR  
Property & Casualty Financial Oversight -  
Company Admissions  
Florida Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399

MICHAEL KLINER, ASSISTANT  
GENERAL COUNSEL  
Florida Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399  
Telephone: (850) 413-4108  
Facsimile: (850) 922-2543  
Email: [michael.kliner@flor.com](mailto:michael.kliner@flor.com)



MAY 21 2020

INSURANCE REGULATION  
Docketed by:    



OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 263849-20-CO

WESTON INSURANCE COMPANY  
\_\_\_\_\_ /

CONSENT ORDER

THIS CAUSE came on for consideration upon review by the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") of certain WESTON INSURANCE COMPANY ("WESTON" or "Company") transactions with and receivables from affiliates. After a complete review of the entire record and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the parties and the subject matter of this proceeding.
2. WESTON is a domestic property and casualty insurer authorized to transact the business of insurance in Florida pursuant to a subsisting Certificate of Authority issued by the OFFICE in accordance with the provisions of Chapter 624, Part III, Florida Statutes.
3. WESTON is owned 100% by Weston Insurance Holdings Corporation ("Weston Holdings"). Weston Insurance Management, LLC ("WIM"), is also owned 100% by Weston Holdings.

4. The December 31, 2019, financial statement for WESTON filed with the OFFICE includes assets that are receivables from its affiliates including the following:

- a. A \$1.8 million loan receivable due from WIM and
- b. A receivable of approximately \$9.5 million from WIM.

5. Subsequent to December 31, 2019, Weston Select Insurance Company (“Weston Select”), a subsidiary of WESTON, was dissolved as a part of a planned expansion into other states that included the acquisition of Anchor Specialty Insurance Company by Weston Holdings. As a result of the dissolution of Weston Select, the stock of Weston Select was cancelled and the underlying assets of Weston Select were absorbed by WESTON. The dissolution of Weston Select provided additional liquidity to WESTON.

6. In accordance with Section 628.371(4), Florida Statutes, WESTON requested approval of an extraordinary dividend of up to \$5 million, which the OFFICE approved on April 23, 2020. On April 28, 2020, WESTON paid a dividend to Weston Holdings in the amount of \$5 million.

7. Subsequent to December 31, 2019, WESTON loaned additional funds to WIM that increased the \$1.8 million loan balance, listed in paragraph 4.a. above, to \$3.1 million as of March 31, 2020. In addition, the receivable from WIM reported on line 23 of WESTON’s March 31, 2020, financial statement, and listed in paragraph 4.b. above, increased to approximately \$12.4 million.

8. The amounts receivable from WIM, listed in paragraph 4 above, are more than 10% of WESTON’s admitted assets and approximately 60% of its reported March 31, 2020, surplus in excess of the minimum surplus required. This exceeds the limitations of Section 625.325, Florida Statutes.

9. In order to improve the liquidity of WESTON, the Company agrees that it will submit a Capital Management Plan ("Plan") to the OFFICE by June 1, 2020. The Plan must address the following:

a. A schedule of quarterly or more frequent payments to reduce the amount of the current \$3.1 million loan receivable from WIM to a zero balance and the termination of the loan agreement;

b. A schedule of quarterly or more frequent payments to reduce the amount of the \$12.4 million receivable from WIM and the limitation of the receivable to \$100,000 or less; and

c. The planned use of reinsurance to mitigate WESTON's catastrophic risk.

10. WESTON agrees to cooperate with the OFFICE in its review of the Plan and to implement the Plan as approved by the OFFICE.

11. WESTON agrees to the following restrictions until such time as it completes the Plan as approved by the OFFICE:

a. WESTON will file monthly financial statements of WIM, including balance sheet, income statement, and a statement of cash flows. Those statements are due 21 days after the end of each month, beginning with a due date of May 21, 2020, for the month ending April 30, 2020.

b. WESTON will file monthly financial statements of WESTON using the NAIC's Quarterly Financial Statement Blank. Those statements are due 21 days after the end of each month, beginning with a due date of May 21, 2020, for the month ending April 30, 2020.

c. All premiums produced through WIM will be deposited directly into WESTON accounts only and will not be processed or held by WIM.

- d. WESTON will not loan or advance any additional funds to WIM.
  - e. WESTON agrees to maintain total adjusted capital at 3 times the authorized control level risk-based capital.
  - f. WESTON will not file applications for a Certificate of Authority, or request authority for any additional lines of business, or seek eligible surplus lines status in any state without the prior written approval of the OFFICE.
  - g. WESTON will enter into reinsurance agreements only with non-affiliated reinsurers.
  - h. WESTON will provide, by June 1, 2020, a detailed analysis of the reasonableness of the fees and expenses paid by WESTON related to the business of insurance.
  - i. WESTON will not participate in any additional take-outs from Citizens Property Insurance Corporation or the Texas Windstorm Insurance Association without the prior written approval of the OFFICE.
  - j. WESTON will not pay dividends without the prior written approval of the OFFICE.
12. WESTON agrees that any failure to comply with any of the terms above will constitute a willful violation of a lawful order of the OFFICE.
13. WESTON acknowledges and agrees that failure to comply with any of the terms of this Consent Order would constitute an immediate danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of WESTON in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.
14. Any prior orders, consent orders, or corrective action plans that WESTON has

entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for WESTON, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

15. Each party to this action shall bear its own costs and fees.

16. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE.

17. WESTON expressly waives its rights to a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings to which WESTON may be entitled, either by law or by rules of the OFFICE. WESTON hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

18. The parties agree this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of the authorized representative of WESTON, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically. Further, WESTON agrees that the signature of their authorized representative as affixed to this Consent Order shall be under the seal of a Notary Public.

WHEREFORE, the agreement between WESTON INSURANCE COMPANY and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 21 day of May 2020.



*David Altmaier*

---

David Altmaier, Commissioner  
Office of Insurance Regulation



By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for WESTON INSURANCE COMPANY.

WESTON INSURANCE COMPANY

By: 

Print Name: Michael C. Lyons

Title: President & CEO

Date: May 20, 2020

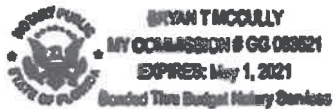
STATE OF Florida

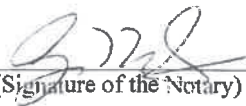
COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 20th day of May, 2020, by Michael C. Lyons  
(name of person)

as President & CEO for Weston Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)



  
(Signature of the Notary)

Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known XX OR Produced Identification N/A

Type of Identification Produced N/A

My Commission Expires: May 1, 2021

COPIES FURNISHED TO:

AUSTIN NEAL, ESQ.  
Foley & Lardner, LLP  
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Tallahassee, Florida 32301  
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MICHAEL LYONS, PRESIDENT  
Weston Insurance Company  
2555 Ponce De Leon Boulevard  
Suite 300  
Coral Gables, Florida 33134  
Email: [michael.lyons@weston-ins.com](mailto:michael.lyons@weston-ins.com)

VIRGINIA CHRISTY, DIRECTOR  
Property & Casualty Financial Oversight  
Florida Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399  
Email: [virginia.christy@flor.com](mailto:virginia.christy@flor.com)

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Florida Office of Insurance Regulation  
200 East Gaines Street  
Tallahassee, Florida 32399  
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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF JUNE 30, 2020  
OF THE CONDITION AND AFFAIRS OF THE

## Weston Insurance Company

NAIC Group Code	04957	04957	NAIC Company Code	14930	Employer's ID Number	90-0797817
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry		Florida	
Country of Domicile	United States					
Incorporated/Organized	02/21/2012		Commenced Business		12/21/2012	
Statutory Home Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		888-800-5002-1009	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	P.O. Box 14-2057		Coral Gables, FL, US 33114-2057			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		786-646-1189	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Lynn Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

### OFFICERS

Name	Title	Name	Title
Michael Christopher Lyons	Chief Executive Officer & President	Bryan Triplett McCully	SVP, CAO & General Counsel
Richard Bruno Primerano	SVP, CFO, COO & Treasurer		

### OTHER OFFICERS

--	--	--	--

### DIRECTORS OR TRUSTEES

Michael Christopher Lyons	Bryan Triplett McCully	Gregory Ernest Alexander Morrison	Deanne Dietrich Nixon
Richard Bruno Primerano			

State of \_\_\_\_\_

County of \_\_\_\_\_ ss

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

Michael Christopher Lyons	Bryan Triplett McCully	Richard Bruno Primerano
Chief Executive Officer & President	SVP, CAO & General Counsel	SVP, CFO, COO & Treasurer

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

## STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	11,034,171		11,034,171	18,506,264
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	5,009,195
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... 15,559,934 ), cash equivalents (\$ ..... 39,655,079 ) and short-term investments (\$ ..... 268,242 ) .....	55,483,255		55,483,255	38,099,954
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	2,950,000		2,950,000	1,800,000
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	69,467,425	0	69,467,425	63,415,413
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	124,349		124,349	85,145
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	17,846,744	219,787	17,626,957	7,323,547
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	4,893,190		4,893,190	3,499,277
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	659,355		659,355	655,340
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....	11,550,000		11,550,000	4,840,000
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	887,183	887,183	0	887,183
18.2 Net deferred tax asset .....	1,453,747	600,000	853,747	456,444
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	12,149,837	4,486,041	7,663,796	6,285,946
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	967,364	176,699	790,665	357,588
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	119,999,195	6,369,709	113,629,486	87,805,883
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	119,999,195	6,369,709	113,629,486	87,805,883
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. ....			0	0
2502. Brokerage Sharing Commission Receivable .....	790,665		790,665	180,890
2503. State Income Tax Recoverable .....	176,699	176,699	0	176,698
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	967,364	176,699	790,665	357,588

## STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 2,130,869 )	3,004,485	2,671,130
2. Reinsurance payable on paid losses and loss adjustment expenses	6,564,935	0
3. Loss adjustment expenses	593,800	397,280
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	482,620	136,700
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 52,355,588 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	10,587,500	2,016,667
10. Advance premium	3,885,706	1,731,555
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	46,447,921	32,199,709
13. Funds held by company under reinsurance treaties	13,704,786	9,037,396
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		745
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	1,497,287	1,204,236
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	86,769,039	49,395,418
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	86,769,039	49,395,418
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,500,000	2,500,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	38,800,000	38,800,000
35. Unassigned funds (surplus)	(14,439,553)	(2,889,535)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		0
36.2 shares preferred (value included in Line 31 \$ )		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	26,860,447	38,410,465
38. Totals (Page 2, Line 28, Col. 3)	113,629,486	87,805,883
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Ceding Commissions	891,406	690,809
2502. Refunds Payable	282,268	162,747
2503. Escheat Payable	323,613	350,680
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,497,287	1,204,236
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0



## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 47,544,430 )	41,870,890	41,309,217	81,328,021
1.2 Assumed (written \$ 16,590,296 )	10,800,390	392,288	2,126,872
1.3 Ceded (written \$ 51,751,736 )	48,859,123	39,127,351	77,877,995
1.4 Net (written \$ 12,382,990 )	3,812,157	2,574,154	5,576,898
DEDUCTIONS:			
2. Losses incurred (current accident year \$ )::			
2.1 Direct	890,432	12,595,026	28,816,667
2.2 Assumed	9,478,709	4,430,998	204,345
2.3 Ceded	2,838,807	14,661,910	24,150,798
2.4 Net	7,530,334	2,364,114	4,870,214
3. Loss adjustment expenses incurred	930,497	233,793	711,489
4. Other underwriting expenses incurred	380,134	(676,937)	(822,855)
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	8,840,966	1,920,970	4,758,848
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(5,028,809)	653,184	818,050
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	103,419	242,065	413,839
10. Net realized capital gains (losses) less capital gains tax of \$	9,460	13,750	44,884
11. Net investment gain (loss) (Lines 9 + 10)	112,880	255,815	458,723
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	11,292	(94,251)	(109,663)
13. Finance and service charges not included in premiums	155,574	145,505	289,206
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	166,866	51,253	179,543
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(4,749,063)	960,252	1,456,317
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(4,749,063)	960,252	1,456,317
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(4,749,063)	960,252	1,456,317
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	38,410,465	43,074,673	43,074,674
22. Net income (from Line 20)	(4,749,063)	960,252	1,456,317
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	12,442	0	(9,450)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	997,303	(248,113)	(244,592)
27. Change in nonadmitted assets	(2,810,700)	(94,251)	(3,166,483)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	(2,700,000)	(2,700,000)
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	(5,000,000)	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(11,550,018)	(2,082,112)	(4,664,209)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	26,860,447	40,992,561	38,410,465
<b>DETAILS OF WRITE-INS</b>			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0



**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	21,644,293	14,362,052	5,484,792
2. Net investment income	279,226	249,232	452,241
3. Miscellaneous income	166,866	51,253	179,543
4. Total (Lines 1 to 3)	22,090,385	14,662,538	6,116,577
5. Benefit and loss related payments	7,200,994	4,050,156	2,328,304
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	1,275,828	(514,783)	(422,459)
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	0	(556,450)	(568,461)
10. Total (Lines 5 through 9)	8,476,823	2,978,924	1,337,385
11. Net cash from operations (Line 4 minus Line 10)	13,613,562	11,683,614	4,779,192
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	11,228,569	2,502,796	6,403,658
12.2 Stocks	0	179,929	5,206,397
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	300,000	300,000	600,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	17,759	5,486	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	11,546,328	2,988,210	12,210,056
13. Cost of investments acquired (long-term only):			
13.1 Bonds	3,760,747	2,740,600	6,274,061
13.2 Stocks	0	5,000,000	9,999,837
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	1,450,000	0	0
13.6 Miscellaneous applications	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	5,210,747	7,740,600	16,273,899
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	6,335,581	(4,752,390)	(4,063,843)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	(2,700,000)	(2,700,000)
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	5,000,000	0	0
16.6 Other cash provided (applied)	2,434,157	7,034,261	1,491,278
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(2,565,843)	4,334,261	(1,208,722)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	17,383,300	11,265,486	(493,373)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	38,099,954	38,593,327	38,593,327
19.2 End of period (Line 18 plus Line 19.1)	55,483,255	49,858,813	38,099,954

## Notes to the Financial Statements

### 1. Summary of Significant Accounting Policies and Going Concern

#### A. Accounting Practices

The financial statements of Weston Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	06/30/2020	12/31/2019
<b>Net Income</b>					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ (4,749,062)	\$ 1,456,317
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (4,749,062)</u>	<u>\$ 1,456,317</u>
<b>Surplus</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 26,860,447	\$ 38,410,465
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 26,860,447</u>	<u>\$ 38,410,465</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

#### C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

#### D. Going Concern - Not Applicable

### 2. Accounting Changes and Corrections of Errors - Not Applicable

### 3. Business Combinations and Goodwill - Not Applicable

### 4. Discontinued Operations - Not Applicable

Quarterly Statement as of June 30, 2020 of the Weston Insurance Company  
**Notes to the Financial Statements**

**5. Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

	Gross (Admitted & Nonadmitted) Restricted										
	Current Year						Current Year				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	467,776				467,776	335,984	131,792		467,776	0.390	0.412
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets						4,840,000	(4,840,000)				
<b>o. Total restricted assets</b>	<b>\$ 467,776</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$ 467,776</b>	<b>\$ 5,175,984</b>	<b>\$ (4,708,208)</b>	<b>\$</b>	<b>\$ 467,776</b>	<b>0.390%</b>	<b>0.412%</b>

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

The Company has restricted assets in the amount of \$11,550,000 per the terms of a reinsurance contract, requiring deposit accounting, incepting June 1, 2020.



## Notes to the Financial Statements

## 5. Investments (Continued)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted						Percentage		
	Current Year								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase/ (Decrease) (5 - 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %
Total	\$	\$	\$	\$	\$	\$ 4,840,000	\$ (4,840,000)	\$	%

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees - Not Applicable

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes - No Significant Changes

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

A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the "Termination Date") unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.

On June 30, 2020, the amount of the loan outstanding is \$2,950,000. Interest income in the amount of \$78,294 was recorded by the Company in 2020.

The dissolution of the Weston Select Insurance Corporation (an affiliated company, WSIC) was authorized by a unanimous written consent action of WSIC's Board of Directors on April 15, 2020, and by a written consent action of WSIC's shareholder on April 15, 2020. The dissolution of WSIC was authorized by resolution of the Board of Directors in accordance with Section 33-14-101 of the South Carolina Statutes, and by WSIC's shareholder in accordance with Section 33-14-102 of the South Carolina Statutes. These Articles of Dissolution are effective as of April 16, 2020.

C. Amount of Transactions & Effects of Change in Terms of Intercompany Arrangements - Not Applicable

D. Amounts due to or from related parties

The Company has a receivable of \$12,433,216 from WIM, \$7,663,796 of such value has been admitted.

E. Guarantees or Contingencies - Not Applicable

F. Management, service contracts, cost sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and for claims administration. An expense of \$11,753,402 and \$11,166,429 was recorded for the three months ending June 30, 2020 and 2019 respectively, per the terms of the MGA agreement.

G. Nature of Relationships that Could Affect Operations - Not Applicable

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

## M. All SCA Investments

## (1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities	XXX	\$	\$	\$
c. SSAP No. 97 8b(iii) Entities				
Weston Select Insurance Company	%	\$	\$	\$
Total SSAP No. 97 8b(iii) Entities	XXX	\$	\$	\$
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)	XXX	\$	\$	\$
f. Aggregate Total (a+e)	XXX	\$	\$	\$

## (2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities			\$			
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities			\$			
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities			\$			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities			\$			
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d)			\$			
f. Aggregate Total (a+e)			\$			

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

\*\* I - Immaterial or M - Material

## N. Investment in Insurance SCAs

## (1) Not Applicable

## (2) The monetary effect on net income and surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA had Completed Statutory Financial Statements*
Weston Select Insurance Company	\$	\$	\$	\$

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

## (3) Not Applicable

## O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## 1. Outstanding shares

As of June 30, 2020 and 2019 the Company has 25,000 shares of authorized, issued and outstanding common stock at par value of one hundred dollars (\$100) per share.

## 2. Dividend Rate of Preferred Stock - Not Applicable

## 3. Dividend restrictions

## Notes to the Financial Statements

### 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)

Florida Statute 628.371 restricts dividend payment for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation the total amount of dividend restriction for WIC is \$3,876,162, which is 10% of surplus.

4. Dates and amounts of dividends paid  
The company paid a total of \$2,700,000 to parent, Weston Insurance Holdings Company, during the first quarter of 2019.  
The company paid a total of \$5,000,000 to parent, Weston Insurance Holdings Company, during the second quarter of 2020.
5. Company Profits Paid as Ordinary Dividends - Not Applicable
6. Surplus Restrictions - Not Applicable
7. Surplus Advances - Not Applicable
8. Stock Held for Special Purposes - Not Applicable
9. Changes in Special Surplus Funds - Not Applicable
10. Unassigned funds (surplus) - Not Applicable
11. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
12. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
13. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

### 14. Liabilities, Contingencies and Assessments

- A. Contingent Commitments - Not Applicable
- B. Assessments - Not Applicable
- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims-related ECO and bad faith losses paid during the reporting period.....	\$.....

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims
X				

Method used to disclose claim count information:

(f) Per Claim ☐                      (g) Per Claimant ☐

- E. Product Warranties - Not Applicable
- F. Joint and Several Liabilities - Not Applicable
- G. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

15. Leases - Not Applicable
16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

In 2012, the Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the Company. All authorities for WIM with respect to the MGA contract remain unchanged.



## Notes to the Financial Statements

## 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (Continued)

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CA,R,PB,U	\$ 47,544,430
Total					\$ 47,544,430

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds	\$ 11,238,111	\$	\$	\$	\$ 11,238,111
Total assets at fair value/NAV	\$ 11,238,111	\$	\$	\$	\$ 11,238,111
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$	\$	\$

## (2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

## (3) Policy on transfers into and out of Level 3 - Not Applicable

## (4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

## (5) Derivatives - Not Applicable

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 11,238,111	\$ 11,238,111	\$ 11,238,111	\$	\$	\$	\$
Common Stock							
Cash, Cash Equivalents and Short-Term Investments	39,655,079	39,655,079	39,655,079				

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

1. Assets in the amount of \$339,614 are on deposit with the State of Florida, Department of Financial Services, and \$124,812 is on deposit with the State of South Carolina, as required by law.

2. For the six months ending June 30, 2020, the Company wrote \$47,544,430 of direct premium, assumed \$4,762,796 of premium from Citizens Property Insurance Corporation, assumed \$11,322,654 from Weston Specialty Insurance Company, and assumed \$(342,038) from Texas Windstorm Insurance Association (TWIA). The TWIA premium is a result of a reclassification of assumed reinsurance premium to direct premium via a novation contract that inceptioned on June 1, 2020.

## 3. Agent balances certification

- o Agents' balance or uncollected premiums as reported on Page 2, Line 15.1 were \$17,846,744
- o Amounts of agents' balances or uncollected premiums from Page 2, Line 15.1 that is due from "controlled" or "controlling" persons were \$0.
- o Amount reported in #2 above and secured by a trust fund, letter of credit and financial guaranty bond as required by Section 625.012, Florida Statutes were \$0.

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

## Notes to the Financial Statements

## 22. Events Subsequent

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act?		
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment	\$	
F. Total adjusted capital after surplus adjustment	\$	
G. Authorized control level	\$	
H. Would reporting the ACA assessment as of Dec 31 have triggered an RBC action level?		

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

Amount (000) omitted

NAIC Group Code	Federal ID#	Name of Reinsurer	Amount
26921	22-2005057	Everest Reinsurance Company	\$ 3,032,456
0	AA3191315	Munich Reinsurance America, Inc.	1,147,986
0	AA3191267	Securis Investment Partners	1,640,472
0	AA9991310	Florida Hurricane Catastrophe Fund	18,455,456

## B. Reinsurance Recoverable in Dispute - Not Applicable

## C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 12,541,233	\$ 3,762,370	\$ 12,541,233	\$ 3,762,379	\$ -	\$ (9)
b. All other			39,814,355	11,944,307	(39,814,355)	(11,944,307)
c. Total	\$ 12,541,233	\$ 3,762,370	\$ 52,355,588	\$ 15,706,686	\$ (39,814,355)	\$ (11,944,316)
d. Direct unearned premium reserve			\$ 62,943,088			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

## D. Uncollectible Reinsurance - Not Applicable

## E. Commutation of Ceded Reinsurance - Not Applicable

## F. Retroactive Reinsurance - Not Applicable

## G. Reinsurance Accounted for as a Deposit

The Company participates in two reinsurance agreements that are accounted for as a deposit. The first contract covers \$3,262,500 in the aggregate with a retention of \$5,000,000. The second contract covers \$8,287,500 in the aggregate with a retention of \$10,000,000. The contracts inception June 1, 2020

Description	Interest Income	Cash Recoveries	Deposit Balance
Asset Protection Cover	\$	\$	\$

## H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

## I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

## J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

## 24. Retrospectively Rated Contracts &amp; Contracts Subject to Redetermination

## A. Method Used to Estimate

Not Applicable

## B. Method Used to Record

Not Applicable

## C. Amount and Percent of Net Retrospective Premiums

Not Applicable

## D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

Not Applicable

**Notes to the Financial Statements****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)**

	(1)	(2)	(3)	(4)	(5)
	Individual	Small Group Employer	Large Group Employer	Other Categories with Rebates	Total
Prior Reporting Year					
(1) Medical loss ratio rebates incurred	\$	\$	\$	\$	\$
(2) Medical loss ratio rebates paid					
(3) Medical loss rebates unpaid					
(4) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(5) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(6) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	
Current Reporting Year-to-Date					
(7) Medical loss ratio rebates incurred	\$	\$	\$	\$	\$
(8) Medical loss ratio rebates paid					
(9) Medical loss rebates unpaid					
(10) Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	
(11) Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	
(12) Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	

**E. Calculation of Nonadmitted Retrospective Premium**

Not Applicable

**(1) For Ten Percent (10%) Method of determining nonadmitted retrospective premium**

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

a. Total accrued retro premium	\$
b. Unsecured amount	
c. Less: nonadmitted amount (10%)	
d. Less: nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted	
e. Admitted amount (a-c-d)	\$

No

**(2) For Quality Rating Method of determining nonadmitted retrospective premium**

	(1)	(2)	(3)	(4)
	Insured's Current Quality Rating	Total Amount	Unsecured Balances %	Nonadmitted Amount (2) x % Admitted Amount (1 - 3)
a. 1	\$	\$	1%	\$
b. 2			2%	
c. 3			5%	
d. 4			10%	
e. 5			20%	
f. 6			100%	
g. Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted				
h. Total (a) through (f) - (g)	\$	\$	\$	\$

**F. Risk-Sharing Provisions of the Affordable Care Act (ACA)**

Not Applicable

**(1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions**

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?  
**NO**

**Notes to the Financial Statements****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)**

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year

	<u>Amount</u>
a. Permanent ACA Risk Adjustment Program	
Assets	
1. Premium adjustments receivable due to the ACA risk adjustment (including high risk pool payments) .....	\$ .....
Liabilities	
2. Risk adjustment user fees payable for ACA risk adjustment .....	\$ .....
3. Premium adjustments payable due to ACA risk adjustment (including high risk pool premium) .....	\$ .....
Operations (Revenue & Expense)	
4. Reported as revenue in premium for accident and health contracts (written/collected) due to ACA risk adjustment .....	\$ .....
5. Reported in expenses as ACA risk adjustment user fees (incurred/paid) .....	\$ .....
b. Transitional ACA Reinsurance Program	
Assets	
1. Amounts recoverable for claims paid due to ACA reinsurance .....	\$ .....
2. Amounts recoverable for claims unpaid due to ACA reinsurance (contra liability) .....	\$ .....
3. Amounts receivable relating to uninsured plans for contributions for ACA reinsurance .....	\$ .....
Liabilities	
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium .....	\$ .....
5. Ceded reinsurance premiums payable due to ACA reinsurance .....	\$ .....
6. Liabilities for amounts held under uninsured plans contributions for ACA reinsurance .....	\$ .....
Operations (Revenue & Expense)	
7. Ceded reinsurance premiums due to ACA reinsurance .....	\$ .....
8. Reinsurance recoveries (income statement) due to ACA reinsurance payments or expected payments .....	\$ .....
9. ACA reinsurance contributions - not reported as ceded premium .....	\$ .....
c. Temporary ACA Risk Corridors Program	
Assets	
1. Accrued retrospective premium due to ACA risk corridors liabilities .....	\$ .....
2. Reserve for rate credits or policy experience rating refunds due to ACA risk corridors .....	\$ .....
Operations (Revenue & Expense)	
3. Effect of ACA risk corridors on net premium income (paid/received) .....	\$ .....
4. Effect of ACA risk corridors on change in reserves for rate credits .....	\$ .....



## Notes to the Financial Statements

## 24. Retrospectively Rated Contracts &amp; Contracts Subject to Redetermination (Continued)

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable (including high risk pool payments)	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Premium adjustments (payable) (including high risk pool premium)									B		
3. Subtotal ACA Permanent Risk Adjustment Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
b. Transitional ACA Reinsurance Program											
1. Amounts recoverable for claims paid	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Amounts recoverable for claims unpaid (contra liability)									D		
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA reinsurance - not reported as ceded premium									F		
5. Ceded reinsurance premiums payable									G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
c. Temporary ACA Risk Corridors Program											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	I	\$	\$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$
d. Total for ACA risk sharing provisions	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments: None

(4) Roll-forward of risk corridors asset and liability balances by program benefit year

	Accrued During the Prior Year on Business Written Before Dec 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before Dec 31 of the Prior Year		Differences		Adjustments		Ref	Unsettled Balances as of the Reporting Date	
					Prior Year Accrued Less Payments (Col 1 - 3)	Prior Year Accrued Less Payments (Col 2 - 4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col 1-3+7)	Cumulative Balance from Prior Years (Col 2-4+8)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		(9)	(10)
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)		Receivable	(Payable)
Risk Corridors Program Year											
a. 2014											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	A	\$	\$
2. Reserve for rate credits for policy experience rating refunds									B		
b. 2015											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	C	\$	\$
2. Reserve for rate credits for policy experience rating refunds									D		
c. 2016											
1. Accrued retrospective premium	\$	\$	\$	\$	\$	\$	\$	\$	E	\$	\$
2. Reserve for rate credits for policy experience rating refunds									F		
d. Total for Risk Corridors	\$	\$	\$	\$	\$	\$	\$	\$		\$	\$

Explanations of Adjustments: None

**Notes to the Financial Statements****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)**

(5) ACA risk corridors receivable as of reporting date

	(1)	(2)	(3)	(4)	(5)	(6)
Risk Corridor Program Year	Estimated Amount to be Filed or Final Amount Filed with CMS	Nonaccrued Amounts for Impairment or Other Reasons	Amounts Received from CMS	Asset Balance Gross of Nonadmissions (1-2-3)	Non-admitted Amount	Net Admitted Asset (4-5)
a. 2014	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
b. 2015	.....	.....	.....	.....	.....	.....
c. 2016	.....	.....	.....	.....	.....	.....
d. Total (a+b+c)	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

**25. Changes in Incurred Losses and Loss Adjustment Expenses****A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years**

Reserves as of December 31, 2019 were \$3,068,411. For the six months ending June 30, 2020, \$958,140 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,130,870 resulting in unfavorable development of \$20,599. Increases or decreases of this nature occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims.

**B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses**

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

**26. Intercompany Pooling Arrangements - Not Applicable****27. Structured Settlements - Not Applicable****28. Health Care Receivables - Not Applicable****29. Participating Policies - Not Applicable****30. Premium Deficiency Reserves - Not Applicable****31. High Deductibles - Not Applicable****32. Discounting of Liabilities by Withdrawal Characteristics For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable****33. Asbestos/Environmental Reserves - Not Applicable****34. Subscriber Savings Accounts - Not Applicable****35. Multiple Peril Crop Insurance - Not Applicable****36. Financial Guaranty Insurance - Not Applicable**



**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes ☐ No ☒
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes ☐ No ☐
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes ☐ No ☒
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes ☒ No ☐
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
Weston Select Insurance Company was dissolved.....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes ☐ No ☒
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group .....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes ☐ No ☒  
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes ☐ No ☒ NA ☐  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2015
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....05/30/2017
- 6.4 By what department or departments?  
Florida Office of Insurance Regulation.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes ☐ No ☐ NA ☒
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes ☐ No ☐ NA ☒
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes ☐ No ☒
- 7.2 If yes, give full information: .....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes ☐ No ☒
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. ....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes ☐ No ☒
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

## GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain: .....
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes ☐ No ☒
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s). .....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes ☐ No ☒
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). .....

## FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes ☒ No ☐
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ .....0

## INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes ☐ No ☒
- 11.2 If yes, give full and complete information relating thereto: .....
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ .....0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ .....0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes ☐ No ☒
- 14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....5,009,195	\$ .....0
14.24 Short-Term Investments .....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate .....	\$ .....0	\$ .....0
14.26 All Other .....	\$ .....0	\$ .....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ .....5,009,195	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....0	\$ .....0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes ☐ No ☒
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes ☐ No ☐ NA ☒
- If no, attach a description with this statement.
- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ .....0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ .....0
- 16.3 Total payable for securities lending reported on the liability page ..... \$ .....0

## GENERAL INTERROGATORIES

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

- 17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Merrill Lynch	355 Alhambra Cir. Ste 1502 Coral Gables, FL 33134

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? .....

Yes ☐ No ☒

- 17.4 If yes, give full and complete information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management	A

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? .....

Yes ☒ No ☐

- 18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?.....

Yes ☐ No ☒

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?.....

Yes ☐ No ☒

## GENERAL INTERROGATORIES

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:\_\_\_\_\_
- a. The shares were purchased prior to January 1, 2019.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - d. The fund only or predominantly holds bonds in its portfolio.
  - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [X]

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [ ] NA [X]

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes [ ] No [X]

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes [ ] No [X]

- 3.2 If yes, give full and complete information thereto.

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? ..... Yes [ ] No [ ]

- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			
				5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

- 6.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [X]

- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$

- 6.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [X]

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [X] No [ ]

- 7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]

**STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company**

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]



**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date – Allocated by States and Territories							
States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL		0		0		0
2. Alaska	AK		0		0		0
3. Arizona	AZ		0		0		0
4. Arkansas	AR		0		0		0
5. California	CA		0		0		0
6. Colorado	CO		0		0		0
7. Connecticut	CT		0		0		0
8. Delaware	DE		0		0		0
9. Dist. Columbia	DC		0		0		0
10. Florida	FL	33,395,334	30,366,589	14,042,343	24,537,679	31,916,291	42,255,231
11. Georgia	GA		0		0		0
12. Hawaii	HI		0		0		0
13. Idaho	ID		0		0		0
14. Illinois	IL		0		0		0
15. Indiana	IN		0		0		0
16. Iowa	IA		0		0		0
17. Kansas	KS		0		0		0
18. Kentucky	KY		0		0		0
19. Louisiana	LA		0		0		0
20. Maine	ME		0		0		0
21. Maryland	MD		0		0		0
22. Massachusetts	MA		0		0		0
23. Michigan	MI		0		0		0
24. Minnesota	MN		0		0		0
25. Mississippi	MS	2,266	0		0		0
26. Missouri	MO		0		0		0
27. Montana	MT		0		0		0
28. Nebraska	NE		0		0		0
29. Nevada	NV		0		0		0
30. New Hampshire	NH		0		0		0
31. New Jersey	NJ		0		0		0
32. New Mexico	NM		0		0		0
33. New York	NY		0		0		0
34. No. Carolina	NC		0		0		0
35. No. Dakota	ND		0		0		0
36. Ohio	OH		0		0		0
37. Oklahoma	OK		0		0		0
38. Oregon	OR		0		0		0
39. Pennsylvania	PA		0		0		0
40. Rhode Island	RI		0		0		0
41. So. Carolina	SC		0		0		0
42. So. Dakota	SD		0		0		0
43. Tennessee	TN		0		0		0
44. Texas	TX	14,146,830	10,464,402	1,730,474	1,081,958	1,466,069	4,995,562
45. Utah	UT		0		0		0
46. Vermont	VT		0		0		0
47. Virginia	VA		0		0		0
48. Washington	WA		0		0		0
49. West Virginia	WV		0		0		0
50. Wisconsin	WI		0		0		0
51. Wyoming	WY		0		0		0
52. American Samoa	AS		0		0		0
53. Guam	GU		0		0		0
54. Puerto Rico	PR		0		0		0
55. U.S. Virgin Islands	VI		0		0		0
56. Northern Mariana Islands	MP		0		0		0
57. Canada	CAN		0		0		0
58. Aggregate Other Alien	OT	0	0	0	0	0	0
59. Totals	XXX	47,544,430	40,830,991	15,772,817	25,619,637	33,382,359	47,250,794
<b>DETAILS OF WRITE-INS</b>							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

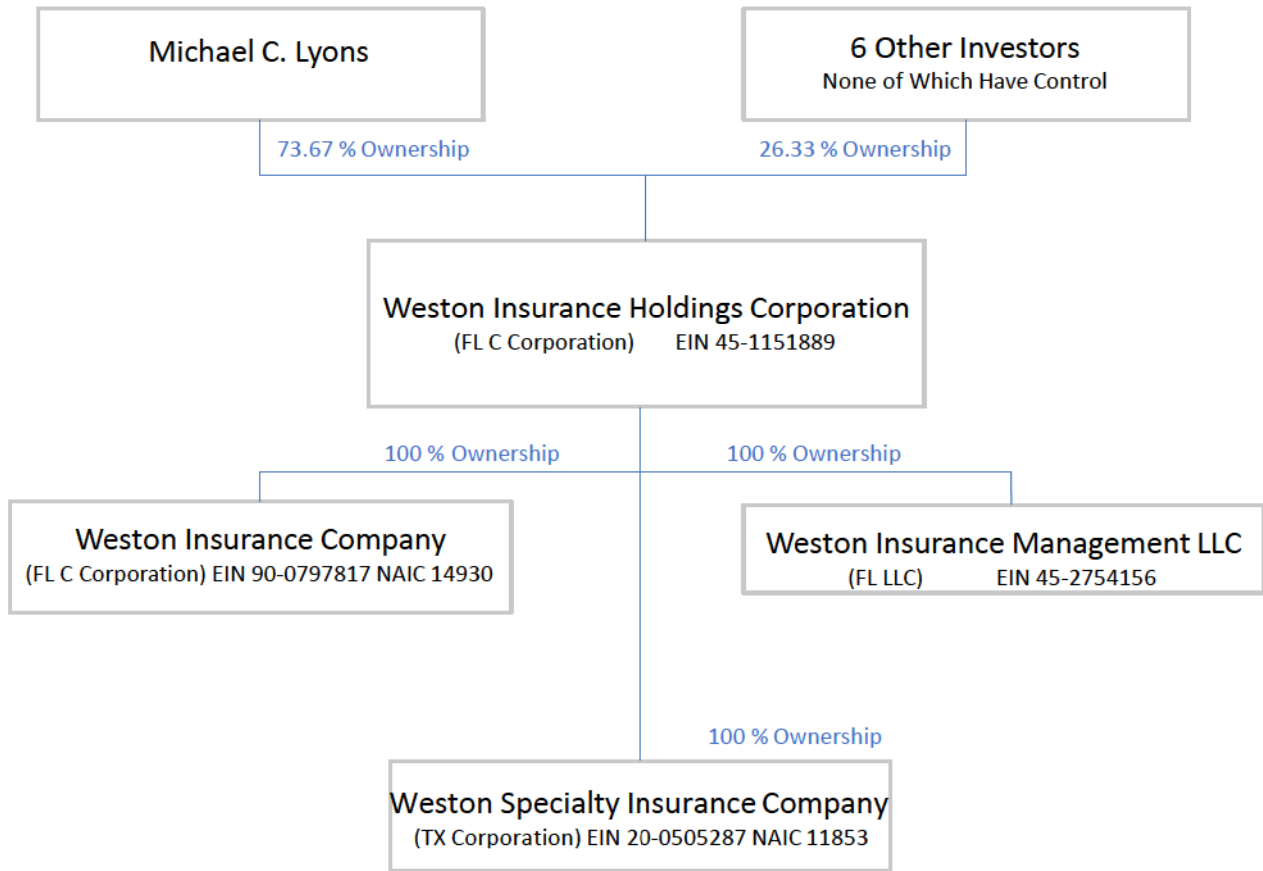
(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG \_\_\_\_\_ 5 R – Registered – Non-domiciled RRGs \_\_\_\_\_ 0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) \_\_\_\_\_ 0 Q – Qualified – Qualified or accredited reinsurer \_\_\_\_\_ 1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile \_\_\_\_\_ 0 N – None of the above – Not allowed to write business in the state \_\_\_\_\_ 51

STATEMENT FOR JUNE 30, 2020 OF WESTON INSURANCE COMPANY

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY

GROUP PART 1 – ORGANIZATIONAL CHART



**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

[illegible]

Asterisk	Explanation
0000001	

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	0.0
2. Allied lines .....	41,870,890	890,432	2.1	30.5
3. Farmowners multiple peril .....			0.0	0.0
4. Homeowners multiple peril .....			0.0	0.0
5. Commercial multiple peril .....			0.0	0.0
6. Mortgage guaranty .....			0.0	0.0
8. Ocean marine .....			0.0	0.0
9. Inland marine .....			0.0	0.0
10. Financial guaranty .....			0.0	0.0
11.1 Medical professional liability -occurrence.....			0.0	0.0
11.2 Medical professional liability -claims made.....			0.0	0.0
12. Earthquake .....			0.0	0.0
13. Group accident and health .....			0.0	0.0
14. Credit accident and health .....			0.0	0.0
15. Other accident and health .....			0.0	0.0
16. Workers' compensation .....			0.0	0.0
17.1 Other liability occurrence.....			0.0	0.0
17.2 Other liability-claims made.....			0.0	0.0
17.3 Excess Workers' Compensation.....			0.0	0.0
18.1 Products liability-occurrence.....			0.0	0.0
18.2 Products liability-claims made.....			0.0	0.0
19.1,19.2 Private passenger auto liability .....			0.0	0.0
19.3,19.4 Commercial auto liability .....			0.0	0.0
21. Auto physical damage .....			0.0	0.0
22. Aircraft (all perils) .....			0.0	0.0
23. Fidelity .....			0.0	0.0
24. Surety .....			0.0	0.0
26. Burglary and theft .....			0.0	0.0
27. Boiler and machinery .....			0.0	0.0
28. Credit .....			0.0	0.0
29. International .....			0.0	0.0
30. Warranty.....			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business .....	0	0	0.0	0.0
35. TOTALS .....	41,870,890	890,432	2.1	30.5
DETAILS OF WRITE-INS				
3401. ....				
3402. ....				
3403. ....				
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) .....	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....	0		0
2. Allied lines .....	31,100,866	47,544,430	40,830,991
3. Farmowners multiple peril .....	0		0
4. Homeowners multiple peril .....	0		0
5. Commercial multiple peril .....	0		0
6. Mortgage guaranty .....	0		0
8. Ocean marine .....	0		0
9. Inland marine .....	0		0
10. Financial guaranty .....	0		0
11.1 Medical professional liability-occurrence.....	0		0
11.2 Medical professional liability-claims made .....	0		0
12. Earthquake .....	0		0
13. Group accident and health .....	0		0
14. Credit accident and health .....	0		0
15. Other accident and health .....	0		0
16. Workers' compensation .....	0		0
17.1 Other liability occurrence.....	0		0
17.2 Other liability-claims made.....	0		0
17.3 Excess Workers' Compensation.....	0		0
18.1 Products liability-occurrence.....	0		0
18.2 Products liability-claims made.....	0		0
19.1,19.2 Private passenger auto liability .....	0		0
19.3,19.4 Commercial auto liability .....	0		0
21. Auto physical damage .....	0		0
22. Aircraft (all perils) .....	0		0
23. Fidelity .....	0		0
24. Surety .....	0		0
26. Burglary and theft .....	0		0
27. Boiler and machinery .....	0		0
28. Credit .....	0		0
29. International .....	0		0
30. Warranty.....	0		0
31. Reinsurance - Nonproportional Assumed Property .....	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability .....	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines .....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business .....	0	0	0
35. TOTALS .....	31,100,866	47,544,430	40,830,991
DETAILS OF WRITE-INS			
3401. ....			
3402. ....			
3403. ....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34) .....	0	0	0

## STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company

## PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2020 Loss and LAE Payments on Claims Reported as of Prior Year-End	2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2020 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2017 + Prior	15	89	104	2	17	19	23	(5)	87	85	10	(10)	0
2. 2018	105	106	211	98	1	99	6	53	52	112	(1)	1	0
3. Subtotals 2018 + prior	119	196	315	100	19	118	29	48	119	197	10	(9)	0
4. 2019	660	2,093	2,753	562	278	840	96	187	1,631	1,914	(3)	3	0
5. Subtotals 2019 + prior	779	2,289	3,068	661	297	958	125	236	1,750	2,110	7	(7)	0
6. 2020	XXX	XXX	XXX	XXX	6,973	6,973	XXX	1,159	329	1,488	XXX	XXX	XXX
7. Totals	779	2,289	3,068	661	7,270	7,931	125	1,395	2,079	3,598	7	(7)	0
8. Prior Year-End Surplus As Regards Policyholders	38,410										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 0.9	2. (0.3)	3. 0.0
													Col. 13, Line 7 Line 8
													4. 0.0

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

- |  | <u>Response</u> |
|--|-----------------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?                         | .....NO.....    |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?                         | .....NO.....    |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?                | .....NO.....    |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | .....NO.....    |

Explanation:

Bar Code:

- |    |  |
|----|--|
| 1. | <br>1 4 9 3 0 2 0 2 0 4 9 0 0 0 0 0 2 |
| 2. | <br>1 4 9 3 0 2 0 2 0 4 5 5 0 0 0 0 2 |
| 3. | <br>1 4 9 3 0 2 0 2 0 3 6 5 0 0 0 0 2 |
| 4. | <br>1 4 9 3 0 2 0 2 0 5 0 5 0 0 0 0 2 |



**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A – VERIFICATION**

Real Estate		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition			0
3. Current year change in encumbrances			0
4. Total gain (loss) on disposals			0
5. Deduct amounts received on disposals			0
6. Total foreign exchange change in book/adjusted carrying value			0
7. Deduct current year's other-than-temporary impairment recognized			0
8. Deduct current year's depreciation			0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8)		0	0
10. Deduct total nonadmitted amounts		0	0
11. Statement value at end of current period (Line 9 minus Line 10)		0	0

**SCHEDULE B – VERIFICATION**

Mortgage Loans		1	2
		Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		0	0
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition			0
3. Capitalized deferred interest and other			0
4. Accrual of discount			0
5. Unrealized valuation increase (decrease)			0
6. Total gain (loss) on disposals			0
7. Deduct amounts received on disposals			0
8. Deduct amortization of premium and mortgage interest points and commitment fees			0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest			0
10. Deduct current year's other-than-temporary impairment recognized			0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		0	0
12. Total valuation allowance			0
13. Subtotal (Line 11 plus Line 12)		0	0
14. Deduct total nonadmitted amounts		0	0
15. Statement value at end of current period (Line 13 minus Line 14)		0	0

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		1,800,000	2,400,000
2. Cost of acquired:			
2.1 Actual cost at time of acquisition			0
2.2 Additional investment made after acquisition		1,450,000	0
3. Capitalized deferred interest and other			0
4. Accrual of discount			0
5. Unrealized valuation increase (decrease)			0
6. Total gain (loss) on disposals			0
7. Deduct amounts received on disposals		300,000	600,000
8. Deduct amortization of premium and depreciation			0
9. Total foreign exchange change in book/adjusted carrying value			0
10. Deduct current year's other-than-temporary impairment recognized			0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		2,950,000	1,800,000
12. Deduct total nonadmitted amounts		0	0
13. Statement value at end of current period (Line 11 minus Line 12)		2,950,000	1,800,000

**SCHEDULE D – VERIFICATION**

Bonds and Stocks		1	2
		Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year		23,515,459	18,845,268
2. Cost of bonds and stocks acquired		3,760,747	16,273,899
3. Accrual of discount		7,750	15,128
4. Unrealized valuation increase (decrease)		13,071	(9,450)
5. Total gain (loss) on disposals		4,144	44,884
6. Deduct consideration for bonds and stocks disposed of		16,237,764	11,610,055
7. Deduct amortization of premium		30,588	50,181
8. Total foreign exchange change in book/adjusted carrying value			0
9. Deduct current year's other-than-temporary impairment recognized			0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		1,352	5,967
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)		11,034,170	23,515,459
12. Deduct total nonadmitted amounts		0	0
13. Statement value at end of current period (Line 11 minus Line 12)		11,034,170	23,515,459

## STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company

**SCHEDULE D - PART 1B**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) _____	14,252,212	1,619,105	8,944,760	244,232	14,252,212	7,170,789	0	14,076,335
2. NAIC 2 (a) _____	4,698,952	678,398	1,002,362	(256,438)	4,698,952	4,118,551	0	4,684,489
3. NAIC 3 (a) _____	0				0	0	0	0
4. NAIC 4 (a) _____	0				0	0	0	0
5. NAIC 5 (a) _____	0				0	0	0	0
6. NAIC 6 (a) _____	0				0	0	0	0
7. Total Bonds	18,951,164	2,297,503	9,947,122	(12,205)	18,951,164	11,289,340	0	18,960,825
<b>PREFERRED STOCK</b>								
8. NAIC 1 _____	0				0	0	0	0
9. NAIC 2 _____	0				0	0	0	0
10. NAIC 3 _____	0				0	0	0	0
11. NAIC 4 _____	0				0	0	0	0
12. NAIC 5 _____	0				0	0	0	0
13. NAIC 6 _____	0				0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	18,951,164	2,297,503	9,947,122	(12,205)	18,951,164	11,289,340	0	18,960,825

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$

268,242 ; NAIC 2 \$ \_\_\_\_\_ ;

NAIC 3 \$ \_\_\_\_\_ ; NAIC 4 \$ \_\_\_\_\_ ; NAIC 5 \$ \_\_\_\_\_ ; NAIC 6 \$ \_\_\_\_\_

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	268,242	XXX	268,979	3,063	

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	436,586	6,996,681
2. Cost of short-term investments acquired .....		436,853
3. Accrual of discount .....	243	31,352
4. Unrealized valuation increase (decrease) .....		.0
5. Total gain (loss) on disposals .....		.0
6. Deduct consideration received on disposals .....	168,000	7,028,000
7. Deduct amortization of premium .....	587	299
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other-than-temporary impairment recognized .....		.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	268,242	436,586
11. Deduct total nonadmitted amounts .....		.0
12. Statement value at end of current period (Line 10 minus Line 11) .....	268,242	436,586

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

**SCHEDULE E – PART 2 – VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	18,775,603	6,545,463
2. Cost of cash equivalents acquired .....	29,799,735	107,140,023
3. Accrual of discount .....	25	667
4. Unrealized valuation increase (decrease) .....		.0
5. Total gain (loss) on disposals .....		.0
6. Deduct consideration received on disposals .....	8,920,285	94,910,550
7. Deduct amortization of premium .....		.0
8. Total foreign exchange change in book/adjusted carrying value .....		.0
9. Deduct current year's other-than-temporary impairment recognized .....		.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	39,655,079	18,775,603
11. Deduct total nonadmitted amounts .....		.0
12. Statement value at end of current period (Line 10 minus Line 11) .....	39,655,079	18,775,603



Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

### SCHEDULE D - PART 3

[illegible]

**SCHEDULE D - PART 4**E05

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part E

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

**SCHEDULE E - PART 1 - CASH**E13

**STATEMENT AS OF JUNE 30, 2020 OF THE Weston Insurance Company**

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

[illegible]





PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2020  
OF THE CONDITION AND AFFAIRS OF THE

## Weston Insurance Company

NAIC Group Code	04957	04957	NAIC Company Code	14930	Employer's ID Number	90-0797817
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry	Florida		
Country of Domicile	United States					
Incorporated/Organized	02/21/2012		Commenced Business	12/21/2012		
Statutory Home Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		888-800-5002-1009	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	P.O. Box 14-2057		Coral Gables, FL, US 33114-2057			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce de Leon Boulevard, Suite 300		Coral Gables, FL, US 33134-6037		786-646-1189	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Lynn Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

### OFFICERS

Name	Title	Name	Title
Michael Christopher Lyons	Chief Executive Officer & President	Bryan Triplett McCully	SVP, CAO & General Counsel
Richard Bruno Primerano	SVP, CFO, COO & Treasurer		

### OTHER OFFICERS

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### DIRECTORS OR TRUSTEES

Michael Christopher Lyons	Bryan Triplett McCully	Deanne Dietrich Nixon	Edouard von Herberstein #
Richard Bruno Primerano			

State of \_\_\_\_\_

County of \_\_\_\_\_

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

Michael Christopher Lyons Chief Executive Officer & President	Bryan Triplett McCully SVP, CAO & General Counsel	Richard Bruno Primerano SVP, CFO, COO & Treasurer
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Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_
2. Date filed \_\_\_\_\_
3. Number of pages attached \_\_\_\_\_

## STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	11,468,855		11,468,855	18,506,264
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....			0	5,009,195
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ ..... 7,808,988 ), cash equivalents (\$ ..... 26,571,367 ) and short-term investments (\$ ..... 54,987 ) .....	34,435,342		34,435,342	38,099,954
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	2,800,000		2,800,000	1,800,000
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	48,704,197	0	48,704,197	63,415,413
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	161,955		161,955	85,145
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	3,492,692	180,526	3,312,166	7,323,547
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	5,920,600		5,920,600	3,499,277
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	12,196,608		12,196,608	655,340
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	4,840,000
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	887,183		887,183	887,183
18.2 Net deferred tax asset .....	5,071,246	1,319,994	3,751,252	456,444
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	11,944,849		11,944,849	6,285,946
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	8,723,712	0	8,723,712	357,588
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	97,103,041	1,500,520	95,602,521	87,805,883
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	97,103,041	1,500,520	95,602,521	87,805,883
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. SSAP 72 Surplus Contribution due from Weston Insurance Holdings .....	6,950,077		6,950,077	0
2502. Brokerage Sharing Commission Receivable .....	1,596,936		1,596,936	180,890
2503. State Income Tax Recoverable .....	176,699		176,699	176,698
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	8,723,712	0	8,723,712	357,588

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 7,145,981 )	9,661,226	2,671,130
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	699,820	397,280
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	893,289	136,700
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 60,204,931 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	9,875,000	2,016,667
10. Advance premium	2,903,254	1,731,555
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	42,305,248	32,199,709
13. Funds held by company under reinsurance treaties	2,606,986	9,037,396
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		745
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	1,608,306	1,204,236
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	70,553,129	49,395,418
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	70,553,129	49,395,418
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	2,500,000	2,500,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	45,750,077	38,800,000
35. Unassigned funds (surplus)	(23,200,684)	(2,889,535)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		0
36.2 shares preferred (value included in Line 31 \$ )		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	25,049,393	38,410,465
38. Totals (Page 2, Line 28, Col. 3)	95,602,521	87,805,883
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Ceding Commissions	1,002,425	690,809
2502. Refunds Payable	282,268	162,747
2503. Escheat Payable	323,613	350,680
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,608,306	1,204,236
2901.		0
2902.		0
2903.		0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		0
3203.		0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 78,587,855 )	65,870,968	61,228,950	81,328,021
1.2 Assumed (written \$ 24,889,255 )	18,186,757	965,593	2,126,872
1.3 Ceded (written \$ 87,302,675 )	75,741,622	58,073,288	77,877,995
1.4 Net (written \$ 16,174,435 )	8,316,103	4,121,255	5,576,898
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 31,173,031 ):			
2.1 Direct	23,493,708	16,876,650	28,816,667
2.2 Assumed	26,285,001	2,682,135	204,345
2.3 Ceded	19,541,240	15,592,581	24,150,798
2.4 Net	30,237,469	3,966,203	4,870,214
3. Loss adjustment expenses incurred	367,255	446,828	711,489
4. Other underwriting expenses incurred	17,333	(998,910)	(822,855)
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	30,622,057	3,414,122	4,758,848
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(22,305,955)	707,133	818,050
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	76,162	359,073	413,839
10. Net realized capital gains (losses) less capital gains tax of \$	22,524	10,259	44,884
11. Net investment gain (loss) (Lines 9 + 10)	98,686	369,332	458,723
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	(28,708)	(152,959)	(109,663)
13. Finance and service charges not included in premiums	260,732	212,284	289,206
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	232,024	59,325	179,543
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(21,975,244)	1,135,790	1,456,317
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(21,975,244)	1,135,790	1,456,317
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(21,975,244)	1,135,790	1,456,317
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	38,410,465	43,074,673	43,074,674
22. Net income (from Line 20)	(21,975,244)	1,135,790	1,456,317
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	(9,195)	0	(9,450)
25. Change in net unrealized foreign exchange capital gain (loss)	0	(33,667)	0
26. Change in net deferred income tax	4,614,802	(258,918)	(244,592)
27. Change in nonadmitted assets	2,058,489	(151,685)	(3,166,483)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	6,950,077	(2,700,000)	(2,700,000)
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	(5,000,000)	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	(13,361,072)	(2,008,480)	(4,664,209)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	25,049,393	41,066,193	38,410,465
<b>DETAILS OF WRITE-INS</b>			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.	0	0	0
1402.	0	0	0
1403.	0	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0



**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance	31,616,286	10,109,799	5,484,792
2. Net investment income	(648)	312,663	452,241
3. Miscellaneous income	232,024	59,325	179,543
4. Total (Lines 1 to 3)	31,847,662	10,481,787	6,116,577
5. Benefit and loss related payments	34,788,641	7,208,637	2,328,304
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	4,845,308	0
7. Commissions, expenses paid and aggregate write-ins for deductions	243,765	(730,960)	(422,459)
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	1	(697,493)	(568,461)
10. Total (Lines 5 through 9)	35,032,407	10,625,492	1,337,385
11. Net cash from operations (Line 4 minus Line 10)	(3,184,745)	(143,706)	4,779,192
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	12,348,750	3,502,796	6,403,658
12.2 Stocks	0	179,929	5,206,397
12.3 Mortgage loans	0	0	0
12.4 Real estate	0	0	0
12.5 Other invested assets	450,000	450,000	600,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	29,512	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	12,828,262	4,132,724	12,210,056
13. Cost of investments acquired (long-term only):			
13.1 Bonds	5,451,376	3,250,023	6,274,061
13.2 Stocks	0	9,999,837	9,999,837
13.3 Mortgage loans	0	0	0
13.4 Real estate	0	0	0
13.5 Other invested assets	1,450,000	0	0
13.6 Miscellaneous applications	9,195	35,373	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	6,910,571	13,285,233	16,273,899
14. Net increase (or decrease) in contract loans and premium notes	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	5,917,691	(9,152,508)	(4,063,843)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	6,950,077	(2,700,000)	(2,700,000)
16.3 Borrowed funds	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0	0
16.5 Dividends to stockholders	5,000,000	0	0
16.6 Other cash provided (applied)	(8,347,635)	7,997,554	1,491,278
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(6,397,558)	5,297,554	(1,208,722)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(3,664,613)	(3,998,660)	(493,373)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	38,099,954	38,593,327	38,593,327
19.2 End of period (Line 18 plus Line 19.1)	34,435,341	34,594,667	38,099,954

## Notes to the Financial Statements

## 1. Summary of Significant Accounting Policies and Going Concern

## A. Accounting Practices

The financial statements of Weston Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	09/30/2020	12/31/2019
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ (21,975,245)	\$ 1,456,317
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	\$ (21,975,245)	\$ 1,456,317
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 25,049,393	\$ 38,410,465
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 25,049,393	\$ 38,410,465

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

## D. Going Concern - Not Applicable

## 2. Accounting Changes and Corrections of Errors - Not Applicable

## 3. Business Combinations and Goodwill - Not Applicable

## 4. Discontinued Operations - Not Applicable



## Notes to the Financial Statements

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							Current Year			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states	343,924				343,924	335,984	7,940		343,924	0.336	0.341
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets	-	-	-	-	-	4,840,000	(4,840,000)		-	-	-
<b>o. Total restricted assets</b>	<b>\$ 343,924</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 343,924</b>	<b>\$ 5,175,984</b>	<b>\$ (4,832,060)</b>	<b>\$ -</b>	<b>\$ 343,924</b>	<b>0.336 %</b>	<b>0.341 %</b>

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

Not applicable

## Notes to the Financial Statements

## 5. Investments (Continued)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							Percentage		
	Current Year							(9) Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	(10) Admitted Restricted to Total Admitted Assets, %	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)			(8)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase/ (Decrease) (5 - 6)			Total Current Year Admitted Restricted
Reinsurance contract	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,840,000	\$ (4,840,000)	\$ —	— %	— %
Total	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 4,840,000	\$ (4,840,000)	\$ —	— %	— %

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees - Not Applicable

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes

The current federal income tax recoverable reported on line 18.1 of the assets page reflects a previously non-admitted balance of \$887,183. The balance is over 90 days past due from an affiliate under the Company's Tax Sharing Agreement. The balance is now reflected as an admitted asset as it will be settled with proceeds from a capital contribution received by the Company's direct parent after the balance sheet date and admitted as part of a SAP 72 surplus contribution approved by the Florida Office of Insurance Regulation. Similarly, the state income tax recoverable reported as an aggregate write-in and included on line 25 of the assets page is reflects a previously non-admitted balance of \$176,699. The balance is now reflected as an admitted asset as it will be settled with proceeds from a capital contribution received by the Company's direct parent after the balance sheet date and admitted as part of a SAP 72 surplus contribution approved by the Florida Office of Insurance Regulation.

A. Components of the Net Deferred Tax Asset/(Liability)

(1) Change between years by tax character

	09/30/2020			12/31/2019			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 5,071,246	\$ -	\$ 5,071,246	\$ 476,402	\$ (8,995)	\$ 467,407	\$ 4,594,844	\$ 8,995	\$ 4,603,839
(b) Statutory valuation allowance adjustments									
(c) Adjusted gross deferred tax assets (1a - 1b)	5,071,246		5,071,246	476,402	(8,995)	467,407	4,594,844	8,995	4,603,839
(d) Deferred tax assets nonadmitted	1,319,994		1,319,994				1,319,994		1,319,994
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 3,751,252	\$ -	\$ 3,751,252	\$ 476,402	\$ (8,995)	\$ 467,407	\$ 3,274,850	\$ 8,995	\$ 3,283,845
(f) Deferred tax liabilities				10,964		10,964	(10,964)		(10,964)
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ 3,751,252	\$ -	\$ 3,751,252	\$ 465,438	\$ (8,995)	\$ 456,443	\$ 3,285,814	\$ 8,995	\$ 3,294,809

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

## (2) Admission calculation components SSAP No. 101

	09/30/2020			12/31/2019			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	5,071,246		5,071,246	467,407		467,407	4,603,839		4,603,839
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	5,071,246		5,071,246	467,407		467,407	4,603,839		4,603,839
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX		XXX	XXX	
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	(1,319,994)		(1,319,994)	(10,964)		(10,964)	(1,309,030)		(1,309,030)
(d) Deferred tax assets admitted as the result of application of SSAP No. 101.									
Total (2(a) + 2(b) + 2(c))	\$ 3,751,252	\$	\$ 3,751,252	\$ 456,443	\$	\$ 456,443	\$ 3,294,809	\$	\$ 3,294,809

## (3) Ratio used as basis of admissibility

	09/30/2020	12/31/2019
(a) Ratio percentage used to determine recovery period and threshold limitation amount	%	360.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$	\$ 38,448,828

## (4) Impact of tax-planning strategies

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

	09/30/2020		12/31/2019		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 5,071,246	\$	\$ 476,402	\$ (8,995)	\$ 4,594,844	\$ 8,995
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 3,751,252	\$	\$ 476,402	\$ (8,995)	\$ 3,274,850	\$ 8,995
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

## (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

## B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

## C. Major Components of Current Income Taxes Incurred

Current income taxes incurred consist of the following major components:	(1)	(2)	(3)
	09/30/2020	12/31/2019	Change (1-2)
1. Current Income Tax			
(a) Federal	\$	\$	\$
(b) Foreign			
(c) Subtotal	\$	\$	\$
(d) Federal income tax on net capital gains			
(e) Utilization of capital loss carry-forwards			
(f) Other			
(g) Federal and foreign income taxes incurred	\$	\$	\$

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1) 09/30/2020	(2) 12/31/2019	(3) Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 12,887	\$ 12,887	\$ -
(2) Unearned premium reserve	157,425	157,425	-
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	46,338	46,338	-
(11) Net operating loss carry-forward	4,854,596	259,752	4,594,844
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)			
(99) Subtotal	\$ 5,071,246	\$ 476,402	\$ 4,594,844
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	1,319,994		1,319,994
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 3,751,252	\$ 476,402	\$ 3,274,850
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward		15	(15)
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)		(9,010)	9,010
(99) Subtotal	\$	\$ (8,995)	\$ 8,995
(f) Statutory valuation allowance adjustment			
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)		(8,995)	8,995
(i) Admitted deferred tax assets (2d + 2h)	\$ 3,751,252	\$ 467,407	\$ 3,283,845
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$	\$	\$
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other (including items <5% of total ordinary tax liabilities)		10,964	(10,964)
(99) Subtotal	\$	\$ 10,964	\$ (10,964)
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$	\$ 10,964	\$ (10,964)
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 3,751,252	\$ 456,443	\$ 3,294,809

## D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant terms causing this difference are as follows:

	09/30/2020	Effective Tax Rate
Provision computed at statutory rate	\$	%
Non-deductible expenses		
Change in the statutory valuation allowance		
Change in non-admitted assets		
Change in enacted rate		
Other, including prior year true-up		
Total	\$	%



## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	09/30/2020	Effective Tax Rate
Federal and foreign income taxes incurred .....	\$ .....	%
Change in net deferred income taxes .....	.....	.....
Total statutory income taxes .....	\$ .....	%

## E. Operating Loss and Tax Credit Carryforwards

The Company had net operating losses of: 5,071,246

The net operating losses carryforwards begin to expire in 2039.

The following represents income tax expense for 2018 and 2019 that is available for recoupment in the event of future net losses:

Year	Ordinary	Capital	Total
2018	-	-	-
2019	-	-	-

(1) The net operating losses carryforwards begin to expire in 2039.

(2) Income tax expense available for recoupment - Not Applicable

(3) Deposits admitted under IRC Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entity:

- Weston Insurance Holding Corporation

(2) The method of allocation is subject to written agreement, approved by the Board of Directors. Allocation is based upon separate return calculations with a credit for current losses pursuant to the terms of the tax.

## G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

## H. Repatriation Transition Tax (RTT) - Not Applicable

## I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

## A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

## B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the "Termination Date") unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.

On September 30, 2020, the amount of the loan outstanding is \$2,800,000. Interest income in the amount of \$118,292 was recorded by the Company in 2020.

The dissolution of the Weston Select Insurance Corporation (an affiliated company, WSIC) was authorized by a unanimous written consent action of WSIC's Board of Directors on April 15, 2020, and by a written consent action of WSIC's shareholder on April 15, 2020. The dissolution of WSIC was authorized by resolution of the Board of Directors in accordance with Section 33-14-101 of the South Carolina Statutes, and by WSIC's shareholder in accordance with Section 33-14-102 of the South Carolina Statutes. These Articles of Dissolution are effective as of April 16, 2020.

## C. Amount of Transactions &amp; Effects of Change in Terms of Intercompany Arrangements - Not Applicable

## D. Amounts due to or from related parties

The receivable from affiliates reported on line 23 of the assets page includes a \$11,868,387 receivable from Weston Insurance Management. Of this amount, 4,486,041 is over 90 days past due but now reflected as an admitted asset. It will be settled with proceeds from a capital contribution received by the Company's direct parent after the balance sheet date and admitted as part of a SAP 72 surplus contribution approved by the Florida Office of Insurance Regulation. \$76,462 is receivable from Weston Specialty Insurance Corporation.

## E. Guarantees or Contingencies - Not Applicable

## F. Management, service contracts, cost sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and for claims administration. An expense of \$18,937,544 and \$17,456,918 was recorded for the nine months ending September 30, 2020 and 2019 respectively, per the terms of the MGA agreement.

## G. Nature of Relationships that Could Affect Operations - Not Applicable

## H. Amount Deducted for Investment in Upstream Company - Not Applicable

## I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable

## J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

- K. Foreign Subsidiary Value Using CARVM - Not Applicable
- L. Downstream Holding Company Value Using Look-Through Method - Not Applicable
- M. All SCA Investments

## (1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities .....	XXX	\$ .....	\$ .....	\$ .....
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities .....	XXX	\$ .....	\$ .....	\$ .....
c. SSAP No. 97 8b(iii) Entities				
Weston Select Insurance Company .....	%	\$ .....	\$ .....	\$ .....
Total SSAP No. 97 8b(iii) Entities .....	XXX	\$ .....	\$ .....	\$ .....
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities .....	XXX	\$ .....	\$ .....	\$ .....
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....	XXX	\$ .....	\$ .....	\$ .....
f. Aggregate Total (a+e) .....	XXX	\$ .....	\$ .....	\$ .....

## (2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities .....			\$ .....			
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities .....			\$ .....			
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities .....			\$ .....			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities .....			\$ .....			
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....			\$ .....			
f. Aggregate Total (a+e) .....			\$ .....			

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

\*\* I - Immaterial or M - Material

## N. Investment in Insurance SCAs

- (1) Not Applicable
- (2) The monetary effect on net income and surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA had Completed Statutory Financial Statements*
Weston Select Insurance Company .....	\$ .....	\$ .....	\$ .....	\$ .....

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

## (3) Not Applicable

## O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## 1. Outstanding shares

As of September 30, 2020 and 2019 the Company has 25,000 shares of authorized, issued and outstanding common stock at par value of one hundred dollars (\$100) per share.



## Notes to the Financial Statements

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)**

2. Dividend Rate of Preferred Stock - Not Applicable
3. Dividend restrictions

Florida Statute 628.371 restricts dividend payment for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation dividends are restricted to unassigned surplus

4. Dates and amounts of dividends paid  
The company paid a total of \$2,700,000 to parent, Weston Insurance Holdings Company, during the first quarter of 2019.  
The company paid a total of \$5,000,000 to parent, Weston Insurance Holdings Company, during the second quarter of 2020.
5. Company Profits Paid as Ordinary Dividends - Not Applicable
6. Surplus Restrictions - Not Applicable
7. Surplus Advances - Not Applicable
8. Stock Held for Special Purposes - Not Applicable
9. Changes in Special Surplus Funds - Not Applicable
10. Unassigned funds (surplus) - Not Applicable
11. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable
12. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable
13. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable

**14. Liabilities, Contingencies and Assessments**

- A. Contingent Commitments - Not Applicable
- B. Assessments - Not Applicable
- C. Gain Contingencies - Not Applicable
- D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

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

Method used to disclose claim count information:

(f) Per Claim ☐ (g) Per Claimant ☐

- E. Product Warranties - Not Applicable
- F. Joint and Several Liabilities - Not Applicable
- G. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

**15. Leases - Not Applicable****16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable****18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable****19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

In 2012, the Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the Company. All authorities for WIM with respect to the MGA contract remain unchanged.

## Notes to the Financial Statements

## 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (Continued)

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CA,R,PB,U	\$ 78,587,855
Total					\$ 78,587,855

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Bonds	\$ 11,468,855	\$	\$	\$	\$ 11,468,855
Total assets at fair value/NAV	\$ 11,468,855	\$	\$	\$	\$ 11,468,855
b. Liabilities at fair value					
Total liabilities at fair value	\$	\$	\$	\$	\$

## (2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

## (3) Policy on transfers into and out of Level 3 - Not Applicable

## (4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

## (5) Derivatives - Not Applicable

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 11,468,855	\$ 11,468,855	\$ 11,468,855	\$	\$	\$	\$
Cash, Cash Equivalents and Short-Term Investments	34,435,342	34,435,342	34,435,342				

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

- Assets in the amount of \$339,624 are on deposit with the State of Florida, Department of Financial Services, and \$125,515 is on deposit with the State of South Carolina, as required by law.
- For the nine months ending September 30, 2020, the Company wrote \$78,587,855 of direct premium, assumed \$4,690,724 of premium from Citizens Property Insurance Corporation, assumed \$20,540,569 from Weston Specialty Insurance Company, and assumed (\$342,038) from Texas Windstorm Insurance Association (TWIA). The TWIA premium is a result of a reclassification of assumed reinsurance premium to direct premium via a novation contract that inception on June 1, 2020.
- Agent balances certification
  - Agents' balance or uncollected premiums as reported on Page 2, Line 15.1 were \$5,920,600.00
  - Amounts of agents' balances or uncollected premiums from Page 2, Line 15.1 that is due from "controlled" or "controlling" persons were \$0.
  - Amount reported in #2 above and secured by a trust fund, letter of credit and financial guaranty bond as required by Section 625.012, Florida Statutes were \$0.

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

## Notes to the Financial Statements

## 22. Events Subsequent

The receivable from affiliates reported on line 23 of the assets page includes a \$11,868,387 receivable from Weston Insurance Management. Of this amount, 4,486,041 is over 90 days past due but now reflected as an admitted asset. It was settled with proceeds from a capital contribution received by the Company's direct parent after the balance sheet date and admitted as part of a SSAP 72 surplus contribution approved by the Florida Office of Insurance Regulation. The state approved the adjustment on November 16, 2020 and funds of \$6,950,000 were received that same day.

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act?		
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment	\$	
F. Total adjusted capital after surplus adjustment	\$	
G. Authorized control level	\$	
H. Would reporting the ACA assessment as of Dec 31 have triggered an RBC action level?		

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

Amount (000) omitted

NAIC Group Code	Federal ID#	Name of Reinsurer	Amount
26921	22-2005057	Everest Reinsurance Company	\$ 1,044,354
0	AA3191315	Munich Reinsurance America, Inc.	1,715,954
0	AA3190686	Partner Reinsurance Company Ltd	2,078,494
0	AA9991310	Florida Hurricane Catastrophe Fund	13,194,030

## B. Reinsurance Recoverable in Dispute - Not Applicable

## C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 15,340,253	\$ 4,602,076	\$ 15,340,253	\$ 4,602,076	\$ -	\$ -
b. All other			44,864,678	13,459,403	(44,864,678)	(13,459,403)
c. Total	\$ 15,340,253	\$ 4,602,076	\$ 60,204,931	\$ 18,061,479	\$ (44,864,678)	\$ (13,459,403)
d. Direct unearned premium reserve			\$ 70,079,931			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

## D. Uncollectible Reinsurance - Not Applicable

## E. Commutation of Ceded Reinsurance - Not Applicable

## F. Retroactive Reinsurance - Not Applicable

## G. Reinsurance Accounted for as a Deposit

The Company participates in two reinsurance agreements that are accounted for as a deposit. The first contract covers \$3,262,500 in the aggregate with a retention of \$5,000,000. The second contract covers \$8,287,500 in the aggregate with a retention of \$10,000,000. The contracts inception June 1, 2020

Description	Interest Income	Cash Recoveries	Deposit Balance
Asset Protection Cover	\$	\$	\$

## H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

## I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

## J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

## 24. Retrospectively Rated Contracts &amp; Contracts Subject to Redetermination

## A. Method Used to Estimate - Not Applicable

## B. Method Used to Record - Not Applicable

## C. Amount and Percent of Net Retrospective Premiums - Not Applicable

## D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

## E. Calculation of Nonadmitted Retrospective Premium - Not Applicable

## Notes to the Financial Statements

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)

#### F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

Not Applicable

- (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

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

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable  
(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable  
(4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable  
(5) ACA risk corridors receivable as of reporting date - Not Applicable

### 25. Changes in Incurred Losses and Loss Adjustment Expenses

#### A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2019 were \$3,068,411. For the nine months ending September 30, 2020, \$546,092 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$1,954,012 resulting in favorable development of \$568,311. Increases or decreases occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims. The majority of the favorable development is the result of having met the retention for our treaty year 2019 quota share agreement this quarter.

#### B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

### 26. Intercompany Pooling Arrangements - Not Applicable

### 27. Structured Settlements - Not Applicable

### 28. Health Care Receivables - Not Applicable

### 29. Participating Policies - Not Applicable

### 30. Premium Deficiency Reserves - Not Applicable

### 31. High Deductibles - Not Applicable

### 32. Discounting of Liabilities by Withdrawal Characteristics For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable

### 33. Asbestos/Environmental Reserves - Not Applicable

### 34. Subscriber Savings Accounts - Not Applicable

### 35. Multiple Peril Crop Insurance - Not Applicable

### 36. Financial Guaranty Insurance - Not Applicable



**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES  
GENERAL**

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes ☐ No ☒
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes ☐ No ☐
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes ☐ No ☒
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes ☒ No ☐
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.  
Change in ownership of direct parent.....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes ☐ No ☒
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group .....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes ☐ No ☒  
If yes, complete and file the merger history data file with the NAIC.
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes ☐ No ☒ NA ☐  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....12/31/2015
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....05/30/2017
- 6.4 By what department or departments? .....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes ☐ No ☐ NA ☒
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes ☐ No ☐ NA ☒
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes ☐ No ☒
- 7.2 If yes, give full information: .....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes ☐ No ☒
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. ....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes ☐ No ☒
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

## GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes ☒ No ☐
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain: .....
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes ☐ No ☒
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s). .....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes ☐ No ☒
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). .....

## FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes ☒ No ☐
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: ..... \$ ..... 6,809,195

## INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) ..... Yes ☐ No ☒
- 11.2 If yes, give full and complete information relating thereto: .....
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: ..... \$ ..... 0
13. Amount of real estate and mortgages held in short-term investments: ..... \$ ..... 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes ☒ No ☐
- 14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ ..... 0	\$ ..... 0
14.22 Preferred Stock .....	\$ ..... 0	\$ ..... 0
14.23 Common Stock .....	\$ ..... 5,009,195	\$ ..... 5,009,195
14.24 Short-Term Investments .....	\$ ..... 0	\$ ..... 0
14.25 Mortgage Loans on Real Estate .....	\$ ..... 0	\$ ..... 0
14.26 All Other .....	\$ ..... 0	\$ ..... (5,009,195)
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ ..... 5,009,195	\$ ..... (5,009,195)
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ ..... 0	\$ ..... 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? ..... Yes ☐ No ☒
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes ☐ No ☐ NA ☒
- If no, attach a description with this statement.
- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ ..... 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 ..... \$ ..... 0
- 16.3 Total payable for securities lending reported on the liability page ..... \$ ..... 0



## GENERAL INTERROGATORIES

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐

- 17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Merrill Lynch	355 Alhambra Circle Suite 1502 Coral Gables, FL 33134

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?

Yes ☐ No ☒

- 17.4 If yes, give full and complete information relating thereto:

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

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management	A

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?

Yes ☒ No ☐

- 18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- Issuer or obligor is current on all contracted interest and principal payments.
- The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes ☐ No ☒

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- The security was purchased prior to January 1, 2018.
- The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes ☐ No ☒

## GENERAL INTERROGATORIES

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:.....
- a. The shares were purchased prior to January 1, 2019.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - d. The fund only or predominantly holds bonds in its portfolio.
  - e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [X]

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes ☐ No ☐ NA ☒

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes ☐ No ☒

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes ☐ No ☒

- 3.2 If yes, give full and complete information thereto.

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? ..... Yes ☐ No ☒

- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			
				5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

- 6.1 Do you act as a custodian for health savings accounts? ..... Yes ☐ No ☒

- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$

- 6.3 Do you act as an administrator for health savings accounts? ..... Yes ☐ No ☒

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes ☒ No ☐

- 7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes ☐ No ☐

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating
NONE						

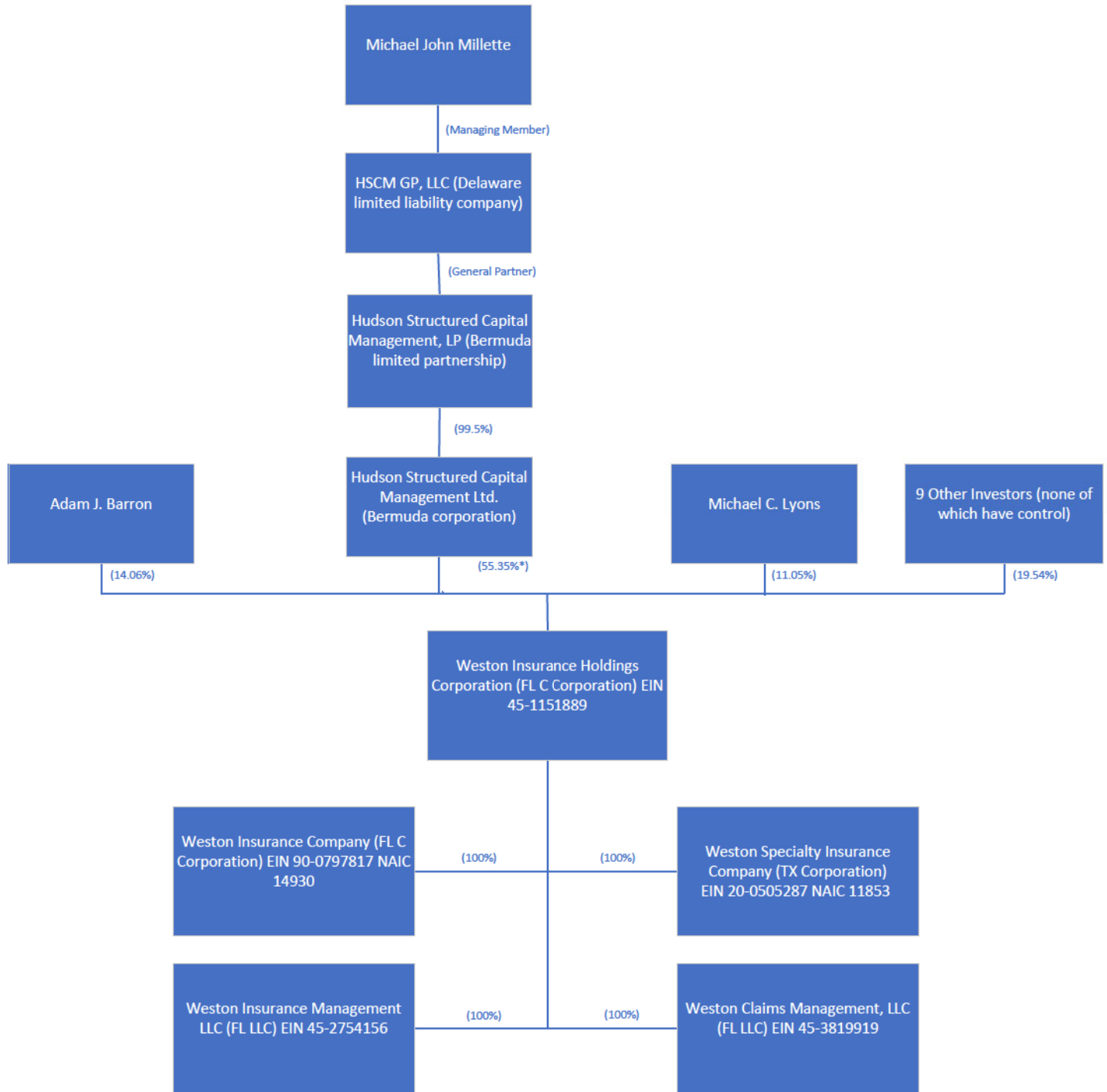
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date – Allocated by States and Territories							
States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL		0		0		0
2. Alaska	AK		0		0		0
3. Arizona	AZ		0		0		0
4. Arkansas	AR		0		0		0
5. California	CA		0		0		0
6. Colorado	CO		0		0		0
7. Connecticut	CT		0		0		0
8. Delaware	DE		0		0		0
9. Dist. Columbia	DC		0		0		0
10. Florida	FL	54,462,973	49,381,966	17,529,085	33,579,767	47,535,782	41,466,410
11. Georgia	GA		0		0		0
12. Hawaii	HI		0		0		0
13. Idaho	ID		0		0		0
14. Illinois	IL		0		0		0
15. Indiana	IN		0		0		0
16. Iowa	IA		0		0		0
17. Kansas	KS		0		0		0
18. Kentucky	KY		0		0		0
19. Louisiana	LA		0		0		0
20. Maine	ME		0		0		0
21. Maryland	MD		0		0		0
22. Massachusetts	MA		0		0		0
23. Michigan	MI		0		0		0
24. Minnesota	MN		0		0		0
25. Mississippi	MS	16,545	6,767	0	0	0	0
26. Missouri	MO		0		0		0
27. Montana	MT		0		0		0
28. Nebraska	NE		0		0		0
29. Nevada	NV		0		0		0
30. New Hampshire	NH		0		0		0
31. New Jersey	NJ		0		0		0
32. New Mexico	NM		0		0		0
33. New York	NY		0		0		0
34. No. Carolina	NC		0		0		0
35. No. Dakota	ND		0		0		0
36. Ohio	OH		0		0		0
37. Oklahoma	OK		0		0		0
38. Oregon	OR		0		0		0
39. Pennsylvania	PA		0		0		0
40. Rhode Island	RI		0		0		0
41. So. Carolina	SC		0		0		0
42. So. Dakota	SD		0		0		0
43. Tennessee	TN		0		0		0
44. Texas	TX	24,108,337	15,446,241	2,371,115	2,111,112	3,103,209	3,649,953
45. Utah	UT		0		0		0
46. Vermont	VT		0		0		0
47. Virginia	VA		0		0		0
48. Washington	WA		0		0		0
49. West Virginia	WV		0		0		0
50. Wisconsin	WI		0		0		0
51. Wyoming	WY		0		0		0
52. American Samoa	AS		0		0		0
53. Guam	GU		0		0		0
54. Puerto Rico	PR	0	0	0	0	0	0
55. U.S. Virgin Islands	VI		0		0		0
56. Northern Mariana Islands	MP		0		0		0
57. Canada	CAN		0		0		0
58. Aggregate Other Alien	OT	0	0	0	0	0	0
59. Totals	XXX	78,587,855	64,834,974	19,900,200	35,690,879	50,638,991	45,116,363
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG \_\_\_\_\_ 5 R – Registered – Non-domiciled RRGs \_\_\_\_\_ 0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) \_\_\_\_\_ 0 Q – Qualified – Qualified or accredited reinsurer \_\_\_\_\_ 1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile \_\_\_\_\_ 0 N – None of the above – Not allowed to write business in the state \_\_\_\_\_ 51

**STATEMENT FOR SEPTEMBER 30, 2020 OF WESTON INSURANCE COMPANY**  
**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURANCE OF A**  
**HOLDING COMPANY GROUP PART 1 – ORGANIZATIONAL CHART**



\*Investment Funds of Hudson Structured Capital Management Ltd. collectively own 55.35% of Weston Insurance Holdings Corporation



**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

[illegible]

Asterisk	Explanation
0000001	

**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.0	0.0
2. Allied lines.....	65,870,968	23,493,708	35.7	27.6
3. Farmowners multiple peril.....			0.0	0.0
4. Homeowners multiple peril.....			0.0	0.0
5. Commercial multiple peril.....			0.0	0.0
6. Mortgage guaranty.....			0.0	0.0
8. Ocean marine.....			0.0	0.0
9. Inland marine.....			0.0	0.0
10. Financial guaranty.....			0.0	0.0
11.1 Medical professional liability -occurrence.....			0.0	0.0
11.2 Medical professional liability -claims made.....			0.0	0.0
12. Earthquake.....			0.0	0.0
13. Group accident and health.....			0.0	0.0
14. Credit accident and health.....			0.0	0.0
15. Other accident and health.....			0.0	0.0
16. Workers' compensation.....			0.0	0.0
17.1 Other liability occurrence.....			0.0	0.0
17.2 Other liability-claims made.....			0.0	0.0
17.3 Excess Workers' Compensation.....			0.0	0.0
18.1 Products liability-occurrence.....			0.0	0.0
18.2 Products liability-claims made.....			0.0	0.0
19.1,19.2 Private passenger auto liability.....			0.0	0.0
19.3,19.4 Commercial auto liability.....			0.0	0.0
21. Auto physical damage.....			0.0	0.0
22. Aircraft (all perils).....			0.0	0.0
23. Fidelity.....			0.0	0.0
24. Surety.....			0.0	0.0
26. Burglary and theft.....			0.0	0.0
27. Boiler and machinery.....			0.0	0.0
28. Credit.....			0.0	0.0
29. International.....			0.0	0.0
30. Warranty.....			0.0	0.0
31. Reinsurance - Nonproportional Assumed Property.....	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability.....	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0.0	0.0
35. TOTALS.....	65,870,968	23,493,708	35.7	27.6
DETAILS OF WRITE-INS				
3401. ....				
3402. ....				
3403. ....				
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34).....	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....	0	0	0
2. Allied lines.....	31,043,425	78,587,855	64,834,974
3. Farmowners multiple peril.....	0	0	0
4. Homeowners multiple peril.....	0	0	0
5. Commercial multiple peril.....	0	0	0
6. Mortgage guaranty.....	0	0	0
8. Ocean marine.....	0	0	0
9. Inland marine.....	0	0	0
10. Financial guaranty.....	0	0	0
11.1 Medical professional liability-occurrence.....	0	0	0
11.2 Medical professional liability-claims made.....	0	0	0
12. Earthquake.....	0	0	0
13. Group accident and health.....	0	0	0
14. Credit accident and health.....	0	0	0
15. Other accident and health.....	0	0	0
16. Workers' compensation.....	0	0	0
17.1 Other liability occurrence.....	0	0	0
17.2 Other liability-claims made.....	0	0	0
17.3 Excess Workers' Compensation.....	0	0	0
18.1 Products liability-occurrence.....	0	0	0
18.2 Products liability-claims made.....	0	0	0
19.1,19.2 Private passenger auto liability.....	0	0	0
19.3,19.4 Commercial auto liability.....	0	0	0
21. Auto physical damage.....	0	0	0
22. Aircraft (all perils).....	0	0	0
23. Fidelity.....	0	0	0
24. Surety.....	0	0	0
26. Burglary and theft.....	0	0	0
27. Boiler and machinery.....	0	0	0
28. Credit.....	0	0	0
29. International.....	0	0	0
30. Warranty.....	0	0	0
31. Reinsurance - Nonproportional Assumed Property.....	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability.....	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. TOTALS.....	31,043,425	78,587,855	64,834,974
DETAILS OF WRITE-INS			
3401. ....			
3402. ....			
3403. ....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34).....	0	0	0

## STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

## PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2020 Loss and LAE Payments on Claims Reported as of Prior Year-End	2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2020 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2017 + Prior	15	89	104	3	1	4	0	1	99	100	(11)	11	0
2. 2018	105	106	211	56	46	102	55	28	27	109	6	(6)	0
3. Subtotals 2018 + prior	119	196	315	60	46	106	55	29	125	209	(5)	5	0
4. 2019	660	2,093	2,753	250	190	440	0	7	1,738	1,745	(410)	(158)	(568)
5. Subtotals 2019 + prior	779	2,289	3,068	310	236	546	55	36	1,863	1,954	(415)	(153)	(568)
6. 2020	XXX	XXX	XXX	XXX	22,766	22,766	XXX	326	8,081	8,407	XXX	XXX	XXX
7. Totals	779	2,289	3,068	310	23,002	23,312	55	363	9,944	10,361	(415)	(153)	(568)
8. Prior Year-End Surplus As Regards Policyholders	38,410										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. (53.3)	2. (6.7)	3. (18.5)
													Col. 13, Line 7 Line 8
													4. (1.5)

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

- |  | <u>Response</u> |
|--|-----------------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?                         | .....NO.....    |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?                         | .....NO.....    |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?                | .....NO.....    |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | .....NO.....    |

Explanation:

Bar Code:

- |    |  |
|----|--|
| 1. | <br>1 4 9 3 0 2 0 2 0 4 9 0 0 0 0 0 3 |
| 2. | <br>1 4 9 3 0 2 0 2 0 4 5 5 0 0 0 0 3 |
| 3. | <br>1 4 9 3 0 2 0 2 0 3 6 5 0 0 0 0 3 |
| 4. | <br>1 4 9 3 0 2 0 2 0 5 0 5 0 0 0 0 3 |

**OVERFLOW PAGE FOR WRITE-INS**

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**SCHEDULE A – VERIFICATION**

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....		0
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other-than-temporary impairment recognized .....		0
8. Deduct current year's depreciation .....		0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	0

**SCHEDULE B – VERIFICATION**

Mortgage Loans		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	1,800,000	2,400,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....	1,450,000	0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....	450,000	600,000
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	2,800,000	1,800,000
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	2,800,000	1,800,000

**SCHEDULE D – VERIFICATION**

Bonds and Stocks		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	23,515,459	18,845,268
2. Cost of bonds and stocks acquired .....	5,451,376	16,273,899
3. Accrual of discount .....	11,792	15,128
4. Unrealized valuation increase (decrease) .....	0	(9,450)
5. Total gain (loss) on disposals .....	(6,988)	44,884
6. Deduct consideration for bonds and stocks disposed of .....	17,472,736	11,610,055
7. Deduct amortization of premium .....	55,595	50,181
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	25,547	5,967
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	11,468,855	23,515,459
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	11,468,855	23,515,459



## STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

**SCHEDULE D - PART 1B**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) _____	7,170,789	1,006,895	781,104	(11,453)	14,252,212	7,170,789	7,385,126	14,076,335
2. NAIC 2 (a) _____	4,118,551	738,715	594,012	(9,746)	4,698,952	4,118,551	4,253,507	4,684,489
3. NAIC 3 (a) _____	0	0	0	0	0	0	0	0
4. NAIC 4 (a) _____	0	0	0	0	0	0	0	0
5. NAIC 5 (a) _____	0	0	0	0	0	0	0	0
6. NAIC 6 (a) _____	0	0	0	0	0	0	0	0
7. Total Bonds	11,289,340	1,745,610	1,375,117	(21,199)	18,951,164	11,289,340	11,638,634	18,960,825
<b>PREFERRED STOCK</b>								
8. NAIC 1 _____	0	0	0	0	0	0	0	0
9. NAIC 2 _____	0	0	0	0	0	0	0	0
10. NAIC 3 _____	0	0	0	0	0	0	0	0
11. NAIC 4 _____	0	0	0	0	0	0	0	0
12. NAIC 5 _____	0	0	0	0	0	0	0	0
13. NAIC 6 _____	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	11,289,340	1,745,610	1,375,117	(21,199)	18,951,164	11,289,340	11,638,634	18,960,825

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$

; NAIC 2 \$ ;

NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	54,987	XXX	54,981	0	0

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	436,586	6,996,681
2. Cost of short-term investments acquired .....	54,981	436,853
3. Accrual of discount .....	281	31,352
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	436,000	7,028,000
7. Deduct amortization of premium .....	861	299
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	54,987	436,586
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	54,987	436,586

Schedule DB - Part A - Verification

**NONE**

Schedule DB - Part B - Verification

**NONE**

Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

Schedule DB - Verification

**NONE**

**SCHEDULE E – PART 2 – VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	18,775,602	6,545,462
2. Cost of cash equivalents acquired .....	33,110,232	107,140,023
3. Accrual of discount .....	25	667
4. Unrealized valuation increase (decrease) .....	.0	.0
5. Total gain (loss) on disposals .....	.0	.0
6. Deduct consideration received on disposals .....	25,314,492	94,910,550
7. Deduct amortization of premium .....	.0	.0
8. Total foreign exchange change in book/adjusted carrying value .....	.0	.0
9. Deduct current year's other-than-temporary impairment recognized .....	.0	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	26,571,367	18,775,602
11. Deduct total nonadmitted amounts .....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11) .....	26,571,367	18,775,602

**SCHEDULE A - PART 2**

### SCHEDULE A - PART 3

[illegible]

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**



## STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

## SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol
Bonds - Industrial and Miscellaneous (Unaffiliated)									
029058-CA-7	AMERICAN HONDA FINANCE CORP.		09/10/2020	PERKINS LLC	XXX	52,299	50,000	.441	IFE
200215-EU-9	BANK OF AMERICA CORP.		08/14/2020	Merrill Lynch	XXX	200,753	200,000	.846	IFE
120030-CV-0	CVS HEALTH CORP.		09/02/2020	CITIGROUP GLOBAL MARKETS INC.	XXX	199,307	185,000	5,327	IFE
14912L-SG-0	CATERPILLAR FINANCIAL SERVICES CORP.		09/03/2020	MERRILL LYNCH	XXX	52,909	50,000	.26	IFE
20030N-BD-2	COMCAST CORP.		07/07/2020	GOLDMAN SACHS & CO. INC.	XXX	204,320	200,000	3,776	IFE
20076J-AB-4	DUPONT DE NEMOURS INC.		07/08/2020	WELLS FARGO SECURITIES LLC	XXX	274,800	200,000	1,000	IFE
017441-AN-8	MORGAN STANLEY		09/02/2020	Merrill Lynch	XXX	53,111	50,000	.178	IFE
89233P-7F-7	TOYOTA MOTOR CREDIT CORP.		09/10/2020	Merrill Lynch	XXX	202,828	200,000	1,240	IFE
92857R-BG-3	VOYAFONE GROUP PLC	C	07/28/2020	BONY/TORONTO DOMINION SECURITI	XXX	204,468	200,000	3,296	IFE
83099999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						1,690,629	1,565,000	14,739	XXX
83099997 - Bonds - Subtotals - Bonds - Part 3						1,690,629	1,565,000	14,739	XXX
83099999 - Bonds - Subtotals - Bonds						1,690,629	1,565,000	14,739	XXX
99999999 Totals						1,690,629	1,565,000	14,739	XXX

## STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Weston Insurance Company

## SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	14	15	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol
														Book/Adjusted Carrying Value at Disposal Date	Total Change in B./A.C.V. (14+15-16)						
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
085231-01-2	ARMERZEE-BUSCH INBEV	08/12/2020	Merrill Lynch	XXX	380,848	250,000	254,527	254,123	0	(180)	0	(180)	0	253,942	0	7,905	7,905	0	07/15/2022	2PE	
126550-01-1	CYS HEALTH CORP	07/20/2020	Maturity & 100.00	XXX	250,000	250,000	249,552	249,552	0	478	0	478	0	250,000	0	0	0	0	07/20/2020	2PE	
126550-01-2	CYS HEALTH CORP	08/27/2020	Unknown	XXX	31,746	85,000	31,247	0	(377)	0	(377)	0	0	30,870	0	876	876	0	03/09/2023	2PE	
200309-00-2	COMCAST CORP	08/10/2020	Call & 100.00	XXX	250,518	250,000	254,520	0	(1,216)	0	(1,216)	0	0	253,304	0	(13,194)	(13,194)	0	07/15/2022	1PE	
316715-01-4	FIFTH THIRD BANKCORP	06/26/2020	Call & 100.00	XXX	3,000	0	0	0	0	0	0	0	0	0	0	(3,000)	(3,000)	0	07/27/2020	2PE	
373558-00-6	Q-LEAD SERVICES INC.	09/01/2020	Maturity & 100.00	XXX	250,000	250,000	250,782	250,782	0	(782)	0	(782)	0	250,000	0	0	0	0	09/01/2020	1PE	
835401-00-1	VERIZON COMMUNICATIONS INC.	06/29/2020	Call & 100.00	XXX	2,225	0	0	0	0	0	0	0	0	0	0	(2,225)	(2,225)	0	03/15/2022	2PE	
83999999 - Bonds - Industrial and Miscellaneous (Unaffiliated)					1,120,181	1,085,000	1,112,629	754,427	0	(2,877)	0	(2,877)	0	1,107,117	0	(11,131)	(11,131)	45,288	XXX	XXX	
83999997 - Bonds - Subtotals - Bonds - Part 4					1,120,181	1,085,000	1,112,629	754,427	0	(2,877)	0	(2,877)	0	1,107,117	0	(11,131)	(11,131)	45,288	XXX	XXX	
83999999 - Bonds - Subtotals - Bonds					1,120,181	1,085,000	1,112,629	754,427	0	(2,877)	0	(2,877)	0	1,107,117	0	(11,131)	(11,131)	45,288	XXX	XXX	

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part E

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

**SCHEDULE E - PART 1 - CASH**E13

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**E14



PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# ANNUAL STATEMENT

For the Year Ended December 31, 2020  
OF THE CONDITION AND AFFAIRS OF THE  
**Weston Insurance Company**

NAIC Group Code	<u>04957</u>	<u>04957</u>	NAIC Company Code	<u>14930</u>	Employer's ID Number	<u>90-0797817</u>
	(Current Period)	(Prior Period)				
Organized under the Laws of	<u>Florida</u>		State of Domicile or Port of Entry	<u>Florida</u>		
Country of Domicile	<u>United States</u>					
Incorporated/Organized	<u>02/21/2012</u>		Commenced Business	<u>12/21/2012</u>		
Statutory Home Office	<u>2555 Ponce de Leon Boulevard, Suite 300</u>			<u>Coral Gables, FL, US 33134-6037</u>		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	<u>2555 Ponce de Leon Boulevard, Suite 300</u>		<u>Coral Gables, FL, US 33134-6037</u>	<u>888-800-5002-1009</u>		
	(Street and Number)		(City or Town, State, Country and Zip Code)	(Area Code) (Telephone Number)		
Mail Address	<u>P.O. Box 14-2057</u>		<u>Coral Gables, FL, US 33114-2057</u>			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	<u>2555 Ponce de Leon Boulevard, Suite 300</u>		<u>Coral Gables, FL, US 33134-6037</u>	<u>786-646 1189</u>		
	(Street and Number)		(City or Town, State, Country and Zip Code)	(Area Code) (Telephone Number)		
Internet Web Site Address	<u>www.weston-ins.com</u>					
Statutory Statement Contact	<u>Rachael Lynn Aldulaimi</u>		<u>786-646 -1189</u>			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	<u>rachael.aldulaimi@weston-ins.com</u>		<u>888-86 2-7390</u>			
	(E-Mail Address)		(Fax Number)			

**OFFICERS**

Name	Title	Name	Title
<u>Deanne Dietrich Nixon</u>	<u>Chief Executive Officer &amp; President</u>	<u>Bryan Triplett McCully</u>	<u>SVP, CAO &amp; General Counsel</u>
<u>Richard Bruno Primerano</u>	<u>SVP, CFO, COO &amp; Treasurer</u>		

**OTHER OFFICERS**

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**DIRECTORS OR TRUSTEES**

<u>Richard Bruno Primerano</u>	<u>Bryan Triplett McCully</u>	<u>Deanne Dietrich Nixon</u>	<u>Edouard von Herberstein</u> #
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State of \_\_\_\_\_ SS

County of \_\_\_\_\_

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

<u>Deanne Dietrich Nixon</u>	<u>Bryan Triplett McCully</u>	<u>Richard Bruno Primerano</u>
<u>Chief Executive Officer &amp; President</u>	<u>SVP, CAO &amp; General Counsel</u>	<u>SVP, CFO, COO &amp; Treasurer</u>
Subscribed and sworn to before me	a. Is this an original filing?	Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]
this _____ day of _____	b. If no:	
	1. State the amendment number	_____
	2. Date filed	_____
	3. Number of pages attached	_____



## ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Weston Insurance Company

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	11,942,151		11,942,151	18,506,264
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0		0	0
2.2 Common stocks.....	10,228,418		10,228,418	5,009,195
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	0
3.2 Other than first liens.....			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances).....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances).....			0	0
5. Cash (\$ .....18,328,806 , Schedule E-Part 1), cash equivalents (\$ .....5,300,399 , Schedule E-Part 2) and short-term investments (\$ .....19,000 , Schedule DA).....	23,648,207		23,648,207	38,099,954
6. Contract loans (including \$ ..... premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA).....	2,650,000		2,650,000	1,800,000
9. Receivables for securities.....			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	48,468,776	0	48,468,776	63,415,413
13. Title plants less \$ ..... charged off (for Title insurers only).....			0	0
14. Investment income due and accrued.....	175,264		175,264	85,145
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	17,796,379	287,180	17,509,199	7,323,547
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....	4,579,331		4,579,331	3,499,277
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ).....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	18,186,439		18,186,439	655,340
16.2 Funds held by or deposited with reinsured companies.....			0	0
16.3 Other amounts receivable under reinsurance contracts.....	2,451,103		2,451,103	4,840,000
17. Amounts receivable relating to uninsured plans.....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	887,183
18.2 Net deferred tax asset.....	8,014,146	8,014,146	0	456,444
19. Guaranty funds receivable or on deposit.....			0	0
20. Electronic data processing equipment and software.....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ).....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	0
23. Receivables from parent, subsidiaries and affiliates.....	6,476,711		6,476,711	6,285,946
24. Health care (\$ ..... ) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets.....	9,500,000	0	9,500,000	357,588
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	115,648,150	8,301,326	107,346,824	87,805,883
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27).....	115,648,150	8,301,326	107,346,824	87,805,883
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....			0	0
1103. ....			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. SSAP 72 Surplus Contribution due from Weston Insurance Holdings.....	1,500,000		1,500,000	0
2502. Brokerage Sharing Commission Receivable.....			0	180,890
2503. State Income Tax Recoverable.....			0	176,698
2598. Summary of remaining write-ins for Line 25 from overflow page.....	8,000,000	0	8,000,000	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	9,500,000	0	9,500,000	357,588

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	18,891,223	2,671,130
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	5,335,015	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	1,440,826	397,280
4. Commissions payable, contingent commissions and other similar charges .....		0
5. Other expenses (excluding taxes, licenses and fees) .....	917,000	0
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....		136,700
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)).....		0
7.2 Net deferred tax liability.....		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....71,510,474 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	(1,559,120)	2,016,667
10. Advance premium .....	1,915,491	1,731,555
11. Dividends declared and unpaid:		
11.1 Stockholders .....		0
11.2 Policyholders .....		0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	45,798,300	32,199,709
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) .....	3,365,972	9,037,396
14. Amounts withheld or retained by company for account of others .....		0
15. Remittances and items not allocated.....		0
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 3, Column 78) .....		0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		0
18. Drafts outstanding .....		0
19. Payable to parent, subsidiaries and affiliates .....		745
20. Derivatives .....	0	0
21. Payable for securities .....		0
22. Payable for securities lending .....		0
23. Liability for amounts held under uninsured plans .....		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities .....	2,302,465	1,204,236
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	78,407,172	49,395,418
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	78,407,172	49,395,418
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,500,000	2,500,000
31. Preferred capital stock .....		0
32. Aggregate write-ins for other-than-special surplus funds .....	0	0
33. Surplus notes .....		0
34. Gross paid in and contributed surplus .....	59,478,495	38,800,000
35. Unassigned funds (surplus) .....	(33,038,843)	(2,889,535)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)		0
36.2 ..... shares preferred (value included in Line 31 \$ .....)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	28,939,652	38,410,465
38. Totals (Page 2, Line 28, Col. 3) .....	107,346,824	87,805,883
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred Ceding Commissions.....	916,235	690,809
2502. Refunds Payable.....	282,301	162,747
2503. Escheat Payable.....	336,614	350,680
2598. Summary of remaining write-ins for Line 25 from overflow page .....	767,314	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	2,302,465	1,204,236
2901. ....		0
2902. ....		0
2903. ....		0
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	0
3201. ....		0
3202. ....		0
3203. ....		0
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) .....	0	0

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	12,402,549	5,576,898
<b>DEDUCTIONS:</b>		
2. Losses incurred (Part 2, Line 35, Column 7) .....	44,111,669	4,870,214
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	5,163,156	711,489
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	(420,814)	(822,855)
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	48,854,010	4,758,848
7. Net income of protected cells .....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	(36,451,461)	818,051
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	303,563	413,839
10. Net realized capital gains (losses) less capital gains tax of \$ .....	4,435	44,884
11. Net investment gain (loss) (Lines 9 + 10) .....	307,999	458,723
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....	(158,030)	(109,663)
13. Finance and service charges not included in premiums .....	298,051	289,206
14. Aggregate write-ins for miscellaneous income .....	0	0
15. Total other income (Lines 12 through 14) .....	140,021	179,543
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	(36,003,441)	1,456,317
17. Dividends to policyholders .....	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	(36,003,441)	1,456,317
19. Federal and foreign income taxes incurred .....	(47,943)	0
20. Net income (Line 18 minus Line 19) (to Line 22) .....	(35,955,499)	1,456,317
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	38,410,465	43,074,674
22. Net income (from Line 20) .....	(35,955,499)	1,456,317
23. Net transfers (to) from Protected Cell accounts .....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....	(9,195)	(9,450)
25. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
26. Change in net deferred income tax .....	7,557,702	(244,592)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	(4,742,317)	(3,166,483)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	0	0
29. Change in surplus notes .....	0	0
30. Surplus (contributed to) withdrawn from protected cells .....	0	0
31. Cumulative effect of changes in accounting principles .....	0	0
32. Capital changes:		
32.1 Paid in .....	0	0
32.2 Transferred from surplus (Stock Dividend) .....	0	0
32.3 Transferred to surplus .....	0	0
33. Surplus adjustments:		
33.1 Paid in .....	20,678,495	(2,700,000)
33.2 Transferred to capital (Stock Dividend) .....	0	0
33.3 Transferred from capital .....	0	0
34. Net remittances from or (to) Home Office .....	0	0
35. Dividends to stockholders .....	(5,000,000)	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	8,000,000	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	(9,470,814)	(4,664,208)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	28,939,652	38,410,465
<b>DETAILS OF WRITE-INS</b>		
0501. ....	0	0
0502. ....	0	0
0503. ....	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0
1401. ....	0	0
1402. ....	0	0
1403. ....	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	0
3701. Additional Deferred Tax assets guaranteed .....	8,000,000	0
3702. ....	0	0
3703. ....	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	8,000,000	0

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	13,728,162	5,484,792
2. Net investment income .....	287,584	452,241
3. Miscellaneous income .....	140,021	179,543
4. Total (Lines 1 through 3) .....	14,155,766	6,116,577
5. Benefit and loss related payments .....	45,422,675	2,328,304
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	3,975,048	(422,459)
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	(47,943)	(568,461)
10. Total (Lines 5 through 9) .....	49,349,780	1,337,385
11. Net cash from operations (Line 4 minus Line 10) .....	(35,194,014)	4,779,192
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	14,101,088	6,403,658
12.2 Stocks .....	4,535,648	5,206,397
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	600,000	600,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	19,236,736	12,210,056
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	7,568,227	6,274,061
13.2 Stocks .....	0	9,999,837
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	1,450,000	0
13.6 Miscellaneous applications .....	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	9,018,227	16,273,899
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	10,218,509	(4,063,843)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	8,950,077	(2,700,000)
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	5,000,000	0
16.6 Other cash provided (applied) .....	6,573,648	1,491,278
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	10,523,725	(1,208,722)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(14,451,780)	(493,373)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	38,099,954	38,593,327
19.2 End of year (Line 18 plus Line 19.1) .....	23,648,174	38,099,954

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

20.0001. SSAP 72 Capital contribution.....	1,500,000	0
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**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1 - PREMIUMS EARNED**

Line of Business	1	2	3	4
	Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire .....	0	0	0	0
2. Allied lines .....	8,826,762	2,016,667	(1,559,120)	12,402,549
3. Farmowners multiple peril .....	0	0	0	0
4. Homeowners multiple peril .....	0	0	0	0
5. Commercial multiple peril .....	0	0	0	0
6. Mortgage guaranty .....	0	0	0	0
8. Ocean marine .....	0	0	0	0
9. Inland marine .....	0	0	0	0
10. Financial guaranty .....	0	0	0	0
11.1 Medical professional liability-occurrence .....	0	0	0	0
11.2 Medical professional liability-claims-made .....	0	0	0	0
12. Earthquake .....	0	0	0	0
13. Group accident and health .....	0	0	0	0
14. Credit accident and health (group and individual) .....	0	0	0	0
15. Other accident and health .....	0	0	0	0
16. Workers' compensation .....	0	0	0	0
17.1 Other liability-occurrence .....	0	0	0	0
17.2 Other liability-claims-made .....	0	0	0	0
17.3 Excess workers' compensation .....	0	0	0	0
18.1 Products liability-occurrence .....	0	0	0	0
18.2 Products liability-claims-made .....	0	0	0	0
19.1,19.2 Private passenger auto liability .....	0	0	0	0
19.3,19.4 Commercial auto liability .....	0	0	0	0
21. Auto physical damage .....	0	0	0	0
22. Aircraft (all perils) .....	0	0	0	0
23. Fidelity .....	0	0	0	0
24. Surety .....	0	0	0	0
26. Burglary and theft .....	0	0	0	0
27. Boiler and machinery .....	0	0	0	0
28. Credit .....	0	0	0	0
29. International .....	0	0	0	0
30. Warranty .....	0	0	0	0
31. Reinsurance-nonproportional assumed property .....	0	0	0	0
32. Reinsurance-nonproportional assumed liability .....	0	0	0	0
33. Reinsurance-nonproportional assumed financial lines .....	0	0	0	0
34. Aggregate write-ins for other lines of business .....	0	0	0	0
35. TOTALS	8,826,762	2,016,667	(1,559,120)	12,402,549
<b>DETAILS OF WRITE-INS</b>				
3401. ....	0	0	0	0
3402. ....	0	0	0	0
3403. ....	0	0	0	0
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire .....					0
2.	Allied lines .....	(1,559,120)				(1,559,120)
3.	Farmowners multiple peril .....					0
4.	Homeowners multiple peril .....					0
5.	Commercial multiple peril .....					0
6.	Mortgage guaranty .....					0
8.	Ocean marine .....					0
9.	Inland marine .....					0
10.	Financial guaranty .....					0
11.1	Medical professional liability-occurrence .....					0
11.2	Medical professional liability-claims-made .....					0
12.	Earthquake .....					0
13.	Group accident and health .....					0
14.	Credit accident and health (group and individual) .....					0
15.	Other accident and health .....					0
16.	Workers' compensation .....					0
17.1	Other liability-occurrence .....					0
17.2	Other liability-claims-made .....					0
17.3	Excess workers' compensation .....					0
18.1	Products liability-occurrence .....					0
18.2	Products liability-claims-made .....					0
19.1,19.2	Private passenger auto liability .....					0
19.3,19.4	Commercial auto liability .....					0
21.	Auto physical damage .....					0
22.	Aircraft (all perils) .....					0
23.	Fidelity .....					0
24.	Surety .....					0
26.	Burglary and theft .....					0
27.	Boiler and machinery .....					0
28.	Credit .....					0
29.	International .....					0
30.	Warranty .....					0
31.	Reinsurance-nonproportional assumed property .....					0
32.	Reinsurance-nonproportional assumed liability .....					0
33.	Reinsurance-nonproportional assumed financial lines .....					0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0	0
35.	TOTALS .....	(1,559,120)	0	0	0	(1,559,120)
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Lines 35 through 37) .....					(1,559,120)
DETAILS OF WRITE-INS						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	0	0	0	0

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



# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....						.0
2. Allied lines .....	98,436,323	29,939,382	6,890,786		126,439,729	8,826,762
3. Farmowners multiple peril .....						.0
4. Homeowners multiple peril .....						.0
5. Commercial multiple peril .....						.0
6. Mortgage guaranty .....						.0
8. Ocean marine .....						.0
9. Inland marine .....						.0
10. Financial guaranty .....						.0
11.1 Medical professional liability-occurrence .....						.0
11.2 Medical professional liability-claims-made .....						.0
12. Earthquake .....						.0
13. Group accident and health .....						.0
14. Credit accident and health (group and individual) .....						.0
15. Other accident and health .....						.0
16. Workers' compensation .....						.0
17.1 Other liability-occurrence .....						.0
17.2 Other liability-claims-made .....						.0
17.3 Excess workers' compensation .....						.0
18.1 Products liability-occurrence .....						.0
18.2 Products liability-claims-made .....						.0
19.1,19.2 Private passenger auto liability .....						.0
19.3,19.4 Commercial auto liability .....						.0
21. Auto physical damage .....						.0
22. Aircraft (all perils) .....						.0
23. Fidelity .....						.0
24. Surety .....						.0
26. Burglary and theft .....						.0
27. Boiler and machinery .....						.0
28. Credit .....						.0
29. International .....						.0
30. Warranty .....						.0
31. Reinsurance-nonproportional assumed property .....	XXX					.0
32. Reinsurance-nonproportional assumed liability .....	XXX					.0
33. Reinsurance-nonproportional assumed financial lines .....	XXX					.0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
35. TOTALS .....	98,436,323	29,939,382	6,890,786	0	126,439,729	8,826,762
<b>DETAILS OF WRITE-INS</b>						
3401. ....						
3402. ....						
3403. ....						
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above) .....	0	0	0	0	0	0

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

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

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

## ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Weston Insurance Company

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire				0	0	0	0	0.0
2. Allied lines	34,802,148	31,079,879	37,990,451	27,891,576	18,891,223	2,671,130	44,111,669	355.7
3. Farmowners multiple peril				0	0	0	0	0.0
4. Homeowners multiple peril				0	0	0	0	0.0
5. Commercial multiple peril				0	0	0	0	0.0
6. Mortgage guaranty				0	0	0	0	0.0
8. Ocean marine				0	0	0	0	0.0
9. Inland marine				0	0	0	0	0.0
10. Financial guaranty				0	0	0	0	0.0
11.1 Medical professional liability-occurrence				0	0	0	0	0.0
11.2 Medical professional liability-claims-made				0	0	0	0	0.0
12. Earthquake				0	0	0	0	0.0
13. Group accident and health				0	0	0	0	0.0
14. Credit accident and health (group and individual)				0	0	0	0	0.0
15. Other accident and health				0	0	0	0	0.0
16. Workers' compensation				0	0	0	0	0.0
17.1 Other liability-occurrence				0	0	0	0	0.0
17.2 Other liability-claims-made				0	0	0	0	0.0
17.3 Excess workers' compensation				0	0	0	0	0.0
18.1 Products liability-occurrence				0	0	0	0	0.0
18.2 Products liability-claims-made				0	0	0	0	0.0
19.1,19.2 Private passenger auto liability				0	0	0	0	0.0
19.3,19.4 Commercial auto liability				0	0	0	0	0.0
21. Auto physical damage				0	0	0	0	0.0
22. Aircraft (all perils)				0	0	0	0	0.0
23. Fidelity				0	0	0	0	0.0
24. Surety				0	0	0	0	0.0
26. Burglary and theft				0	0	0	0	0.0
27. Boiler and machinery				0	0	0	0	0.0
28. Credit				0	0	0	0	0.0
29. International				0	0	0	0	0.0
30. Warranty				0	0	0	0	0.0
31. Reinsurance-nonproportional assumed property	XXX			0	0	0	0	0.0
32. Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	0.0
33. Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	34,802,148	31,079,879	37,990,451	27,891,576	18,891,223	2,671,130	44,111,669	355.7
DETAILS OF WRITE-INS								
3401.				0	0	0	0	0.0
3402.				0	0	0	0	0.0
3403.				0	0	0	0	0.0
3408. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3498. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

## ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Weston Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8	9
	1	2	3	4	5	6	7		
	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1. Fire				0				0	
2. Allied lines	24,178,833	2,532,561	19,325,845	7,385,549	20,237,943	9,223,638	17,955,907	18,891,223	1,440,826
3. Farmowners multiple peril				0				0	
4. Homeowners multiple peril				0				0	
5. Commercial multiple peril				0				0	
6. Mortgage guaranty				0				0	
8. Ocean marine				0				0	
9. Inland marine				0				0	
10. Financial guaranty				0				0	
11.1 Medical professional liability-occurrence				0				0	
11.2 Medical professional liability-claims-made				0				0	
12. Earthquake				0				0	
13. Group accident and health				0				(a)	0
14. Credit accident and health (group and individual)				0				(a)	0
15. Other accident and health				0				0	
16. Workers' compensation				0				0	
17.1 Other liability-occurrence				0				0	
17.2 Other liability-claims-made				0				0	
17.3 Excess workers' compensation				0				0	
18.1 Products liability-occurrence				0				0	
18.2 Products liability-claims-made				0				0	
19.1,19.2 Private passenger auto liability				0				0	
19.3,19.4 Commercial auto liability				0				0	
21. Auto physical damage				0				0	
22. Aircraft (all perils)				0				0	
23. Fidelity				0				0	
24. Surety				0				0	
26. Burglary and theft				0				0	
27. Boiler and machinery				0				0	
28. Credit				0				0	
29. International				0				0	
30. Warranty				0				0	
31. Reinsurance-nonproportional assumed property	XXX			0	XXX			0	
32. Reinsurance-nonproportional assumed liability	XXX			0	XXX			0	
33. Reinsurance-nonproportional assumed financial lines	XXX			0	XXX			0	
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35. TOTALS	24,178,833	2,532,561	19,325,845	7,385,549	20,237,943	9,223,638	17,955,907	18,891,223	1,440,826
DETAILS OF WRITE-INS									
3401.				0				0	
3402.				0				0	
3403.				0				0	
3408. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3409. Totals (Lines 3401 through 3403 + 3408) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 3 - EXPENSES**

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	4,094,532			4,094,532
1.2 Reinsurance assumed .....	5,257,878			5,257,878
1.3 Reinsurance ceded .....	4,189,254			4,189,254
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	5,163,156	0	0	5,163,156
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....				0
2.2 Reinsurance assumed, excluding contingent .....		9,069,741		9,069,741
2.3 Reinsurance ceded, excluding contingent .....		41,499,798		41,499,798
2.4 Contingent-direct .....				0
2.5 Contingent-reinsurance assumed .....				0
2.6 Contingent-reinsurance ceded .....				0
2.7 Policy and membership fees .....		1,727,460		1,727,460
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	(30,702,597)	0	(30,702,597)
3. Allowances to manager and agents .....		27,401,413		27,401,413
4. Advertising .....				0
5. Boards, bureaus and associations .....		121,591		121,591
6. Surveys and underwriting reports .....				0
7. Audit of assureds' records .....				0
8. Salary and related items:				
8.1 Salaries .....				0
8.2 Payroll taxes .....				0
9. Employee relations and welfare .....				0
10. Insurance .....				0
11. Directors' fees .....				0
12. Travel and travel items .....				0
13. Rent and rent items .....				0
14. Equipment .....				0
15. Cost or depreciation of EDP equipment and software .....		17,281		17,281
16. Printing and stationery .....				0
17. Postage, telephone and telegraph, exchange and express .....				0
18. Legal and auditing .....		259,850		259,850
19. Totals (Lines 3 to 18) .....	0	27,800,135	0	27,800,135
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		1,758,337		1,758,337
20.2 Insurance department licenses and fees .....		18,258		18,258
20.3 Gross guaranty association assessments .....				0
20.4 All other (excluding federal and foreign income and real estate) .....				0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	1,776,595	0	1,776,595
21. Real estate expenses .....				0
22. Real estate taxes .....				0
23. Reimbursements by uninsured plans .....				0
24. Aggregate write-ins for miscellaneous expenses .....	0	705,053	284,750	989,803
25. Total expenses incurred .....	5,163,156	(420,814)	284,750	(a) 5,027,091
26. Less unpaid expenses-current year .....	1,440,826	917,000		2,357,826
27. Add unpaid expenses-prior year .....	397,280	136,700	0	533,980
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	4,119,609	(1,201,114)	284,750	3,203,246
<b>DETAILS OF WRITE-INS</b>				
2401. Miscellaneous Expenses .....		659,168		659,168
2402. Consulting/Professional Fees .....		45,885		45,885
2403. Investment Fees .....			284,750	284,750
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	0	705,053	284,750	989,803

(a) Includes management fees of \$ 29,128,873 to affiliates and \$ \_\_\_\_\_ to non-affiliates.

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 55,107	49,881
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 275,022	297,364
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	(b) 0	
2.21 Common stocks of affiliates	(b) 0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 80,305	77,440
7. Derivative instruments	(f)	
8. Other invested assets		163,628
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	410,434	588,313
11. Investment expenses		(g) 284,750
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		284,750
16. Total deductions (Lines 11 through 15)		303,563
17. Net investment income (Line 10 minus Line 16)		
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page	0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)	0	0

(a) Includes \$ 14,713 accrual of discount less \$ 87,926 amortization of premium and less \$ 53,588 paid for accrued interest on purchases.  
 (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ 0 paid for accrued dividends on purchases.  
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ paid for accrued interest on purchases.  
 (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.  
 (e) Includes \$ 294 accrual of discount less \$ 861 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (f) Includes \$ accrual of discount less \$ amortization of premium.  
 (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ interest on surplus notes and \$ interest on capital notes.  
 (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds			0		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)	(4,760)		(4,760)		
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	9,195	0	9,195	(9,195)	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans			0		
6. Cash, cash equivalents and short-term investments			0	0	0
7. Derivative instruments			0		
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	4,435	0	4,435	(9,195)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0



**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income .....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	287,180	220,656	(66,524)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset .....	8,014,146	0	(8,014,146)
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	3,338,353	3,338,353
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	8,301,326	3,559,009	(4,742,317)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27)	8,301,326	3,559,009	(4,742,317)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0



## Notes to the Financial Statements

## 1. Summary of Significant Accounting Policies and Going Concern

## A. Accounting Practices

The financial statements of Weston Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	2020	2019
<b>Net Income</b>					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (35,955,435)	\$ 1,456,317
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (35,955,435)</u>	<u>\$ 1,456,317</u>
<b>Surplus</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 28,939,652	\$ 38,410,465
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 28,939,652</u>	<u>\$ 38,410,465</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

## D. Going Concern - Not Applicable

## 2. Accounting Changes and Corrections of Errors - Not Applicable

## 3. Business Combinations and Goodwill - Not Applicable

## 4. Discontinued Operations - Not Applicable

## Notes to the Financial Statements

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							Current Year			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....	% .....	% .....
b. Collateral held under security lending agreements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
c. Subject to repurchase agreements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
d. Subject to reverse repurchase agreements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
e. Subject to dollar repurchase agreements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
f. Subject to dollar reverse repurchase agreements	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
g. Placed under option contracts	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
i. FHLB capital stock	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
j. On deposit with states	345,461	.....	.....	.....	345,461	335,984	9,478	.....	345,461	0.322	0.323
k. On deposit with other regulatory bodies	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
l. Pledged as collateral to FHLB (including assets backing funding agreements)	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
m. Pledged as collateral not captured in other categories	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
n. Other restricted assets	.....	.....	.....	.....	.....	4,840,000	(4,840,000)	.....	.....	.....	.....
o. Total restricted assets	\$ 345,461	\$ .....	\$ .....	\$ .....	\$ 345,461	\$ 5,175,984	\$ (4,830,522)	\$ .....	\$ 345,461	0.322 %	0.323 %

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

## Notes to the Financial Statements

## 5. Investments (Continued)

- (3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate)

Description of Assets	Gross (Admitted & Nonadmitted) Restricted							Percentage	
	Current Year								
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(10)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase/ (Decrease) (5 - 6)	Total Current Year Admitted Restricted	Admitted Restricted to Total Assets, %
Reinsurance contract	\$	\$	\$	\$	\$	\$ 4,840,000	\$ (4,840,000)	\$	%
Total	\$	\$	\$	\$	\$	\$ 4,840,000	\$ (4,840,000)	\$	%

- (4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs	1	
(2) Aggregate amount of investment income	\$ 46,720	\$

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

A. Due and Accrued Income Excluded from Surplus

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

B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes

A. Components of the Net Deferred Tax Asset/(Liability)

- (1) Change between years by tax character

	2020			2019			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 8,033,438	\$ 25,931	\$ 8,059,369	\$ 476,402	\$ (8,995)	\$ 467,407	\$ 7,557,036	\$ 34,926	\$ 7,591,962
(b) Statutory valuation allowance adjustments		25,931	25,931					25,931	25,931
(c) Adjusted gross deferred tax assets (1a - 1b)	8,033,438	—	8,033,438	476,402	(8,995)	467,407	7,557,036	8,995	7,566,031
(d) Deferred tax assets nonadmitted	8,014,146		8,014,146				8,014,146		8,014,146
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 19,292	\$ —	\$ 19,292	\$ 476,402	\$ (8,995)	\$ 467,407	\$ (457,110)	\$ 8,995	\$ (448,115)
(f) Deferred tax liabilities	19,292		19,292	10,964		10,964	8,328		8,328
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ —	\$ —	\$ —	\$ 465,438	\$ (8,995)	\$ 456,443	\$ (465,438)	\$ 8,995	\$ (456,443)

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

## (2) Admission calculation components SSAP No. 101

	2020			2019			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)	-	-	-	467,407	-	467,407	(467,407)	-	(467,407)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	481,186	-	481,186	467,407	-	467,407	13,779	-	13,779
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	-	XXX	XXX	-	XXX	XXX	-
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	19,292	-	19,292	(10,964)	-	(10,964)	30,256	-	30,256
(d) Deferred tax assets admitted as the result of application of SSAP No. 101.									
Total (2(a) + 2(b) + 2(c))	\$ 19,292	\$	\$ 19,292	\$ 456,443	\$	\$ 456,443	\$ (437,151)	\$	\$ (437,151)

## (3) Ratio used as basis of admissibility

	2020	2019
(a) Ratio percentage used to determine recovery period and threshold limitation amount	294.473 %	360.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 28,939,652	\$ 38,448,828

## (4) Impact of tax-planning strategies

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

- Adjusted Gross DTAs Amount From Note 9A1(c)
- Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies
- Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)
- Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies

	2020		2019		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 8,033,438	\$ -	\$ 476,402	\$ (8,995)	\$ 7,557,036	\$ 8,995
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 19,292	\$ -	\$ 476,402	\$ (8,995)	\$ (457,110)	\$ 8,995
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

## (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

## B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

## C. Major Components of Current Income Taxes Incurred

	(1) 2020	(2) 2019	(3) Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ (47,943)	\$ -	\$ (47,943)
(b) Foreign	-	-	-
(c) Subtotal	\$ (47,943)	\$ -	\$ (47,943)
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	(4,890,528)	-	(4,890,528)
(g) Federal and foreign income taxes incurred	\$ (4,938,471)	\$ -	\$ (4,938,471)



## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1) 2020	(2) 2019	(3) Change (1-2)
<b>2. Deferred Tax Assets</b>			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 269,504	\$ 12,887	\$ 256,617
(2) Unearned premium reserve	148,666	157,425	(8,759)
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	46,338	46,338	—
(11) Net operating loss carry-forward	7,508,622	259,752	7,248,870
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)	60,308		60,308
(99) Subtotal	\$ 8,033,438	\$ 476,402	\$ 7,557,036
(b) Statutory valuation allowance adjustment			
(c) Nonadmitted	8,014,146		8,014,146
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 19,292	\$ 476,402	\$ (457,110)
(e) Capital			
(1) Investments	\$	\$	\$
(2) Net capital loss carry-forward	25,931	15	25,916
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)		(9,010)	9,010
(99) Subtotal	\$ 25,931	\$ (8,995)	\$ 34,926
(f) Statutory valuation allowance adjustment	25,931		25,931
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	(8,995)	8,995
(i) Admitted deferred tax assets (2d + 2h)	\$ 19,292	\$ 467,407	\$ (448,115)
	(1) 2020	(2) 2019	(3) Change (1-2)
<b>3. Deferred Tax Liabilities</b>			
(a) Ordinary			
(1) Investments	\$ 18,406	\$	\$ 18,406
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other (including items <5% of total ordinary tax liabilities)	886	10,964	(10,078)
(99) Subtotal	\$ 19,292	\$ 10,964	\$ 8,328
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 19,292	\$ 10,964	\$ 8,328
<b>4. Net deferred tax assets/liabilities (2i - 3c)</b>	\$ —	\$ 456,443	\$ (456,443)

## D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant terms causing this difference are as follows:

	2020	Effective Tax Rate
Provision computed at statutory rate	\$ (7,537,840)	-21.000 %
Tax exempt interest income deduction	(8,036)	-0.022 %
Change in VA	25,931	0.072 %
Other - Deferred True Ups	(24,830)	-0.069 %
Other	(60,870)	-0.170 %
Total	\$ (7,605,645)	-21.189 %

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	2020	Effective Tax Rate
Federal and foreign income taxes incurred .....	\$ (47,943)	-0.134 %
Change in net deferred income taxes .....	(7,557,702)	-21.055 %
Total statutory income taxes .....	<u>\$ (7,605,645)</u>	<u>-21.189 %</u>

## E. Operating Loss and Tax Credit Carryforwards

The Company had net operating losses of: 35,755,343

(1) At December 31, 2020, the Company has a federal net operating loss carryforward of \$35,755,343 for future years.

(2) Income tax expense available for recoupment - Not Applicable

(3) Deposits admitted under IRC Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

(1) The Company's federal income tax return is consolidated with the following entity:

- Weston Insurance Holdings Corp
- Weston Insurance Company
- Weston Select Insurance Company
- Weston Insurance Management

(2) The method of allocation is subject to written agreement, approved by the Board of Directors. Allocation is based on separate return calculation with current credit for net losses. Intercompany tax balances are settled annually after the Consolidated Federal Income Tax Return is filed.

## G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

## H. Repatriation Transition Tax (RTT) - Not Applicable

## I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

## A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

## B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the "Termination Date") unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.

On December 31, 2020, the amount of the loan outstanding is \$2,650,000. Interest income in the amount of \$154,150 was recorded by the Company in 2020.

On December 31, 2020, WIHC contributed all of its shares of Weston Specialty Insurance Company ("WSIC"), valued at \$10.2 million, to the Company.

In November 2020, the company received \$12.5 million from affiliated entities. The amount received was comprised of a capital contribution from WIHC in the amount of \$6.9 million, the repayment of previously non admitted balances due under the tax sharing agreement from Weston Insurance Management ("WIM") of \$1.1 million, and the partial repayment of the advance account from WIM of \$4.5 million.

The dissolution of the Weston Select Insurance Corporation ("Select") was authorized by a unanimous written consent action of Select's Board of Directors on April 15, 2020, and by a written consent action Select's shareholder on April 15, 2020. The dissolution of Select was authorized by resolution of the Board of Directors in accordance with Section 33-14-101 of the South Carolina Statutes, and by Select's shareholder in accordance with Section 33-14-102 of the South Carolina Statutes. These Articles of Dissolution are effective as of April 16, 2020. The Company received \$5.0 million upon the dissolution of Select.

## C. Transactions With Related Party Who Are Not Reported on Schedule Y

(1) Detail of material related party transactions

Ref #	Date of Transaction	Name of Related Party	Nature of Relationship	Type of Transaction	Written Agreement (Yes/No)	Due Date	Reporting Period Date Amount Due From (To)
-------	---------------------	-----------------------	------------------------	---------------------	----------------------------	----------	--



## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

## (2) Detail of material related party transactions involving services

Ref #	Name of Related Party	Overview Description	Amount Charged	Amount Based on Allocation of Costs or Market Rates	Amount Charged Modified or Waived (Yes/No)
Total			\$	\$	

## (3) Detail of material related party transactions involving exchange of assets and liabilities

## (a) Description of transaction

Ref #	Name of Related Party	Overview Description	Have Terms Changed from Preceding Period? (Yes/No)
-------	-----------------------	----------------------	--

## (b) Assets received

Ref #	Name of Related Party	Description of Assets Received	Statement Value of Assets Received
Total			\$

## (c) Assets transferred

Ref #	Name of Related Party	Description of Assets Transferred	Statement Value of Assets Transferred
Total			\$

## (4) Detail of amounts owed to/from a related party

Ref #	Name of Related Party	Aggregate Reporting Period Amount Due From	Aggregate Reporting Period Amount Due To	Amount Offset in Financial Statement (if qualifying)	Net Amount Recoverable / (Payable) by Related Party	Admitted Recoverable
Total		\$	\$	\$	\$	\$

## D. Amounts due to or from related parties

The receivable from affiliates reported on line 23 of the assets page includes a \$6.4 receivable from WIM. The amount is deemed an admitted asset by the Florida Office of Insurance Regulation (the "Office") and is being repaid based on a repayment plan approved by the Office. The Company is current with its payments.

Included on line 25 of the assets page is a receivable for \$1.5 million representing a capital contribution receivable from WIHC. On February 25, 2021, the Office approved the Company's request to include the capital contribution as a Type I subsequent event and admit the receivable as an asset at the end of 2020.

## E. Management, service contracts, cost-sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and claims administration. An expense of \$29,128,873 and \$ 21,799,256 was recorded for the twelve months ending December 31, 2020, and 2019 respectively, per the terms of the MGA agreement.

## F. Guarantees or Contingencies - Not Applicable

## G. Nature of Relationships that Could Affect Operations - Not Applicable

## H. Amount Deducted for Investment in Upstream Company - Not Applicable

## I. Effective December 31, 2020, WIHC contributed its shares of WSIC to the Company. The Company requested and received special consent pursuant to Section 625.331(1)(a) Florida Statutes, to temporarily exceed the limitation on investments in subsidiaries and affiliates.

## J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

## K. Foreign Subsidiary Value Using CARVM - Not Applicable

## L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

## Notes to the Financial Statements

## 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)

## M. All SCA Investments

## (1) Balance sheet value (admitted and nonadmitted) all SCAs (except 8b(i) entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
Total SSAP No. 97 8a Entities .....	XXX	\$	\$	\$
b. SSAP No. 97 8b(ii) Entities				
Total SSAP No. 97 8b(ii) Entities .....	XXX	\$	\$	\$
c. SSAP No. 97 8b(iii) Entities				
.....	%	\$	\$	\$
Total SSAP No. 97 8b(iii) Entities .....	XXX	\$	\$	\$
d. SSAP No. 97 8b(iv) Entities				
Total SSAP No. 97 8b(iv) Entities .....	XXX	\$	\$	\$
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....	XXX	\$	\$	\$
f. Aggregate Total (a+e) .....	XXX	\$	\$	\$

## (2) NAIC filing response information

SCA Entity	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received (Yes/No)	NAIC Disallowed Entities Valuation Method, Resubmission Required (Yes/No)	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities .....			\$			
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities .....			\$			
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities .....			\$			
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities .....			\$			
e. Total SSAP No. 97 8b Entities (except 8b(i) entities) (b+c+d) .....			\$			
f. Aggregate Total (a+e) .....			\$			

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

\*\* I - Immaterial or M - Material

## N. Investment in Insurance SCAs

## (1) Not Applicable

## (2) The monetary effect on net income and surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA had Completed Statutory Financial Statements*
Weston Specialty Insurance Company .....	\$ -	\$ 10,228,418	\$ 10,228,418	\$ 10,228,418

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

## (3) Not Applicable

## O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## A. Outstanding shares

As of December 31, 2020 and 2019 the Company has 25,000 shares of authorized, issued and outstanding common stock at par value of one hundred dollars (\$100) per share.

## B. Dividend Rate of Preferred Stock - Not Applicable

## C. Dividend restrictions

## Notes to the Financial Statements

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)**

Florida Statute 628.371 restricts dividend payment for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation dividends are restricted to unassigned surplus

**D. Dates and amounts of dividends paid**

The company paid a total of \$2,700,000 to parent, Weston Insurance Holdings Company, during the first quarter of 2019.  
The company paid a total of \$5,000,000 to parent, Weston Insurance Holdings Company, during the second quarter of 2020.

**E. Company Profits Paid as Ordinary Dividends - Not Applicable****F. Surplus Restrictions - Not Applicable****G. Surplus Advances - Not Applicable****H. Stock Held for Special Purposes - Not Applicable****I. Changes in Special Surplus Funds - Not Applicable****J. Unassigned Funds (Surplus)**

Included on line 25 of the assets page is a receivable for \$1.5 million representing a capital contribution receivable from WIHC. On February 25, 2021, the Office approved the Company's request to include the capital contribution as a Type I subsequent event and admit the receivable as an asset at the end of 2020. The funds were received by the Company on February 24, 2021.

**K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable****L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable****M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable****14. Liabilities, Contingencies and Assessments****A. Contingent Commitments - Not Applicable****B. Assessments - Not Applicable****C. Gain Contingencies - Not Applicable****D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims-related ECO and bad faith losses paid during the reporting period.....	\$..... 130,000

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Method used to disclose claim count information:

(f) Per Claim [X]                      (g) Per Claimant []

**E. Product Warranties - Not Applicable****F. Joint and Several Liabilities - Not Applicable****G. All Other Contingencies**

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

**15. Leases - Not Applicable****16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable****18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable****19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

In 2012, the Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the Company. All authorities for WIM with respect to the MGA contract remain unchanged.

## Notes to the Financial Statements

## 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators (Continued)

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CA,R,PB,U	\$ 98,436,323
Total					\$ 98,436,323

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

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

## (2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

## (3) Policy on transfers into and out of Level 3 - Not Applicable

## (4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

## (5) Derivatives - Not Applicable

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Common Stock	\$ 10,228,418	\$ 10,228,418	\$ 10,228,418	\$ -	\$ -	\$ -	\$ -
Bonds	12,097,455	11,942,151	12,097,455	-	-	-	-
Cash, Cash Equivalents and Short-Term Investments	23,648,207	23,648,207	23,648,207	-	-	-	-

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

The write-in asset of \$8.0 million reported on Page 2, line 2501 is to recognize additional tax deferred assets that will be utilized by December 31, 2022 or otherwise collected pursuant to a guarantee from HSCM Bermuda Fund, Ltd. The reporting of this portion of the deferred tax asset is consistent with SSAP 101, paragraph 10 regarding the Admissibility of Income Tax Assets and SSAP 4. Under the terms of the agreement the asset will be fully utilized or collected within a three year period.

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

## 22. Events Subsequent

Included on line 25 of the assets page is a receivable for \$1.5 million representing a capital contribution receivable from WIHC. On February 25, 2021, the Office approved the Company's request to include the capital contribution as a Type I subsequent event and admit the receivable as an asset at the end of 2020. The funds were received by the Company on February 24, 2021.



## Notes to the Financial Statements

## 22. Events Subsequent (Continued)

	Current Year	Prior Year
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act?		
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment	\$	
F. Total adjusted capital after surplus adjustment	\$	
G. Authorized control level	\$	
H. Would reporting the ACA assessment as of Dec 31 have triggered an RBC action level?		

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

Amount (000) omitted

## Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus

## Individual Reinsurers Who Are Not Members of a Group

FEIN	Reinsurer Name	Unsecured Amount
AA1128623	Lloyds Syndicate 2623	\$ 924,811
222005057	Everest Reinsurance Company	3,126,835
AA9991310	Florida Hurricane Catastrophe Fund	17,956,057
AA1128791	Lloyds Syndicate 2791	1,046,784
134924125	Munich Reinsurance America, Inc.	4,910,870
470698507	Odyssey Reinsurance Company	6,466,610

## Individual Reinsurers Who Are Members of a Group

NAIC Group Code	FEIN	Reinsurer Name	Unsecured Amount
All Members of the Groups Shown above with Unsecured Reinsurance Recoverables			
NAIC Group Code	FEIN	Reinsurer Name	Unsecured Amount
Total			\$

## B. Reinsurance Recoverable in Dispute - Not Applicable

## C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 17,595,077	\$ 5,278,523	\$ -	\$ -	\$ 17,595,077	\$ 5,278,523
b. All other			63,779,496	20,985,411	(63,779,496)	(20,985,411)
c. Total	\$ 17,595,077	\$ 5,278,523	\$ 63,779,496	\$ 20,985,411	\$ (46,184,419)	\$ (15,706,888)
d. Direct unearned premium reserve			\$ 69,951,371			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

## D. Uncollectible Reinsurance - Not Applicable

## E. Commutation of Ceded Reinsurance - Not Applicable

## F. Retroactive Reinsurance - Not Applicable

## G. Reinsurance Accounted for as a Deposit

The Company participates in two reinsurance agreements that are accounted for as a deposit. The first contract covers \$6,525,000 in the aggregate with a retention of \$5,000,000. The second contract covers \$8,287,500 in the aggregate with a retention of \$10,000,000. The contracts inception June 1, 2020

Description	Interest Income	Cash Recoveries	Deposit Balance
H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable			
I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable			

## Notes to the Financial Statements

**23. Reinsurance (Continued)**

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

K. Reinsurance Credit

Not Applicable

(1)

(2)

(3)

(4)

(5)

(6)

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

A. Method Used to Estimate - Not Applicable

B. Method Used to Record - Not Applicable

C. Amount and Percent of Net Retrospective Premiums - Not Applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

E. Calculation of Nonadmitted Retrospective Premium - Not Applicable

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

Not Applicable

(1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?

NO

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable

(4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable

(5) ACA risk corridors receivable as of reporting date - Not Applicable

**25. Changes in Incurred Losses and Loss Adjustment Expenses**

A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2019 were \$3,068,411. For the twelve months ending December 31, 2020, \$1,230,116 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$1,824,098 resulting in favorable development of \$14,197. Increases or decreases occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims. The majority of the favorable development is the result of having met the retention for our treaty year 2019 quota share agreement this quarter.

B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

**26. Intercompany Pooling Arrangements - Not Applicable****27. Structured Settlements - Not Applicable****28. Health Care Receivables - Not Applicable****29. Participating Policies - Not Applicable****30. Premium Deficiency Reserves - Not Applicable****31. High Deductibles - Not Applicable****32. Discounting of Liabilities For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable****33. Asbestos/Environmental Reserves - Not Applicable****34. Subscriber Savings Accounts - Not Applicable****35. Multiple Peril Crop Insurance - Not Applicable****36. Financial Guaranty Insurance - Not Applicable**



**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES****GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes ☒ No ☐ N/A ☐
- 1.3 State Regulating? Florida
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes ☐ No ☒
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes ☐ No ☒
- 2.2 If yes, date of change: 12/31/2015
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/30/2017
- 3.4 By what department or departments? Florida Office Of Insurance Regulation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ☐ No ☐ N/A ☒
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ☐ No ☐ N/A ☒
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.11 sales of new business? Yes ☒ No ☐  
4.12 renewals? Yes ☒ No ☐
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:  
4.21 sales of new business? Yes ☐ No ☒  
4.22 renewals? Yes ☐ No ☒
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ☐ No ☒  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

7.21 State the percentage of foreign control 71.3 %

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

1 Nationality	2 Type of Entity
United Kingdom	Individual
Bermuda	Corporation

## GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [ ] No [ X ]  
 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 RSM 100 Second Avenue South, Suite 600, St. Petersburg, FL 33701.....
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Ryan Purdy, FCAS, MAAA, Consulting Actuary Merlino & Associates 3274 Medlock Bridge Rd. Peachtree Corners, GA 30092.....
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [ X ]  
 12.11 Name of real estate holding company .....  
 12.12 Number of parcels involved .....0  
 12.13 Total book/adjusted carrying value \$.....
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ X ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ X ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ X ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

## GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount

## BOARD OF DIRECTORS

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

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$
- 20.12 To stockholders not officers \$
- 20.13 Trustees, supreme or grand (Fraternal only) \$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$
- 20.22 To stockholders not officers \$
- 20.23 Trustees, supreme or grand (Fraternal only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$
- 21.22 Borrowed from others \$
- 21.23 Leased from others \$
- 21.24 Other \$
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
- 22.22 Amount paid as expenses \$
- 22.23 Other amounts paid \$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 6,476,711

## INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes ☒ No ☐
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For securities lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$ 0
- 24.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$ 0
- 24.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ NA ☒
- 24.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ NA ☒
- 24.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ NA ☒

## GENERAL INTERROGATORIES

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

24.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0  
 24.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0  
 24.093 Total payable for securities lending reported on the liability page \$.....0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03).

Yes [ X ] No [ ]

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

25.21 Subject to repurchase agreements \$.....  
 25.22 Subject to reverse repurchase agreements \$.....  
 25.23 Subject to dollar repurchase agreements \$.....  
 25.24 Subject to reverse dollar repurchase agreements \$.....  
 25.25 Placed under option agreements \$.....  
 25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock \$.....  
 25.27 FHLB Capital Stock \$.....  
 25.28 On deposit with states \$.....470,605  
 25.29 On deposit with other regulatory bodies \$.....  
 25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$.....  
 25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$.....  
 25.32 Other \$.....

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB?

Yes [ ] No [ X ]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.

Yes [ ] No [ ] N/A [ X ]

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

26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity?

Yes [ ] No [ X ]

26.4 If the response to 26.3 is YES, does the reporting entity utilize:

26.41 Special accounting provision of SSAP No. 108 Yes [ ] No [ ]  
 26.42 Permitted accounting practice Yes [ ] No [ ]  
 26.43 Other accounting guidance Yes [ ] No [ ]

26.5 By responding YES to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following:

Yes [ ] No [ ]

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

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

Yes [ ] No [ X ]

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

\$.....

28. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes [ X ] No [ ]

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

1 Name of Custodian(s)	2 Custodian's Address
Merrill Lynch.....	355 Alhambra Cir, Ste 1502 Coral Gables, FL 33134



## GENERAL INTERROGATORIES

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

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

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?

Yes ☐ No ☒

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

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

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management LLC	A

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes ☐ No ☒

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		0

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

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

## GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	11,961,150	12,097,455	136,304
30.2 Preferred Stocks.....	0	0	0
30.3 Totals	11,961,150	12,097,455	136,304

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

Merrill Lynch.....

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [ X ] No [ ]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [ X ] No [ ]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

- 32.2 If no, list exceptions:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [ ] No [ X ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [ ] No [ X ]

35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [ X ]

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

- a. The investment is a liquid asset that can be terminated by the reporting entity on the current maturity date.
- b. If the investment is with a nonrelated party or nonaffiliated then it reflects an arms-length transaction with renewal completed at the discretion of all involved parties.
- c. If the investment is with a related party or affiliate, then the reporting entity has completed robust re-underwriting of the transaction for which documentation is available for regulator review.
- d. Short-term and cash equivalent investments that have been renewed/rolled from the prior period that do not meet the criteria in 36.a -36.c are reported as long-term investments.

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?

Yes [ ] No [ ] NA [ X ]

## OTHER

- 37.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ .....80,641

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

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



**GENERAL INTERROGATORIES**

38.1 Amount of payments for legal expenses, if any?

\$ .....66,600

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

1 Name	2 Amount Paid
Foley & Lardner LLP.....	\$.....56,909

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

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

1 Name	2 Amount Paid

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]
- 1.2 If yes, indicate premium earned on U. S. business only ..... \$ .....0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ .....0
- 1.31 Reason for excluding .....

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ .....0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$ .....0

1.6 Individual policies:

Most current three years:

- 1.61 Total premium earned ..... \$ .....0
- 1.62 Total incurred claims ..... \$ .....0
- 1.63 Number of covered lives ..... 0

All years prior to most current three years:

- 1.64 Total premium earned ..... \$ .....0
- 1.65 Total incurred claims ..... \$ .....0
- 1.66 Number of covered lives ..... 0

1.7 Group policies:

Most current three years:

- 1.71 Total premium earned ..... \$ .....0
- 1.72 Total incurred claims ..... \$ .....0
- 1.73 Number of covered lives ..... 0

All years prior to most current three years:

- 1.74 Total premium earned ..... \$ .....0
- 1.75 Total incurred claims ..... \$ .....0
- 1.76 Number of covered lives ..... 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ .....0	\$ .....0
2.2	Premium Denominator	\$ .....12,402,549	\$ .....5,576,898
2.3	Premium Ratio (2.1/2.2)	.....0.000	.....0.000
2.4	Reserve Numerator	\$ .....0	\$ .....0
2.5	Reserve Denominator	\$ .....24,107,944	\$ .....5,085,077
2.6	Reserve Ratio (2.4/2.5)	.....0.000	.....0.000

- 3.1 Did the reporting entity issue participating policies during the calendar year? ..... Yes [ ] No [ X ]
- 3.2 If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:

- 3.21 Participating policies ..... \$ .....0
- 3.22 Non-participating policies ..... \$ .....0

4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ ]
- 4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ ] No [ ]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. .... \$ .....0

5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents? ..... Yes [ ] No [ ]
- 5.2 If yes, is the commission paid:

- 5.21 Out of Attorney's-in-fact compensation ..... Yes [ ] No [ ] N/A [X]
- 5.22 As a direct expense of the exchange ..... Yes [ ] No [ ] N/A [X]

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

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? ..... Yes [ ] No [ ]
- 5.5 If yes, give full information .....

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: \_\_\_\_\_  
N/A The Company does not write Worker's Compensation Insurance.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: \_\_\_\_\_  
The Company is exposed to hurricane risks in FL and TX. The probable maximum loss is derived from multiple catastrophe modeling software applications. The software uses historical occurrences and modeled event probabilities along with stochastic distributions to calculate probable maximum losses.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? \_\_\_\_\_  
Weston's reinsurance program includes quota share and XOL protection. The Cat XOL reinsurance program attaches at \$5.0 million per occurrence. The first \$11.0 million of losses below the \$5.0 occurrence limit are ceded to the quota share attaching at \$0.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? \_\_\_\_\_ Yes ☐ No ☒
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss \_\_\_\_\_
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? \_\_\_\_\_ Yes ☐ No ☒
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions: \_\_\_\_\_
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? \_\_\_\_\_ Yes ☒ No ☐
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? \_\_\_\_\_ Yes ☐ No ☒
- 8.2 If yes, give full information \_\_\_\_\_
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. \_\_\_\_\_ Yes ☐ No ☒
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. \_\_\_\_\_ Yes ☐ No ☒
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R - *Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? \_\_\_\_\_ Yes ☐ No ☒
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
(a) The entity does not utilize reinsurance; or  
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or  
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. \_\_\_\_\_ Yes ☐ No ☒
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? \_\_\_\_\_ Yes ☒ No ☐ N/A ☐

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?..... Yes [ ] No [ X ]

11.2 If yes, give full information .....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses..... \$ .....

12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$ .....

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$ .....

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... Yes [ ] No [ ] N/A [ X ]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From..... %

12.42 To..... %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? ..... Yes [ ] No [ X ]

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

12.61 Letters of Credit..... \$ .....

12.62 Collateral and other funds..... \$ .....

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$ .....

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? ..... Yes [ X ] No [ ]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....1

14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract?..... Yes [ ] No [ X ]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants: .....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? ..... Yes [ ] No [ ]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? ..... Yes [ X ] No [ ]

14.5 If the answer to 14.4 is no, please explain: .....

15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [ ] No [ X ]

15.2 If yes, give full information .....

16.1 Does the reporting entity write any warranty business? ..... Yes [ ] No [ X ]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.12 Products.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.13 Automobile.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.14 Other*.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

\* Disclose type of coverage: .....

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

	Gross amount of unauthorized reinsurance in Schedule F – Part 3	
17.11	exempt from the statutory provision for unauthorized reinsurance.....	\$ .....
17.12	Unfunded portion of Interrogatory 17.11.....	\$ .....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11 .....	\$ .....
17.14	Case reserves portion of Interrogatory 17.11.....	\$ .....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$ .....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$ .....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$ .....

18.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. .... \$ .....

18.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

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

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ X ] No [ ]

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]



## FIVE-YEAR HISTORICAL DATA

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

	1 2020	2 2019	3 2018	4 2017	5 2016
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	135,266,491	90,038,597	86,550,165	88,034,446	100,621,224
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
6. Total (Line 35) .....	135,266,491	90,038,597	86,550,165	88,034,446	100,621,224
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	8,826,762	6,031,065	4,889,943	5,691,505	713,125
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
12. Total (Line 35) .....	8,826,762	6,031,065	4,889,943	5,691,505	713,125
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8) .....	(36,451,461)	818,051	(2,171,765)	(832,870)	(2,226,217)
14. Net investment gain (loss) (Line 11) .....	307,999	458,723	641,675	764,423	68,309
15. Total other income (Line 15) .....	140,021	179,543	216,736	145,490	170,388
16. Dividends to policyholders (Line 17) .....	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19) .....	(47,943)	0	(10,174)	10,175	1,098
18. Net income (Line 20) .....	(35,955,499)	1,456,317	(1,303,181)	66,868	(1,988,618)
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	107,346,824	87,805,883	79,530,242	86,052,356	83,071,102
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1) .....	17,509,199	7,323,547	5,684,482	2,793,042	6,578,946
20.2 Deferred and not yet due (Line 15.2) .....	4,579,331	3,499,277	3,668,721	4,341,092	4,640,514
20.3 Accrued retrospective premiums (Line 15.3) .....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26) .....	78,407,172	49,395,418	36,455,567	41,479,480	38,049,884
22. Losses (Page 3, Line 1) .....	18,891,223	2,671,130	745,819	285,682	514,479
23. Loss adjustment expenses (Page 3, Line 3) .....	1,440,826	397,280	247,904	226,313	609,446
24. Unearned premiums (Page 3, Line 9) .....	(1,559,120)	2,016,667	1,562,500	2,000,000	0
25. Capital paid up (Page 3, Lines 30 & 31) .....	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	28,939,652	38,410,465	43,074,675	44,572,876	45,021,218
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11) .....	(35,194,014)	4,779,192	(7,692,364)	1,337,080	6,239,714
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital .....	28,939,652	38,410,465	43,074,675	44,572,876	45,021,218
29. Authorized control level risk-based capital .....	9,824,999	10,724,501	7,923,656	9,806,992	3,315,752
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1) .....	24.6	29.2	31.2	35.0	0.2
31. Stocks (Lines 2.1 & 2.2) .....	21.1	7.9	0.3	6.2	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3) .....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5) .....	48.8	60.1	64.5	54.6	94.8
35. Contract loans (Line 6) .....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7) .....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8) .....	5.5	2.8	4.0	4.2	5.0
38. Receivables for securities (Line 9) .....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10) .....	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11) .....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1) .....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1) .....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1) .....	10,228,418	5,009,195	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10) .....	0	0	0	0	0
46. Affiliated mortgage loans on real estate .....	0	0	0	0	0
47. All other affiliated .....	2,650,000	0	2,400,000	3,000,000	3,250,000
48. Total of above Lines 42 to 47 .....	12,878,418	5,009,195	2,400,000	3,000,000	3,250,000
49. Total investment in parent included in Lines 42 to 47 above .....	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0) .....	44.5	13.0	5.6	6.7	7.2



## FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2020	2 2019	3 2018	4 2017	5 2016
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	(9,195)	(9,450)	(168,842)	140,331	0
52. Dividends to stockholders (Line 35) .....	(5,000,000)	0	0	(342,000)	0
53. Change in surplus as regards policyholders for the year (Line 38) .....	(9,470,814)	(4,664,208)	(1,498,201)	(448,342)	(1,348,856)
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	65,882,027	42,019,357	87,950,937	62,775,820	10,047,457
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
59. Total (Line 35) .....	65,882,027	42,019,357	87,950,937	62,775,820	10,047,457
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	0	0	0	0	0
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	27,891,576	2,944,902	8,398,440	7,678,570	6,943,617
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
65. Total (Line 35) .....	27,891,576	2,944,902	8,398,440	7,678,570	6,943,617
<b>Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	355.7	87.3	166.3	201.8	1,017.5
68. Loss expenses incurred (Line 3) .....	41.6	12.8	(0.7)	0.1	80.1
69. Other underwriting expenses incurred (Line 4) .....	(3.4)	(14.8)	(24.8)	(79.3)	(685.4)
70. Net underwriting gain (loss) (Line 8) .....	(293.9)	14.7	(40.8)	(22.6)	(312.2)
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....	(6.4)	(16.6)	(31.5)	(54.0)	(709.3)
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	397.3	100.1	165.6	201.9	1,097.6
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....	30.5	15.7	11.4	12.8	1.6
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11) .....	(158)	(186)	1,729	(110)	100
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....	(0.4)	(0.4)	3.9	(0.2)	0.2
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....	(305)	1,466	1,789	(242)	149
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) .....	(0.7)	3.3	4.0	(0.5)	0.3

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

Yes [ ] No [ ]

If no, please explain

## SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

### SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)												
Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4	5	6	7	8	9	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 2011	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2012	4,272	4,272	0	19	19	0	0	2	2	0	0	XXX
4. 2013	72,428	73,083	(655)	350	92	109	8	51	15	0	395	XXX
5. 2014	103,521	105,786	(2,265)	141	0	84	0	41	0	0	265	XXX
6. 2015	126,068	125,520	548	246	0	165	0	35	0	0	446	XXX
7. 2016	104,785	104,072	713	28,843	19,535	2,620	2,269	1,034	917	0	9,776	xxx
8. 2017	94,101	90,409	3,692	138,147	131,225	18,006	17,988	4,373	4,300	0	7,011	XXX
9. 2018	87,508	82,181	5,327	52,260	45,097	2,636	2,532	534	255	0	7,547	XXX
10. 2019	83,455	77,878	5,577	3,504	0	399	0	195	0	0	4,098	XXX
11. 2020	115,969	103,573	12,396	45,784	18,967	6,427	2,860	395	0	0	30,779	XXX
12. Totals	XXX	XXX	XXX	269,293	214,936	30,446	25,658	6,661	5,488	0	60,318	xxx

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25	
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21		22	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
	13	14	15	16	17	18	19	20	21	22				
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				
1. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. ....	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7. ....	450	450	2,178	2,131	42	42	294	291	0	0	0	0	51	XXX
8. ....	13,104	13,094	4,262	4,257	705	702	576	581	0	0	0	0	13	XXX
9. ....	1,062	996	5,111	5,105	62	58	690	696	0	0	0	0	70	XXX
10. ....	21	0	1,459	0	13	0	197	0	0	0	0	0	1,690	XXX
11. ....	12,074	4,786	16,451	6,462	1,153	416	969	475	0	0	0	0	18,508	XXX
12. ....	26,711	19,326	29,462	17,956	1,975	1,218	2,726	2,042	0	0	0	0	20,332	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. _____	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2. _____	0	0	0	0.0	0.0	0.0	0	0	0	0	0
3. _____	20	20	0	0.5	0.5	0	0	0	0	0	0
4. _____	510	115	395	0.7	0.2	(60.3)	0	0	0	0	0
5. _____	265	0	265	0.3	0.0	(11.7)	0	0	0	0	0
6. _____	446	0	446	0.4	0.0	81.4	0	0	0	0	0
7. _____	35,462	25,635	9,827	33.8	24.6	1,378.0	0	0	0	47	4
8. _____	179,172	172,148	7,024	190.4	190.4	190.3	0	0	0	15	(2)
9. _____	62,356	54,738	7,618	71.3	66.6	143.0	0	0	0	72	(2)
10. _____	5,787	0	5,787	6.9	0.0	103.8	0	0	0	1,480	210
11. _____	83,254	33,967	49,287	71.8	32.8	397.6	0	0	0	17,277	1,231
12. _____	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	18,891	1,441

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

## ANNUAL STATEMENT FOR THE YEAR 2020 OF THE Weston Insurance Company

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	One Year	Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 2011	0	0	0	0	0	0	0	0	0	0	0	0
3. 2012	XXX	0	0	0	0	0	0	0	0	0	0	0
4. 2013	XXX	XXX	279	373	453	453	352	403	356	359	3	(44)
5. 2014	XXX	XXX	XXX	317	386	386	247	236	225	225	0	(12)
6. 2015	XXX	XXX	XXX	XXX	452	552	450	439	411	411	0	(28)
7. 2016	XXX	XXX	XXX	XXX	XXX	7,651	7,883	9,753	9,716	9,709	(7)	(44)
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	7,401	7,230	7,092	6,951	(140)	(279)
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,237	7,314	7,338	25	101
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,631	5,593	(38)	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	48,891	XXX	XXX
12. Totals											(158)	(305)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020		
1. Prior	000	0	0	0	0	0	0	0	0	0	XXX	XXX
2. 2011	0	0	0	0	0	0	0	0	0	0	XXX	XXX
3. 2012	XXX	0	0	0	0	0	0	0	0	0	XXX	XXX
4. 2013	XXX	XXX	193	335	349	352	352	356	356	359	XXX	XXX
5. 2014	XXX	XXX	XXX	78	193	223	225	225	225	225	XXX	XXX
6. 2015	XXX	XXX	XXX	XXX	198	298	374	409	411	411	XXX	XXX
7. 2016	XXX	XXX	XXX	XXX	XXX	7,055	7,604	9,647	9,659	9,658	XXX	XXX
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	7,268	6,946	7,044	6,938	XXX	XXX
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,788	7,103	7,268	XXX	XXX
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,877	3,903	XXX	XXX
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	30,383	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2011	2 2012	3 2013	4 2014	5 2015	6 2016	7 2017	8 2018	9 2019	10 2020
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 2011	0	0	0	0	0	0	0	0	0	0
3. 2012	XXX	0	0	0	0	0	0	0	0	0
4. 2013	XXX	XXX	49	14	24	101	0	7	0	0
5. 2014	XXX	XXX	XXX	202	141	140	23	12	0	0
6. 2015	XXX	XXX	XXX	XXX	131	107	44	28	0	0
7. 2016	XXX	XXX	XXX	XXX	XXX	68	96	60	57	51
8. 2017	XXX	XXX	XXX	XXX	XXX	XXX	63	314	33	0
9. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	269	106	0
10. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,093	1,656
11. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,482

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated By States And Territories									
States, etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	0	0	0	0	0	0	0	0
2. Alaska	AK	0	0	0	0	0	0	0	0
3. Arizona	AZ	0	0	0	0	0	0	0	0
4. Arkansas	AR	0	0	0	0	0	0	0	0
5. California	CA	0	0	0	0	0	0	0	0
6. Colorado	CO	0	0	0	0	0	0	0	0
7. Connecticut	CT	0	0	0	0	0	0	0	0
8. Delaware	DE	0	0	0	0	0	0	0	0
9. Dist. Columbia	DC	0	0	0	0	0	0	0	0
10. Florida	FL	68,103,956	64,427,852	38,546,335	28,415,475	21,678,234	38,521,335	0	0
11. Georgia	GA	0	0	0	0	0	0	0	0
12. Hawaii	HI	0	0	0	0	0	0	0	0
13. Idaho	ID	0	0	0	0	0	0	0	0
14. Illinois	IL	0	0	0	0	0	0	0	0
15. Indiana	IN	0	0	0	0	0	0	0	0
16. Iowa	IA	0	0	0	0	0	0	0	0
17. Kansas	KS	0	0	0	0	0	0	0	0
18. Kentucky	KY	0	0	0	0	0	0	0	0
19. Louisiana	LA	0	0	0	0	0	0	0	0
20. Maine	ME	0	0	0	0	0	0	0	0
21. Maryland	MD	0	0	0	0	0	0	0	0
22. Massachusetts	MA	0	0	0	0	0	0	0	0
23. Michigan	MI	0	0	0	0	0	0	0	0
24. Minnesota	MN	0	0	0	0	0	0	0	0
25. Mississippi	MS	9,971	6,685	0	0	0	0	0	0
26. Missouri	MO	0	0	0	0	0	0	0	0
27. Montana	MT	0	0	0	0	0	0	0	0
28. Nebraska	NE	0	0	0	0	0	0	0	0
29. Nevada	NV	0	0	0	0	0	0	0	0
30. New Hampshire	NH	0	0	0	0	0	0	0	0
31. New Jersey	NJ	0	0	0	0	0	0	0	0
32. New Mexico	NM	0	0	0	0	0	0	0	0
33. New York	NY	0	0	0	0	0	0	0	0
34. No. Carolina	NC	0	0	0	0	0	0	0	0
35. No. Dakota	ND	0	0	0	0	0	0	0	0
36. Ohio	OH	0	0	0	0	0	0	0	0
37. Oklahoma	OK	0	0	0	0	0	0	0	0
38. Oregon	OR	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	0	0	0	0	0	0	0	0
40. Rhode Island	RI	0	0	0	0	0	0	0	0
41. So. Carolina	SC	0	0	0	0	0	0	0	0
42. So. Dakota	SD	0	0	0	0	0	0	0	0
43. Tennessee	TN	0	0	0	0	0	0	0	0
44. Texas	TX	30,321,674	24,026,597	0	6,386,673	9,275,946	5,895,441	0	0
45. Utah	UT	0	0	0	0	0	0	0	0
46. Vermont	VT	0	0	0	0	0	0	0	0
47. Virginia	VA	0	0	0	0	0	0	0	0
48. Washington	WA	0	0	0	0	0	0	0	0
49. West Virginia	WV	0	0	0	0	0	0	0	0
50. Wisconsin	WI	0	0	0	0	0	0	0	0
51. Wyoming	WY	0	0	0	0	0	0	0	0
52. American Samoa	AS	0	0	0	0	0	0	0	0
53. Guam	GU	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	0	0	0	0	0	0	0	0
57. Canada	CAN	0	0	0	0	0	0	0	0
58. Aggregate other alien	OT	0	0	0	0	0	0	0	0
59. Totals	XXX	98,435,601	88,461,134	38,546,335	34,802,148	30,954,180	44,416,776	0	0
<b>DETAILS OF WRITE-INS</b>									
58001.	XXX	0	0	0	0	0	0	0	0
58002.	XXX	0	0	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0	0	0
58998. Sum. of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

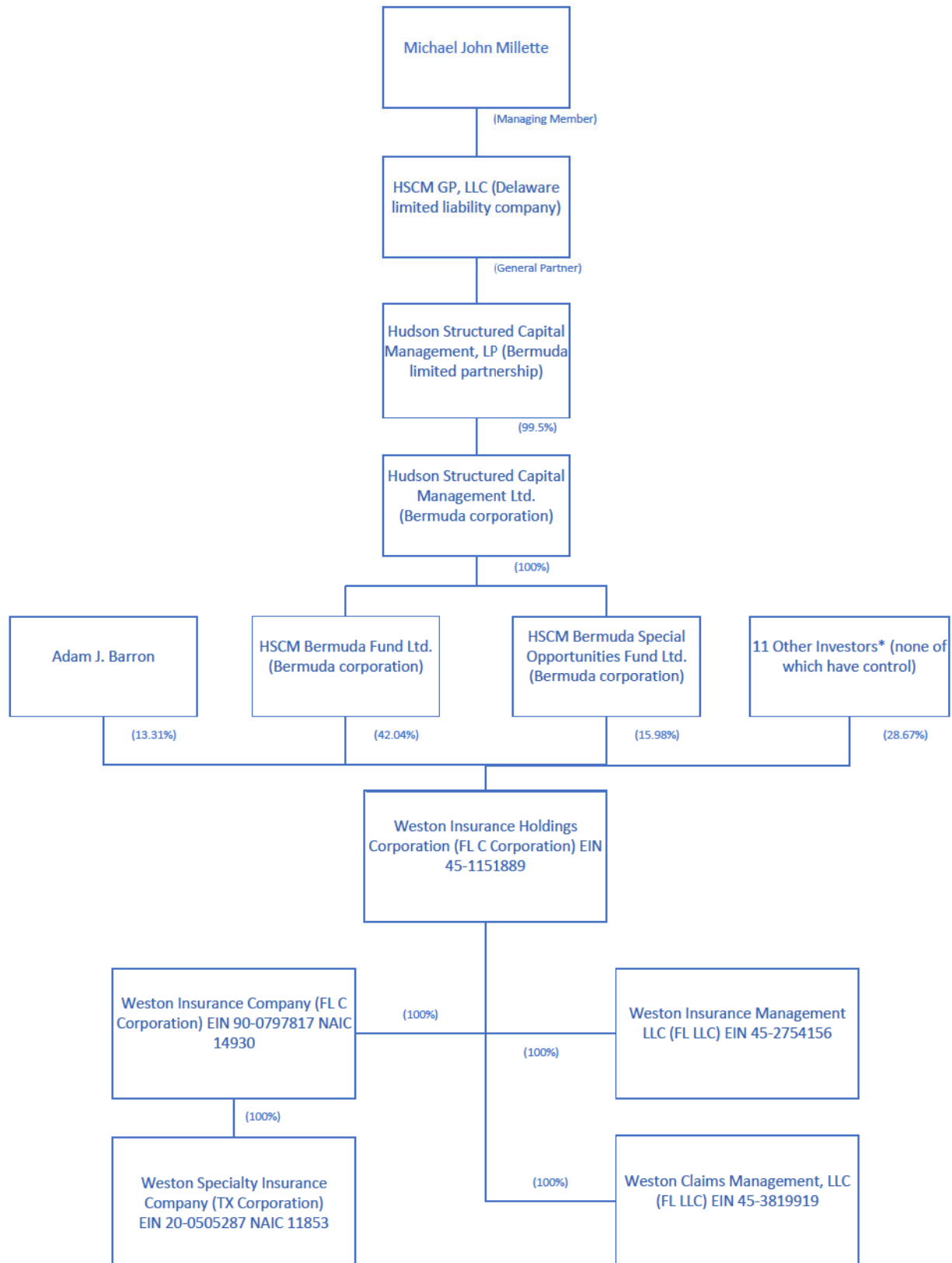
## (a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG ..... 5 R – Registered – Non-domiciled RRGs ..... 0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) ..... 0 Q – Qualified – Qualified or accredited reinsurer ..... 1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile ..... 0 N – None of the above – Not allowed to write business in the state ..... 51

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

All premiums are allocated to the state in which the risk is located.

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS  
OF A HOLDING COMPANY GROUP PART 1 – ORGANIZATIONAL CHART**





**FILED**

FEB 10 2021

INSURANCE REGULATION

Docketed by: 



**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAIER**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 275858-21-CO

WESTON INSURANCE COMPANY  
\_\_\_\_\_ /

CONSENT ORDER

THIS CAUSE came on for consideration upon a request filed with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") by WESTON INSURANCE COMPANY ("WESTON" or "the Company") to approve the elements of a financial restructuring plan for the Company. The plan included an initial request to cancel or non-renew approximately 1,500 wind-only policies, which disproportionately increased the Company's probable maximum loss, average annual loss, and reinsurance cost and, thereby, threatens the Company's solvency and status as a going concern. Approval of a request for early termination of property insurance policies either by cancellation or nonrenewal requires a finding by the OFFICE that the early cancellation of some or all of the insurer's policies is necessary to protect the best interests of the public or policyholders. The early cancellation or nonrenewal of policies permitted by Section 627.4133(2)(b)6., Florida Statutes, is an extraordinary statutory remedy reserved to address insurers which are or may be in hazardous financial condition but for cancellation or nonrenewal of some or all of its policies. After a complete review of the entire



record and upon consideration thereof, and otherwise being fully advised in the premises, the OFFICE hereby finds as follows:

#### INTRODUCTION

1. The OFFICE has jurisdiction over the parties and the subject matter of this proceeding.

2. WESTON is a domestic property and casualty insurer authorized to transact insurance business in the state of Florida pursuant to a Certificate of Authority issued by the OFFICE pursuant to Chapter 624, Part III, Florida Statutes.

3. WESTON reported approximately 20,761 policies in force in Florida, as of September 30, 2020, which provide commercial residential, commercial property, and personal residential wind-only insurance coverage.

#### WESTON's FINANCIAL CONDITION

4. WESTON reported increasing net losses of \$4.7 million, \$21.9 million, and \$31.7 million in financial statements filed with the OFFICE as of June 30, 2020; September 30, 2020; and October 31, 2020, respectively.

5. On July 17, 2020, pursuant to Consent Order 265450-20-CO, the OFFICE approved the indirect purchase of more than 50% of the outstanding voting securities of WESTON by HSCM BERMUDA FUND LTD. and HSCM Bermuda Special Opportunities Fund Ltd., two investment funds (collectively, the "Funds") that are managed, via investment management agreements, by Hudson Structured Capital Management Ltd. ("HSCM"). HSCM has discretionary investment authority over the Funds and, thereby, WESTON. Subsequent to the acquisition of the shares of WESTON, HSCM undertook a more comprehensive review and analysis of the Company. As a consequence of that review, HSCM concluded that it was

necessary to restructure the Company's reinsurance program to better position it for the future and reported those plans to the OFFICE.

6. HSCM has provided documentation to the OFFICE which demonstrates that without further timely remedial action the status of WESTON as of December 31, 2020, would reflect the following:

a. WESTON would not meet the minimum surplus requirements of Section 624.408, Florida Statutes;

b. As a result of continued reported catastrophic hurricane losses and the coverage provided by its reinsurance program, WESTON would have a risk-based capital that would fall in the mandatory control level as defined in Section 624.4085(1)(d), Florida Statutes; and

c. WESTON's risk-based capital after restructuring its reinsurance program would still require the Company to file and implement a Risk-Based Capital Plan ("RBC Plan") to further strengthen its financial condition.

7. HSCM has provided details of remedial actions to be included as part of a proposed RBC Plan required by Section 624.4085, Florida Statutes, with the following elements:

a. The restructuring of the Company's reinsurance program to include the replacement of the June 1, 2020, Net Property Quota Share agreement with two new reinsurance agreements acceptable to the OFFICE.

b. Additional actions will be undertaken to increase and maintain WESTON's surplus as to policyholders to at least \$15 million as of December 31, 2020;

c. Surplus as to policyholders would materially increase as of December 31, 2021;

d. The Company's risk-based capital would materially improve by December 31, 2021; and

e. The cancellation of approximately 520 commercial residential, personal residential, and commercial property wind-only policies (the "Wind-Only Block") that pose an inordinate risk to the financial condition of the Company.

#### ANALYSIS OF POLICIES FOR EARLY CANCELLATION

8. Section 627.4133(2)(b)6, Florida Statutes, provides in pertinent part:

Notwithstanding any other provision of law, an insurer may cancel or nonrenew a property insurance policy after at least 45 days' notice if the office finds that the early cancellation of some or all of the insurer's policies is necessary to protect the best interests of the public or policyholders and the office approves the insurer's plan for early cancellation or nonrenewal of some or all of its policies. The office may base such finding upon the financial condition of the insurer, lack of adequate reinsurance coverage for hurricane risk, or other relevant factors. The office may condition its finding on the consent of the insurer to be placed under administrative supervision pursuant to s. 624.81 or to the appointment of a receiver under chapter 631.

9. While WESTON's initial request was for the approval to reduce its policies in force by 1,500 policies through a combination of mid-term cancellation and non-renewal, it amended its financial restructuring plan to provide for the cancellation of the Wind-Only Block, as further described in paragraph 10 below, after the OFFICE evaluated both the potential impact to the Company's financial condition as well as its impact on policyholders. That analysis demonstrated that the cancellation of only this subset of policies would produce results which would provide significant improvement in the financial condition of WESTON as part of its RBC Plan. WESTON provided financial projections which demonstrated that, absent such action, WESTON would not be able to meet or continue to meet the requirements of Sections 624.408 and 624.4085, Florida Statutes, for minimum surplus as to policyholders and risk-based capital that would exceed action level requirements.

10. The Wind-Only Block requested to be cancelled by the Company consists of 129 personal residential policies, 142 commercial residential policies, and 249 commercial property policies. This includes 11 policies that were previously removed from Citizens Property Insurance Corporation in 2018 and 2019.

#### REQUIREMENTS FOR EARLY CANCELLATION

11. Based on the documentation provided to the OFFICE, its internal analysis, and after review of other available options, the OFFICE finds that a more limited early cancellation of only the subset of the Wind-Only Block is in the best interests of the public, policyholders of WESTON, and the Florida property insurance market. This finding is based on the inability of the Company to sustain further losses of the magnitude reported in 2020, the increased cost of catastrophe reinsurance coverage, the necessary restructuring of its reinsurance program, and the determination that this targeted cancellation is the best option available. WESTON's compliance with the corrective measures listed in paragraphs 12 through 18 below is required as a condition to the OFFICE's approval of this early cancellation. HSCM, on behalf of the FUNDS and other funds, commits to cause WESTON to complete the corrective actions in paragraphs 12-18 and acknowledges that such is material to the approval of this Consent Order.

12. WESTON must issue cancellation notices by no later than February 12, 2021, providing at least 60 days' notice of cancellation, with an effective date of the policy cancellations of April 15, 2021. The cancellation notices, agent and policyholder communications, and a listing of all policies being cancelled which includes the policy number, policy type, county, and producing agent were provided to the OFFICE for review and approval.

13. WESTON must implement processes and procedures to ensure that unearned premium is refunded to affected policyholders, their mortgage companies, or their premium

finance companies, as applicable, within 15 days after the effective date of each policy cancellation.

14. WESTON must actively facilitate the placement of the cancelled policies with other insurers in the market by working with its agency force, the OFFICE, and other parties.

15. WESTON may not rewrite any policy being cancelled pursuant to this Consent Order on a different policy form or by an affiliated insurer for a period of 3 years from the date of this Consent Order.

#### REMEDIAL MEASURES FOR CONTINUED OPERATIONS

16. WESTON must file monthly financial statements with the OFFICE until further notice beginning with the February 2021 monthly financial statement. Those financial statements will be in the NAIC monthly statement format and submitted no later than the 30th of the following month.

17. WESTON must file a formal RBC Plan with the OFFICE on or before March 1, 2021, that is consistent with the provisions enumerated in Section 624.4085, Florida Statutes, that includes all corrective actions within the RBC Plan required by the OFFICE, and that is consistent with the elements of the RBC Plan outlined in paragraph 7 of this Consent Order. WESTON must complete the RBC Plan as approved by the OFFICE.

18. WESTON may not pay any dividends or distributions prior to the successful completion of the RBC Plan, as determined by the OFFICE, unless the Company demonstrates that it will have a risk-based capital of at least 300% after the proposed dividend or distribution and the payment of such dividend or distribution complies with Section 628.371, Florida Statutes.

## GENERAL TERMS

19. WESTON agrees to be bound by the provisions of this Consent Order and acknowledges and agrees that failure to comply with any of the terms of this Consent Order would constitute an immediate danger to the public and the OFFICE may immediately suspend, revoke, or take other administrative action as it deems appropriate upon the Certificate of Authority of WESTON in this state, in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

20. To the extent that any provisions of prior orders, consent orders, or corrective action plans that WESTON has entered into with the OFFICE are inconsistent with this Consent Order, this Consent Order shall control and supersede those provisions of the prior orders, consent orders, or corrective action plans.

21. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such written approval by the OFFICE is subject to statutory or administrative regulation limitations.

22. Each party to this action shall bear its own costs and fees.

23. WESTON expressly waives its rights to a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings to which WESTON may be entitled, either by law or by rules of the OFFICE. WESTON hereby knowingly and voluntarily waives all rights to challenge or to contest this Consent Order, in any forum now or in the future available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

24. WESTON agrees this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the signature of



WESTON, or its authorized representative, under the seal of a notary public, notwithstanding the fact that the copy may have been transmitted to the OFFICE electronically.

WHEREFORE, the OFFICE finds that a more limited early cancellation of only the Wind-Only Block of policies is in the best interests of the public, policyholders of WESTON, and the Florida property insurance market. Therefore, the OFFICE hereby approves the early cancellation of the Wind-Only Block with at least 60 days' advance written notice to those policyholders. This approval permits the cancellation of those affected policies in the Wind Only Block, including, but not limited to, 11 policies that were previously removed from Citizens Property Insurance Corporation in 2018 and 2019. The agreement between WESTON INSURANCE COMPANY, HSCM BERMUDA FUND LTD., and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 10 day of February 2021.



*David Altmaier*

David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order. The undersigned also certifies that they have provided the signature below voluntarily and without coercion, based upon the assistance of legal counsel for WESTON INSURANCE COMPANY.

WESTON INSURANCE COMPANY

By: Deanne D. Nixon

Print Name: Deanne D. Nixon

Title: Chief Underwriting Officer

Date: February 9, 2021

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 9th day of February 2021, by Deanne D. Nixon

(name of person)

as Chief Underwriting Officer for Weston Insurance Company

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)



Bryan T. McCully  
(Signature of the Notary)

Bryan T. McCully  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known XX OR Produced Identification                     

Type of Identification Produced N/A

My Commission Expires: N/A

By execution hereof, HSCM Bermuda Fund Ltd., consents to entry of this Consent Order, agrees without reservation to all of the applicable above terms and conditions, and shall be bound by all applicable provisions herein. The undersigned represents that they have the authority to bind HSCM Bermuda Fund Ltd., to the terms and conditions of this Consent Order.

HSCM Bermuda Fund Ltd.

By: Hudson Structured Capital Management Ltd., its  
Manager

By: Michael Millette

Print Name: Michael Millette

Title: Managing Partner

Date: 2/9/21

STATE OF New York

COUNTY OF Queens

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☒ online notarization, this 9<sup>th</sup> day of February, 2021, by Michael Millette

as Manager for Hudson Structured Capital Management Ltd.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

[Signature]  
(Signature of the Notary)

Ekaterini Paliouras  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires: January 29, 2022



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**FILED**

NOV 12 2021

INSURANCE REGULATION  
Docketed by: *AB*

OFFICE OF INSURANCE REGULATION

DAVID ALTMAIER  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 287110-21-CO

Application for Approval of the Merger of  
WESTON INSURANCE COMPANY with and into  
WESTON SPECIALTY INSURANCE COMPANY

---

CONSENT ORDER

This cause came on for consideration upon the filing with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") by WESTON INSURANCE HOLDINGS CORPORATION ("APPLICANT") of an application for the merger of WESTON INSURANCE COMPANY ("WESTON") with and into WESTON SPECIALTY INSURANCE COMPANY ("WESTON SPECIALTY"), pursuant to Section 628.451, Florida Statutes ("Application"). Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the continuing satisfaction of the terms and conditions established herein, has satisfactorily met all of the conditions precedent to the granting of approval by the OFFICE of the proposed merger of WESTON with and into WESTON SPECIALTY, pursuant to the requirements of the Florida Insurance Code.
3. APPLICANT is a Florida insurance holding corporation whose stock is owned 43.60% by HSCM Bermuda Fund Ltd., 14.94% by HSCM Bermuda Special Opportunities Fund Ltd, and 12.62% by Adam Barron, with no other 10% or greater shareholders. HSCM Bermuda

Fund Ltd. and HSCM Bermuda Special Opportunities Fund Ltd are both owned 100% by Hudson Structured Capital Management Ltd., a Bermuda corporation which is owned 99.5% by HSCM SPV LCC, a Bermuda limited liability company with no other 10% or greater shareholders. HSCM SPV LLC is 100% owned by Hudson Structured Capital Management LP, a Bermuda limited partnership which is managed by its general partner, HSCM GP LLC, a Delaware limited liability company whose membership interest is owned 100% by its Managing Member, Michael Millette.

4. WESTON is a stock property and casualty insurer domiciled in the state of Florida whose stock is 100% owned by APPLICANT. WESTON is operating under a subsisting Certificate of Authority issued by the OFFICE.

5. WESTON SPECIALTY is a stock property and casualty insurer domiciled in the state of Texas whose stock is 100% owned by WESTON.

6. As disclosed in the Application, WESTON shall be merged with and into WESTON SPECIALTY, with WESTON SPECIALTY as the surviving entity ("Merger").

7. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT, WESTON, or WESTON SPECIALTY shall cause the removal of said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE may take administrative action as it deems appropriate upon the Certificate of Authority of WESTON or WESTON SPECIALTY without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.



8. WESTON SPECIALTY shall comply with the post-Merger Plan of Operation and all supporting documents submitted with this Application. Prior written approval must be secured from the OFFICE before any material deviation from said post-Merger Plan of Operation.

9. APPLICANT represents that, except as described in the Application, there are no present plans or proposals to make any substantive changes to WESTON SPECIALTY, including liquidating it, selling any of its assets (except for transactions such as investment portfolio transactions, in the ordinary course of business), merging or consolidating it with any other person or persons, or making any other major change in the business operations, management, or corporate structure of WESTON SPECIALTY.

10. APPLICANT or WESTON SPECIALTY shall submit the following documents to the OFFICE:

a. A copy of the fully executed Articles of Merger and Certificate of Merger, as filed with the Florida Secretary of State's office within 10 days of completion of the Merger;

b. A copy of all documents evidencing completion of the Merger within 10 days of completion of the Merger;

c. The original Certificate of Authority of WESTON shall be surrendered to the OFFICE within 10 days of APPLICANT's filing of the Articles of Merger and Certificate of Merger with the Florida Secretary of State's Office.

11. APPLICANT, WESTON, and WESTON SPECIALTY represent that all existing policyholders of WESTON will be sent a notice advising them of the Merger. Such notice is subject to a separate, prior approval by the OFFICE. Further, said notice shall include information that WESTON SPECIALTY will be assuming all duties and obligations that were originally those of WESTON.

12. All parties to this Consent Order agree that this Consent Order shall be deemed null and void if the Merger is not completed, or any additional required regulatory approvals are not obtained, within 60 days of the execution of this Consent Order.

13. Any prior orders, consent orders, or corrective action plans that APPLICANT, WESTON, or WESTON SPECIALTY have entered into with the OFFICE prior to the execution of this Consent Order shall apply and remain in full force and effect for APPLICANT, WESTON, or WESTON SPECIALTY, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

14. APPLICANT, WESTON, and WESTON SPECIALTY affirm and represent that all information, explanations, representations, statements, and documents provided to the OFFICE in connection with the Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the merger and to the future operations of WESTON SPECIALTY. APPLICANT, WESTON, and WESTON SPECIALTY further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

15. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

16. APPLICANT, WESTON, and WESTON SPECIALTY affirm that all requirements set forth herein are material to the issuance of this Consent Order.

17. APPLICANT, WESTON, and WESTON SPECIALTY expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT, WESTON, and WESTON SPECIALTY hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order, in any forum now available to them, including the right to any administrative proceeding, state or federal court action, or any appeal.

18. Each party to this action shall bear its own costs and fees.

19. APPLICANT, WESTON, and WESTON SPECIALTY agree that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon the Certificate of Authority of WESTON or WESTON SPECIALTY in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

20. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signatures of the authorized representatives of APPLICANT, WESTON, and WESTON SPECIALTY.

21. The approval of the merger between WESTON and WESTON SPECIALTY is subject to the completion of the successful incorporation of WESTON SPECIALTY as a domestic insurer in Florida. The merger may not take place until WESTON SPECIALTY has completed their incorporation in Florida. Effective upon the date of incorporation in Florida, WESTON SPECIALTY will be renamed Weston Property & Casualty Insurance Company.

WHEREFORE, subject to the completion of WESTON SPECIALTY INSURANCE COMPANY'S successful incorporation as a domestic insurer in Florida and the terms and conditions which are set forth above, the Application for the Merger of WESTON INSURANCE COMPANY with and into WESTON SPECIALTY INSURANCE COMPANY, pursuant to Section 628.451, Florida Statutes, is APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 12<sup>th</sup> day of November, 2021.



*David Altmaier*

---

David Altmaier, Commissioner  
Office of Insurance Regulation

By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order.

WESTON INSURANCE COMPANY

By: Deanne D Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November 2021, by Deanne D. Nixon  
(name of person)  
as President & CEO for Weston Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Michele Salmon

(Signature of the Notary)

Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



By execution hereof, WESTON SPECIALTY INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON SPECIALTY INSURANCE COMPANY to the terms and conditions of this Consent Order.

WESTON SPECIALTY INSURANCE COMPANY

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November 2021, by Deanne D. Nixon  
as President & CEO for Weston Specialty Insurance Company.  
(type of authority; e.g., officer, trustee, attorney in fact) (name of person) (company name)

Michele Salmon  
(Signature of the Notary)

Michele Salmon  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022





By execution hereof, WESTON INSURANCE HOLDINGS CORPORATION consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE HOLDINGS CORPORATION to the terms and conditions of this Consent Order.

WESTON INSURANCE HOLDINGS CORPORATION

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November 2021, by Deanne D. Nixon  
as President & CEO for Weston Insurance Holdings Corporation.  
(type of authority; e.g., officer, trustee, attorney in fact) (name of person) (company name)

Michele Salmon

(Signature of the Notary)

Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



COPIES FURNISHED TO:

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E-Mail: [deanne.nixon@weston-ins.com](mailto:deanne.nixon@weston-ins.com)

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**FILED**

**NOV 12 2021**

**INSURANCE REGULATION**  
Docketed by: 16

**OFFICE OF INSURANCE REGULATION**

**DAVID ALTMAIER**  
COMMISSIONER

IN THE MATTER OF:

CASE NO.: 287111-21-CO

Application for Redomestication of  
WESTON SPECIALTY INSURANCE COMPANY

CONSENT ORDER

THIS CAUSE came on for consideration upon the filing of an application with the FLORIDA OFFICE OF INSURANCE REGULATION ("OFFICE") by WESTON SPECIALTY INSURANCE COMPANY ("APPLICANT") of an application for approval of the transfer of APPLICANT's domicile to the state of Florida ("Application"), pursuant to Section 628.520, Florida Statutes. Following a complete review of the entire record, and upon consideration thereof, and being otherwise fully advised in the premises, the OFFICE hereby finds as follows:

1. The OFFICE has jurisdiction over the subject matter and the parties herein.
2. APPLICANT has applied for and, subject to the present and continuing satisfaction of the requirements, terms, and conditions established herein, has satisfactorily met all of the conditions precedent to the transfer of its domicile from the state of Texas to the state of Florida, pursuant to the applicable provisions of the Florida Insurance Code.
3. APPLICANT is currently a Texas domiciled insurer. APPLICANT is authorized to write the Hail, Livestock, Fire, Allied Coverages, Rain, Inland Marine, Workers' Compensation & Employer's Liability, Automobile Liability, Auto Physical Damage, Liability other than Automobile, Fidelity and Surety, Glass, Burglary & Theft, Forgery, and Boiler & Machinery lines of insurance in Texas.

4. Effective upon the date of transfer of its domicile to the state of Florida, APPLICANT will be authorized to write the (0010) Fire, (0020) Allied Lines, (0040) Homeowners Multi-Peril, (0050) Commercial Multi-Peril, (0170) Other Liability, (0260) Burglary and Theft, and (0270) Boiler and Machinery lines of insurance in this state on a direct basis, subject to the terms and conditions established herein.

5. APPLICANT is 100% owned by WESTON INSURANCE COMPANY ("WESTON"), a Florida-domiciled property and casualty insurer that is 100% owned by WESTON INSURANCE HOLDINGS CORPORATION ("WESTON HOLDINGS"), a Florida holding company. WESTON HOLDINGS is owned 43.60% by HSCM Bermuda Fund Ltd., 14.94% by HSCM Bermuda Special Opportunities Fund Ltd, and 12.62% by Adam Barron, with no other 10% or great shareholders. HSCM Bermuda Fund Ltd., and HSCM Bermuda Special Opportunities Fund Ltd are both owned 100% by Hudson Structured Capital Management Ltd., a Bermuda corporation which is owned 99.5% by HSCM SPV LLC, a Bermuda limited liability company whose membership interest is 100% owned by Hudson Structured Capital Management LP, a Bermuda limited partnership which is managed by its general partner, HSCM GP LLC, a Delaware limited liability company whose membership interest is 100% owned by Michael Millette.

6. If the OFFICE determines that any individual for whom APPLICANT is required to submit background information as part of this Application is unacceptable under the Florida Insurance Code, APPLICANT, WESTON, or WESTON HOLDINGS shall cause the removal of said person within 30 days of notice from the OFFICE and replace them with a person or persons acceptable to the OFFICE, or shall undertake such other corrective action as directed by the OFFICE. Failure to act would constitute an immediate serious danger to the public and the OFFICE

may take administrative action as it deems appropriate upon the Certificate of Authority of APPLICANT without further proceedings, pursuant to Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

7. APPLICANT has filed, and the OFFICE has relied upon, the representations in the Plan of Operation and supporting documents that APPLICANT has submitted with its Application. Written approval must be secured from the OFFICE prior to any material deviation from said Plan of Operation.

8. Any agreements that APPLICANT enters into for services to be provided to the APPLICANT, directly or indirectly, by any affiliated person, entity, or related party, as defined in Statement of Statutory Accounting Principles No. 25 of the National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual, shall be in writing and submitted to the OFFICE for the OFFICE's review and prior written approval. "Affiliate" and "affiliated person" shall have the same meaning as in Section 624.10, Florida Statutes.

9. APPLICANT acknowledges that any managerial, administrative, or cost-sharing arrangements involving APPLICANT shall be in accordance with a formal written agreement, and contain, at a minimum, the following:

- a) A requirement of monthly cash settlement of any expenses incurred for the month; and
- b) A clear delineation of the financial boundaries of each operation. Further, APPLICANT shall not bear any occupancy expenses for space that is occupied by any other affiliate and, upon examination, shall be prepared to demonstrate how the occupancy cost and space is allocated among co-located entities.

10. Any arrangement or agreement with an affiliated party for the provision of administrative services shall be evidenced by a written contract. Any such contract shall comply with the following requirements:

- a) APPLICANT must have the right to terminate the contract for cause;
- b) The contract shall contain a provision with respect to the underwriting or other standards pertaining to the business underwritten by APPLICANT;
- c) The contract shall be retained as part of the official records of both the affiliate and APPLICANT for the term of the contract and 5 years afterward;
- d) Payment to the affiliate of any premiums or charges for insurance by or on behalf of the insured shall be deemed to have been received by APPLICANT, and return premiums or claims payments forwarded by APPLICANT to the affiliate shall not be deemed to have been paid to the insured or claimant until such payments are received by the insured or claimant;
- e) The affiliate shall hold all funds collected on behalf of or for APPLICANT as well as all return premiums received from APPLICANT in a fiduciary capacity in trust accounts;
- f) The affiliate shall adhere to underwriting standards, rules, procedures and manuals setting forth the rates to be charged, and the conditions for the acceptance or rejection of risks as determined by APPLICANT;
- g) All fees and charges must be specified in the contract and they must be comparable to fees charged to any other insurer for which similar contracted services are provided by the affiliate; or, if the affiliate does not perform such services for other insurers, the fees charged must be reasonable in relation to the services provided;
- h) All claims paid by the affiliate from funds collected on behalf of APPLICANT shall be paid only on drafts of, and as authorized by, APPLICANT;



i) APPLICANT shall retain the right of continuing access to books and records maintained by the affiliate sufficient to permit APPLICANT to fulfill all of its contractual obligations to insured persons, subject to any restrictions in the written agreement between APPLICANT and the affiliate on the proprietary rights of the parties in such books and records;

j) The affiliate shall provide a written notice approved by APPLICANT to insured individuals advising them of the identity of, and relationship among, the affiliate, the policyholder, and APPLICANT; and

k) Any policies, certificates, booklets, termination notices, or other written communications delivered by APPLICANT to the affiliate for delivery to its policyholders shall be delivered by the affiliate promptly after receipt of instructions from APPLICANT to deliver them.

11. APPLICANT, WESTON, or WESTON HOLDINGS shall notify the OFFICE within 10 business days of any breach, non-performance of, or default under, any servicing agreement with affiliates or third-party vendors providing services, directly or indirectly, to APPLICANT that could result in or cause a material adverse change in the financial condition, business performance, operations, or property of APPLICANT.

12. APPLICANT shall maintain sufficient and adequate internal controls and supervision of any external contractor providing services in connection with the insurance transactions of APPLICANT, and shall further assume responsibility for the actions of said contractor as they relate to any performance under the service agreements;

13. APPLICANT shall ensure that any agent it utilizes in Florida shall be properly appointed, pursuant to Section 626.8419, Florida Statutes.

14. APPLICANT shall file with the OFFICE, via the NAIC's electronic filing system, full and true statements of its financial condition, transactions, and affairs as required by Section 624.424, Florida Statutes, in a complete and timely manner. APPLICANT shall be subject to the requirements of Parts I and II of Chapter 625, Florida Statutes. Non-qualifying assets or investments in excess of limitations shall be non-admitted by the OFFICE and the surplus as to policyholders adjusted accordingly.

15. During the 3 years following entry of this Consent Order, APPLICANT shall pay only those dividends that have been approved in advance and in writing by the OFFICE.

16. APPLICANT shall comply with Section 628.261, Florida Statutes regarding changes of personnel among the directors or principal officers.

17. APPLICANT has provided with its Application copies of affiliated agreements. APPLICANT shall provide amended intercompany and affiliated agreements incorporating changes necessitated by APPLICANT's change in domicile from the state of Texas to the state of Florida to the OFFICE within 10 days of the Texas Department of Insurance's approval of the redomestication. Any changes related to matters other than change of domicile and governing law shall comply with the Florida Insurance Code and all requirements set forth herein.

18. Within 10 days of the Texas Department of Insurance's approval of the redomestication, APPLICANT shall submit to the OFFICE the following:

- a) 3 executed originals of its draft Articles of Incorporation;
- b) A copy of its Articles of Incorporation certified by the Florida Secretary of State;
- c) An executed copy of the Amended and Restated Bylaws certified by the Secretary as a true and accurate copy;

- d) An executed Service of Process form if there have been any changes; and
- e) A Certificate of Status issued by the Florida Secretary of State evidencing that the APPLICANT has been registered as a domestic insurer.

19. APPLICANT shall submit to the OFFICE, within 30 days after the execution of this Consent Order, a custody agreement that complies with Rule 69O-143.042, Florida Administrative Code.

20. APPLICANT shall not enter into any reinsurance or brokerage agreement, whether or not affiliated, that requires approval from the reinsurer or broker regarding any potential sale of APPLICANT.

21. APPLICANT shall maintain its principal place of business in Florida and shall make available to the OFFICE complete records of its affairs. APPLICANT shall also maintain its office, records, and assets in Florida pursuant to Section 628.271, Florida Statutes. The physical form, if any, of the assets shall also be maintained in Florida, or in compliance with Section 628.511, Florida Statutes.

22. APPLICANT shall, within 30 days of execution of this Consent Order, make and thereafter maintain a deposit with the Bureau of Collateral Management in the amount of at least \$300,000 United States Dollars, as required by Section 624.411, Florida Statutes.

23. APPLICANT shall file and thereafter maintain an anti-fraud plan that complies with Section 626.9891, Florida Statutes, and Chapter 69D-2, Florida Administrative Code.

24. APPLICANT shall prepare a claims reserve analysis, utilizing two-year actual versus expected claims loss data, that is separate and independent of any affiliate. Said claims reserve analysis shall be submitted annually with APPLICANT's Annual Statement filing.

25. APPLICANT acknowledges that the OFFICE's approval of APPLICANT's redomestication to the state of Florida is subject to the Texas Department of Insurance's approval. APPLICANT shall, within 3 business days of receiving said approval, submit to the OFFICE a copy of all documents evidencing approval of APPLICANT's request to transfer domicile from the state of Texas to the state of Florida, including any conditions imposed on APPLICANT. Should the Texas Department of Insurance not approve APPLICANT's redomestication to the state of Florida this Consent Order shall be null and void.

26. Effective upon the date of incorporation in Florida, WESTON SPECIALTY will be renamed Weston Property & Casualty Insurance Company.

27. APPLICANT shall, no later than 15 days after the end of the month in which the redomestication occurs, file an update to its Holding Company Registration Statement as required by Section 628.801, Florida Statutes, and Rule 690-143.046, Florida Administrative Code.

28. APPLICANT's ultimate controlling person, as defined in Section 628.801(2), Florida Statutes, shall file with the OFFICE the Enterprise Risk Report required by Section 628.801(2), Florida Statutes, and any and all additional information necessary to evaluate the enterprise risk of APPLICANT and APPLICANT's affiliates.

29. Any prior orders, consent orders, or corrective action plans that APPLICANT has entered into with the OFFICE prior to the issuance of this Consent Order shall apply and remain in full force and effect for APPLICANT, except where provisions of such orders, consent orders, or corrective action plans have expired; have been superseded by subsequent orders, consent orders, or corrective action plans; or are inconsistent with this Consent Order.

30. APPLICANT, WESTON, and WESTON HOLDINGS affirm that all information, explanations, representations, statements, and documents provided to the OFFICE in connection

with this Application, including all attachments and supplements thereto, are true and correct and fully describe all transactions, agreements, ownership structures, understandings, and control with regard to the current and future operations of APPLICANT. APPLICANT, WESTON, and WESTON HOLDINGS further agree and affirm that said information, explanations, representations, statements, and documents, including all attachments and supplements thereto, are material to the issuance of this Consent Order and have been relied upon by the OFFICE in its determination to enter into this Consent Order.

31. Any deadlines, reporting requirements, other provisions, or requirements set forth in this Consent Order may be altered or terminated by written approval of the OFFICE. Such approval must be requested in writing prior to any proposed deviation from the terms of this Consent Order.

32. APPLICANT, WESTON, and WESTON HOLDINGS affirm that all requirements set forth herein are material to the issuance of this Consent Order.

33. APPLICANT, WESTON, and WESTON HOLDINGS expressly waive a hearing in this matter, the making of findings of fact and conclusions of law by the OFFICE, and all further and other proceedings herein to which they may be entitled by law or rules of the OFFICE. APPLICANT, WESTON, and WESTON HOLDINGS hereby knowingly and voluntarily waive all rights to challenge or to contest this Consent Order in any forum available to them, now or in the future, including the right to any administrative proceeding, state or federal court action, or any appeal.

34. Each party to this action shall bear its own costs and fees.

35. APPLICANT agrees that, upon execution of this Consent Order, failure to adhere to one or more of the terms and conditions contained herein may result, without further

proceedings, in the OFFICE suspending, revoking, or taking other administrative action as it deems appropriate upon APPLICANT's Certificate of Authority in this state in accordance with Sections 120.569(2)(n) and 120.60(6), Florida Statutes.

36. The parties agree that this Consent Order shall be deemed to be executed when the OFFICE has signed and docketed a copy of this Consent Order bearing the notarized signatures of the authorized representative of APPLICANT, WESTON, and WESTON HOLDINGS.

WHEREFORE, the agreement between WESTON SPECIALTY INSURANCE COMPANY, WESTON INSURANCE COMPANY, WESTON INSURANCE HOLDINGS CORPORATION, and the FLORIDA OFFICE OF INSURANCE REGULATION, the terms and conditions of which are set forth above, is APPROVED, and the Application for approval of the transfer of WESTON SPECIALTY INSURANCE COMPANY's domicile to the state of Florida, pursuant to Section 628.520, Florida Statutes, is hereby APPROVED.

FURTHER, all terms and conditions contained herein are hereby ORDERED.

DONE and ORDERED this 12<sup>th</sup> day of November, 2021.



A handwritten signature in blue ink that reads "David Altmaier". The signature is fluid and cursive, with a horizontal line drawn underneath it.

David Altmaier, Commissioner  
Office of Insurance Regulation



By execution hereof, WESTON SPECIALTY INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON SPECIALTY INSURANCE COMPANY to the terms and conditions of this Consent Order.

WESTON SPECIALTY INSURANCE COMPANY

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November 2021, by Deanne D. Nixon  
(name of person)  
as President & CEO for Weston Specialty Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

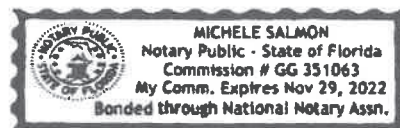
Michele Salmon  
(Signature of the Notary)

Michele Salmon  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2021



By execution hereof, WESTON INSURANCE COMPANY consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE COMPANY to the terms and conditions of this Consent Order.

WESTON INSURANCE COMPANY

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November, 2021, by Deanne D. Nixon  
(name of person)  
as President & CEO for Weston Insurance Company  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Michele Salmon

(Signature of the Notary)

Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



By execution hereof, WESTON INSURANCE HOLDINGS CORPORATION consents to entry of this Consent Order, agrees without reservation to all the above terms and conditions and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON INSURANCE HOLDINGS CORPORATION to the terms and conditions of this Consent Order.

WESTON INSURANCE HOLDINGS CORPORATION

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 11/9/21

STATE OF Florida

COUNTY OF Miami-Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence or

☐ online notarization, this 9th day of November 2021, by Deanne D. Nixon  
(name of person)  
as President & CEO for Weston Insurance Holdings Corporation  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Michele Salmon  
(Signature of the Notary)

Michele Salmon  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



COPIES FURNISHED TO:

DEANNE D. NIXON, PRESIDENT  
Weston Specialty Insurance Company  
Weston Insurance Company  
Weston Insurance Holdings Corporation  
2555 Ponce de Leon Boulevard, Suite 300  
Coral Gables, Florida 33134  
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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

**ANNUAL STATEMENT**For the Year Ended December 31, 2021  
OF THE CONDITION AND AFFAIRS OF THE**Weston Property & Casualty Insurance Company**

NAIC Group Code	00000	04957	NAIC Company Code	11853	Employer's ID Number	20-0505287
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry	Florida		
Country of Domicile	United States					
Incorporated/Organized	12/23/2003		Commenced Business	01/05/2004		
Statutory Home Office	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134		888-800-5002	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134		888-800-5002	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

**OFFICERS**

Name	Title	Name	Title
Deanne Dietrich Nixon	Chief Executive Officer & President	Eduardo Miguel Amador #	SVP, Underwriting & Marketing
Rachael Lynn Aldulaimi #	VP Finance, Treasurer, Controller	Melissa Lillian Shelley-Mello #	SVP & Chief Actuary

**OTHER OFFICERS**

Janice Weidenborner #	Chief Operating Officer & General Counsel
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**DIRECTORS OR TRUSTEES**

Rachael Lynn Aldulaimi #	Eduardo Miguel Amador #	Deanne Dietrich Nixon	Melissa Lillian Shelley-Mello #
Janice Weidenborner #	Edouard von Herberstein		

State of \_\_\_\_\_ ss  
County of \_\_\_\_\_

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

Deanne Dietrich Nixon Chief Executive Officer & President	Eduardo Miguel Amador SVP, Underwriting & Marketing	Rachael Lynn Aldulaimi VP Finance, Treasurer, Controller
Subscribed and sworn to before me this _____ day of _____,	a. Is this an original filing? Yes [ X ] No [ ] b. If no: 1. State the amendment number _____ 2. Date filed _____ 3. Number of pages attached _____	

## ASSETS

	Current Year		Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)
4 Net Admitted Assets			
1. Bonds (Schedule D).....	12,137,572		12,137,572
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0		0
2.2 Common stocks.....	151		151
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company (less \$ ..... encumbrances).....			0
4.2 Properties held for the production of income (less \$ ..... encumbrances).....			0
4.3 Properties held for sale (less \$ ..... encumbrances).....			0
5. Cash (\$ .....22,714,422, Schedule E-Part 1), cash equivalents (\$ .....3,172,658, Schedule E-Part 2) and short-term investments (\$ .....44,997, Schedule DA).....	25,932,077		25,932,077
6. Contract loans (including \$ ..... premium notes).....			0
7. Derivatives (Schedule DB).....	0		0
8. Other invested assets (Schedule BA).....	0		2,650,000
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	38,069,800	0	38,069,800
13. Title plants less \$ ..... charged off (for Title insurers only).....			0
14. Investment income due and accrued.....	131,650		131,650
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	11,507,502	763,945	10,743,556
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums).....	4,903,861		4,903,861
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ).....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	49,301,380		49,301,380
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....	21,399,854	21,399,854	0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets (\$ ..... ).....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....	3,296,569		3,296,569
24. Health care (\$ ..... ) and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	20,550,560	0	20,550,560
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	149,161,174	22,163,799	126,997,375
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. Total (Lines 26 and 27).....	149,161,174	22,163,799	126,997,375
DETAILS OF WRITE-INS			
1101. ....			0
1102. ....			0
1103. ....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. SSAP 72 Surplus Contribution due from Weston Insurance Holdings.....	7,000,000		7,000,000
2502. Brokerage Sharing Commission Receivable.....	1,968,875		1,968,875
2503. Miscellaneous receivable.....	27,250		27,250
2598. Summary of remaining write-ins for Line 25 from overflow page.....	11,554,436	0	11,554,436
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	20,550,560	0	20,550,560



**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	32,437,254	22,352,814
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	2,820,631	1,893,130
4. Commissions payable, contingent commissions and other similar charges .....	0	0
5. Other expenses (excluding taxes, licenses and fees) .....	0	191,979
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,399,268	1,592,864
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)).....	0	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$ ..... and interest thereon \$ .....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....64,485,982 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	15,860,306	4,218,462
10. Advance premium .....	1,673,439	2,180,821
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	40,913,015	52,865,542
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) .....	989,680	3,365,972
14. Amounts withheld or retained by company for account of others .....	0	0
15. Remittances and items not allocated.....	104,736	0
16. Provision for reinsurance (including \$ ..... certified) (Schedule F, Part 3, Column 78) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	0	0
19. Payable to parent, subsidiaries and affiliates .....	1,000,000	(65)
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$ ..... and interest thereon \$ .....	0	0
25. Aggregate write-ins for liabilities .....	1,504,528	2,302,465
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	98,702,856	90,963,983
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	98,702,856	90,963,983
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	5,000,000	5,000,000
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other-than-special surplus funds .....	0	0
33. Surplus notes .....	0	0
34. Gross paid in and contributed surplus .....	67,564,332	59,478,495
35. Unassigned funds (surplus) .....	(44,269,812)	(35,538,843)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ .....)	0	0
36.2 ..... shares preferred (value included in Line 31 \$ .....)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	28,294,519	28,939,652
38. Totals (Page 2, Line 28, Col. 3) .....	126,997,375	119,903,635
<b>DETAILS OF WRITE-INS</b>		
2501. ....		
2502. Deferred Ceding Commissions.....	943,162	916,235
2503. Refunds Payable.....	282,268	282,301
2598. Summary of remaining write-ins for Line 25 from overflow page .....	279,098	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,504,528	2,302,465
2901. ....	0	0
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above) .....	0	0
3201. ....	0	0
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above) .....	0	0

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	(5,190,817)	25,604,547
<b>DEDUCTIONS:</b>		
2. Losses incurred (Part 2, Line 35, Column 7) .....	35,893,402	53,080,490
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	4,652,354	5,448,083
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	12,641,449	6,366,003
5. Aggregate write-ins for underwriting deductions .....	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	53,187,206	64,894,575
7. Net income of protected cells .....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7) .....	(58,378,023)	(39,290,028)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	355,288	484,594
10. Net realized capital gains (losses) less capital gains tax of \$ .....	(48,635)	120,003
11. Net investment gain (loss) (Lines 9 + 10) .....	306,653	604,597
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....	(23,715)	(1,032,545)
13. Finance and service charges not included in premiums .....	413,529	393,221
14. Aggregate write-ins for miscellaneous income .....	0	0
15. Total other income (Lines 12 through 14) .....	389,814	(639,324)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	(57,681,556)	(39,324,756)
17. Dividends to policyholders .....	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	(57,681,556)	(39,324,756)
19. Federal and foreign income taxes incurred .....	0	(47,943)
20. Net income (Line 18 minus Line 19) (to Line 22) .....	(57,681,556)	(39,276,813)
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	28,939,653	36,410,465
22. Net income (from Line 20) .....	(57,681,556)	(39,276,813)
23. Net transfers (to) from Protected Cell accounts .....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....	84	(201,132)
25. Change in net unrealized foreign exchange capital gain (loss) .....	0	0
26. Change in net deferred income tax .....	12,369,536	8,291,013
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3) .....	(13,760,560)	(4,712,376)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....	0	0
29. Change in surplus notes .....	0	0
30. Surplus (contributed to) withdrawn from protected cells .....	0	0
31. Cumulative effect of changes in accounting principles .....	0	0
32. Capital changes:		
32.1 Paid in .....	0	0
32.2 Transferred from surplus (Stock Dividend) .....	0	0
32.3 Transferred to surplus .....	0	0
33. Surplus adjustments:		
33.1 Paid in .....	54,872,930	23,428,495
33.2 Transferred to capital (Stock Dividend) .....	0	0
33.3 Transferred from capital .....	0	0
34. Net remittances from or (to) Home Office .....	0	0
35. Dividends to stockholders .....	0	(5,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1) .....	0	0
37. Aggregate write-ins for gains and losses in surplus .....	3,554,436	8,000,000
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	(645,130)	(9,470,812)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	28,294,522	28,939,653
<b>DETAILS OF WRITE-INS</b>		
0501. ....	0	0
0502. ....	0	0
0503. ....	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0
1401. ....	0	0
1402. ....	0	0
1403. ....	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	0
3701. Other change in unrealized .....	0	0
3702. Additional Deferred Tax assets guaranteed .....	3,554,436	8,000,000
3703. ....	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	3,554,436	8,000,000

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance.....	(9,161,002)	38,076,351
2. Net investment income .....	603,651	509,633
3. Miscellaneous income .....	389,814	(639,324)
4. Total (Lines 1 through 3) .....	(8,167,536)	37,946,660
5. Benefit and loss related payments .....	53,837,189	60,393,946
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	14,783,003	11,909,218
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	0	(47,943)
10. Total (Lines 5 through 9) .....	68,620,191	72,255,221
11. Net cash from operations (Line 4 minus Line 10) .....	(76,787,728)	(34,308,561)
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	4,515,190	14,711,089
12.2 Stocks .....	0	5,176,094
12.3 Mortgage loans .....	0	0
12.4 Real estate .....	0	0
12.5 Other invested assets .....	2,650,000	1,730,423
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0
12.7 Miscellaneous proceeds .....	0	412,142
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	7,165,190	22,029,748
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	756,745	7,703,977
13.2 Stocks .....	68	0
13.3 Mortgage loans .....	0	0
13.4 Real estate .....	0	0
13.5 Other invested assets .....	0	2,005,423
13.6 Miscellaneous applications .....	134	0
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	756,946	9,709,400
14. Net increase (decrease) in contract loans and premium notes .....	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	6,408,244	12,320,349
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	47,872,930	16,239,312
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	0	5,000,000
16.6 Other cash provided (applied) .....	2,281,549	9,772,431
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	50,154,479	21,011,743
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	(20,225,005)	(976,469)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	46,157,082	47,133,551
19.2 End of year (Line 18 plus Line 19.1) .....	25,932,077	46,157,082

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

20.0001. Capital Contribution.....		2,750,000
20.0002. SSAP 72 Capital contribution.....	7,000,000	1,500,000

**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1 - PREMIUMS EARNED**

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	18,799	49,063	1,634	66,228
2.	Allied lines .....	3,518,466	(1,420,654)	15,605,512	(13,507,700)
3.	Farmowners multiple peril .....	.0	.0	.0	.0
4.	Homeowners multiple peril .....	2,907,295	5,560,625	252,655	8,215,265
5.	Commercial multiple peril .....	(153)	22,117	(13)	21,977
6.	Mortgage guaranty .....	.0	.0	.0	.0
8.	Ocean marine .....	.0	.0	.0	.0
9.	Inland marine .....	.0	.0	.0	.0
10.	Financial guaranty .....	.0	.0	.0	.0
11.1	Medical professional liability-occurrence .....	.0	.0	.0	.0
11.2	Medical professional liability-claims-made .....	.0	.0	.0	.0
12.	Earthquake .....	.0	.0	.0	.0
13.	Group accident and health .....	.0	.0	.0	.0
14.	Credit accident and health (group and individual) .....	.0	.0	.0	.0
15.	Other accident and health .....	.0	.0	.0	.0
16.	Workers' compensation .....	.0	.0	.0	.0
17.1	Other liability-occurrence .....	2,858	7,238	248	9,848
17.2	Other liability-claims-made .....	.0	.0	.0	.0
17.3	Excess workers' compensation .....	.0	.0	.0	.0
18.1	Products liability-occurrence .....	.0	.0	.0	.0
18.2	Products liability-claims-made .....	.0	.0	.0	.0
19.1,19.2	Private passenger auto liability .....	.0	.0	.0	.0
19.3,19.4	Commercial auto liability .....	.0	.0	.0	.0
21.	Auto physical damage .....	.0	.0	.0	.0
22.	Aircraft (all perils) .....	.0	.0	.0	.0
23.	Fidelity .....	.0	.0	.0	.0
24.	Surety .....	.0	.0	.0	.0
26.	Burglary and theft .....	275	72	24	323
27.	Boiler and machinery .....	3,550	.0	308	3,241
28.	Credit .....	.0	.0	.0	.0
29.	International .....	.0	.0	.0	.0
30.	Warranty .....	.0	.0	.0	.0
31.	Reinsurance-nonproportional assumed property .....	.0	.0	.0	.0
32.	Reinsurance-nonproportional assumed liability .....	.0	.0	.0	.0
33.	Reinsurance-nonproportional assumed financial lines .....	.0	.0	.0	.0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0
35.	TOTALS	6,451,089	4,218,461	15,860,368	(5,190,817)
DETAILS OF WRITE-INS					
3401.	.....	.0	.0	.0	.0
3402.	.....				
3403.	.....				
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....	.0	.0	.0	.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0



**UNDERWRITING AND INVESTMENT EXHIBIT****PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire .....	1,634				1,634
2.	Allied lines .....	15,605,512				15,605,512
3.	Farmowners multiple peril .....					0
4.	Homeowners multiple peril .....	252,655				252,655
5.	Commercial multiple peril .....	(13)				(13)
6.	Mortgage guaranty .....					0
8.	Ocean marine .....					0
9.	Inland marine .....					0
10.	Financial guaranty .....					0
11.1	Medical professional liability-occurrence .....					0
11.2	Medical professional liability-claims-made .....					0
12.	Earthquake .....					0
13.	Group accident and health .....					0
14.	Credit accident and health (group and individual) .....					0
15.	Other accident and health .....					0
16.	Workers' compensation .....					0
17.1	Other liability-occurrence .....	248				248
17.2	Other liability-claims-made .....					0
17.3	Excess workers' compensation .....					0
18.1	Products liability-occurrence .....					0
18.2	Products liability-claims-made .....					0
19.1,19.2	Private passenger auto liability .....					0
19.3,19.4	Commercial auto liability .....					0
21.	Auto physical damage .....					0
22.	Aircraft (all perils) .....					0
23.	Fidelity .....					0
24.	Surety .....					0
26.	Burglary and theft .....	24				24
27.	Boiler and machinery .....	308				308
28.	Credit .....					0
29.	International .....					0
30.	Warranty .....					0
31.	Reinsurance-nonproportional assumed property .....					0
32.	Reinsurance-nonproportional assumed liability .....					0
33.	Reinsurance-nonproportional assumed financial lines .....					0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0	0
35.	TOTALS	15,860,368	0	0	0	15,860,368
36.	Accrued retrospective premiums based on experience .....					
37.	Earned but unbilled premiums .....					
38.	Balance (Sum of Lines 35 through 37)					15,860,368
<b>DETAILS OF WRITE-INS</b>						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

(a) State here basis of computation used in each case. Pro rata over the policy term

# UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1 + 2 + 3 - 4 - 5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....	342,416				323,618	18,799
2. Allied lines .....	105,412,475		(219,941)		101,674,067	3,518,466
3. Farmowners multiple peril .....						.0
4. Homeowners multiple peril .....	52,955,785				50,048,490	2,907,295
5. Commercial multiple peril .....	(2,793)				(2,640)	(153)
6. Mortgage guaranty .....						.0
8. Ocean marine .....						.0
9. Inland marine .....						.0
10. Financial guaranty .....						.0
11.1 Medical professional liability-occurrence .....						.0
11.2 Medical professional liability-claims-made .....						.0
12. Earthquake .....						.0
13. Group accident and health .....						.0
14. Credit accident and health (group and individual) .....						.0
15. Other accident and health .....						.0
16. Workers' compensation .....						.0
17.1 Other liability-occurrence .....	52,059				49,201	2,858
17.2 Other liability-claims-made .....						.0
17.3 Excess workers' compensation .....						.0
18.1 Products liability-occurrence .....						.0
18.2 Products liability-claims-made .....						.0
19.1,19.2 Private passenger auto liability .....						.0
19.3,19.4 Commercial auto liability .....						.0
21. Auto physical damage .....						.0
22. Aircraft (all perils) .....						.0
23. Fidelity .....						.0
24. Surety .....						.0
26. Burglary and theft .....	5,009				4,734	275
27. Boiler and machinery .....	64,656				61,106	3,550
28. Credit .....						.0
29. International .....						.0
30. Warranty .....						.0
31. Reinsurance-nonproportional assumed property .....	XXX					.0
32. Reinsurance-nonproportional assumed liability .....	XXX					.0
33. Reinsurance-nonproportional assumed financial lines .....	XXX					.0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0
35. TOTALS	158,829,606	0	(219,941)	0	152,158,576	6,451,089
DETAILS OF WRITE-INS						
3401. ....						
3402. ....						
3403. ....						
3498. Sum. of remaining write-ins for Line 34 from overflow page .....	.0	.0	.0	.0	.0	.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

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

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



## ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Weston Property &amp; Casualty Insurance Company

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 6)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire	339,795			339,795	29,800	24,750	344,845	520.7
2. Allied lines	32,033,689		20,067,317	11,966,372	5,795,244	19,763,743	(2,001,928)	14.8
3. Farmowners multiple peril				0	0	0	0	0.0
4. Homeowners multiple peril	117,800,003		104,855,967	12,944,036	26,444,835	2,332,699	37,056,172	451.1
5. Commercial multiple peril	495,467			495,467	167,375	70,000	592,842	2,697.6
6. Mortgage guaranty				0	0	0	0	0.0
8. Ocean marine				0	0	0	0	0.0
9. Inland marine				0	0	0	0	0.0
10. Financial guaranty				0	0	0	0	0.0
11.1 Medical professional liability-occurrence				0	0	0	0	0.0
11.2 Medical professional liability-claims-made				0	0	0	0	0.0
12. Earthquake				0	0	0	0	0.0
13. Group accident and health				0	0	0	0	0.0
14. Credit accident and health (group and individual)				0	0	0	0	0.0
15. Other accident and health				0	0	0	0	0.0
16. Workers' compensation				0	0	0	0	0.0
17.1 Other liability-occurrence	109,870			109,870	0	214,000	(104,130)	(1,057.4)
17.2 Other liability-claims-made				0	0	0	0	0.0
17.3 Excess workers' compensation				0	0	0	0	0.0
18.1 Products liability-occurrence				0	0	0	0	0.0
18.2 Products liability-claims-made				0	0	0	0	0.0
19.1,19.2 Private passenger auto liability				0	0	0	0	0.0
19.3,19.4 Commercial auto liability				0	0	0	0	0.0
21. Auto physical damage				0	0	0	0	0.0
22. Aircraft (all perils)				0	0	0	0	0.0
23. Fidelity				0	0	0	0	0.0
24. Surety				0	0	0	0	0.0
26. Burglary and theft				0	0	0	0	0.0
27. Boiler and machinery	5,600			5,600	0	0	5,600	172.8
28. Credit				0	0	0	0	0.0
29. International				0	0	0	0	0.0
30. Warranty				0	0	0	0	0.0
31. Reinsurance-nonproportional assumed property	XXX			0	0	0	0	0.0
32. Reinsurance-nonproportional assumed liability	XXX			0	0	0	0	0.0
33. Reinsurance-nonproportional assumed financial lines	XXX			0	0	0	0	0.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	150,784,624	0	124,923,284	25,861,340	32,437,254	22,405,192	35,893,402	(691.5)
DETAILS OF WRITE-INS								
3401.				0	0	0	0	0.0
3402.								
3403.								
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

## ANNUAL STATEMENT FOR THE YEAR 2021 OF THE Weston Property &amp; Casualty Insurance Company

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	29,800			29,800				29,800	78,110
2. Allied lines	13,235,403		7,489,597	5,745,806	23,894,663		23,845,225	5,795,244	2,393,003
3. Farmowners multiple peril									
4. Homeowners multiple peril	9,858,145		6,122,032	3,736,113	38,933,791		16,225,069	26,444,835	348,830
5. Commercial multiple peril	167,375			167,375				167,375	689
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine									
10. Financial guaranty									
11.1 Medical professional liability-occurrence									
11.2 Medical professional liability-claims-made									
12. Earthquake									
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)									
15. Other accident and health								(a)	
16. Workers' compensation									
17.1 Other liability-occurrence									
17.2 Other liability-claims-made									
17.3 Excess workers' compensation									
18.1 Products liability-occurrence									
18.2 Products liability-claims-made									
19.1,19.2 Private passenger auto liability									
19.3,19.4 Commercial auto liability									
21. Auto physical damage									
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance-nonproportional assumed property	XXX				XXX				
32. Reinsurance-nonproportional assumed liability	XXX				XXX				
33. Reinsurance-nonproportional assumed financial lines	XXX				XXX				
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35. TOTALS	23,290,722	0	13,611,629	9,679,093	62,828,454	0	40,070,294	32,437,254	2,820,631
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3408. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3409. Totals (Lines 3401 through 3403 + 3408) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	19,575,689			19,575,689
1.2 Reinsurance assumed .....				0
1.3 Reinsurance ceded .....	14,923,335			14,923,335
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	4,652,354	0	0	4,652,354
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....		15,672,027		15,672,027
2.2 Reinsurance assumed, excluding contingent .....		(1,400)		(1,400)
2.3 Reinsurance ceded, excluding contingent .....		38,649,158		38,649,158
2.4 Contingent-direct .....				0
2.5 Contingent-reinsurance assumed .....				0
2.6 Contingent-reinsurance ceded .....				0
2.7 Policy and membership fees .....		4,292,092		4,292,092
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	(18,686,438)	0	(18,686,438)
3. Allowances to manager and agents .....		27,062,551		27,062,551
4. Advertising .....				0
5. Boards, bureaus and associations .....		217,362		217,362
6. Surveys and underwriting reports .....				0
7. Audit of assureds' records .....				0
8. Salary and related items:				
8.1 Salaries .....				0
8.2 Payroll taxes .....				0
9. Employee relations and welfare .....				0
10. Insurance .....				0
11. Directors' fees .....				0
12. Travel and travel items .....				0
13. Rent and rent items .....				0
14. Equipment .....				0
15. Cost or depreciation of EDP equipment and software .....		30,967		30,967
16. Printing and stationery .....				0
17. Postage, telephone and telegraph, exchange and express .....				0
18. Legal and auditing .....		405,880		405,880
19. Totals (Lines 3 to 18) .....	0	27,716,760	0	27,716,760
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....		3,231,933		3,231,933
20.2 Insurance department licenses and fees .....		123,348		123,348
20.3 Gross guaranty association assessments .....				0
20.4 All other (excluding federal and foreign income and real estate) .....		57,423		57,423
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	3,412,705	0	3,412,705
21. Real estate expenses .....				0
22. Real estate taxes .....				0
23. Reimbursements by uninsured plans .....				0
24. Aggregate write-ins for miscellaneous expenses .....	0	198,423	76,256	274,679
25. Total expenses incurred .....	4,652,354	12,641,449	76,256	(a) 17,370,059
26. Less unpaid expenses-current year .....	2,820,631	1,399,268		4,219,899
27. Add unpaid expenses-prior year .....	1,893,129	1,784,843	0	3,677,973
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	3,724,852	13,027,025	76,256	16,828,133
DETAILS OF WRITE-INS				
2401. Miscellaneous Expense .....		198,423		198,423
2402. Investment Fees .....			76,256	76,256
2403. Miscellaneous Expenses .....				0
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above) .....	0	198,423	76,256	274,679

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

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Eamed During Year
1. U.S. Government bonds	(a) 3,679	3,149
1.1 Bonds exempt from U.S. tax	(a) 34,397	32,897
1.2 Other bonds (unaffiliated)	(a) 301,139	275,677
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	0	0
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 2,337	32,805
7. Derivative instruments	(f) 0	0
8. Other invested assets	87,016	87,016
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	428,567	431,544
11. Investment expenses		(g) 76,256
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h) 0
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		76,256
17. Net investment income (Line 10 minus Line 16)		355,288
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page	0	0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)	0	0

- (a) Includes \$ 4,266 accrual of discount less \$ 164,349 amortization of premium and less \$ 5,091 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	0	0	0	0	0
1.1 Bonds exempt from U.S. tax	0	0	0	0	0
1.2 Other bonds (unaffiliated)	(48,501)	0	(48,501)	0	0
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	84	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	(48,501)	0	(48,501)	84	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	0	0	0
2.2 Common stocks .....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	0	0	0
3.2 Other than first liens .....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	0	0	0
4.2 Properties held for the production of income .....	0	0	0
4.3 Properties held for sale .....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans .....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0
9. Receivables for securities .....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	0	0	0
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued .....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	763,945	389,093	(374,853)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	0	0	0
16.2 Funds held by or deposited with reinsured companies .....	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0
18.2 Net deferred tax asset.....	21,399,854	8,014,146	(13,385,708)
19. Guaranty funds receivable or on deposit .....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets .....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	22,163,799	8,403,239	(13,760,560)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27)	22,163,799	8,403,239	(13,760,560)
<b>DETAILS OF WRITE-INS</b>			
1101. ....			
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaid Other.....		0	0
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	0	0	0



## Notes to the Financial Statements

## 1. Summary of Significant Accounting Policies and Going Concern

## A. Accounting Practices

The financial statements of Weston Property & Casualty Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	2021	2020
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (57,681,557)	\$ (39,276,813)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (57,681,557)</u>	<u>\$ (39,276,813)</u>
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 28,294,519	\$ 28,939,652
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 28,294,519</u>	<u>\$ 28,939,652</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – Short-term investments are stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

## D. Going Concern - Not Applicable

## 2. Accounting Changes and Corrections of Errors - Not Applicable

## 3. Business Combinations and Goodwill

## A. Statutory Purchase Method - Not Applicable



## Notes to the Financial Statements

### 3. Business Combinations and Goodwill (Continued)

#### B. Statutory Merger

- (1) Weston Specialty Insurance Company was redomesticated from Texas to Florida and renamed Weston Property & Casualty Insurance Company effective 12/17/21. Weston Insurance Company was merged with and into Weston Property & Casualty Insurance Company effective 12/22/21. Weston Property & Casualty Insurance Company is the surviving entity.
- (2) The transaction was accounted for as a statutory merger.
- (3) Weston Insurance Company issued 2,500,000 shares bring the total to 5,000,000 issued and outstanding shares.
- (4) Pre merger separate company revenue, net income, and other surplus adjustments for the nine months ended 9/30/2021 were (\$13,121,250), (\$30,991,165), \$20,485,822, respectively for Weston Insurance Company and \$8,960,627, (\$16,823,299), \$15,180,425, respectively for Weston Specialty Insurance Company.
- (5) No adjustments were made directly to the surplus of Weston Property & Casualty Insurance Company as a result of the merger.

#### C. Impairment Loss - Not Applicable

#### D. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill - Not Applicable

### 4. Discontinued Operations - Not Applicable

### 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable

## Notes to the Financial Statements

## 5. Investments (Continued)

## L. Restricted Assets

## (1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							Current Year			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements										%	%
c. Subject to repurchase agreements										%	%
d. Subject to reverse repurchase agreements										%	%
e. Subject to dollar repurchase agreements										%	%
f. Subject to dollar reverse repurchase agreements										%	%
g. Placed under option contracts										%	%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock										%	%
i. FHLB capital stock										%	%
j. On deposit with states	1,963,753				1,963,753	2,233,542	(269,789)		1,963,753	1.382 %	1.636 %
k. On deposit with other regulatory bodies										%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets										%	%
o. Total restricted assets	\$ 1,963,753	\$	\$	\$	\$ 1,963,753	\$ 2,233,542	\$ (269,789)	\$	\$ 1,963,753	1.382 %	1.636 %

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable

M. Working Capital Finance Investments - Not Applicable

N. Offsetting and Netting of Assets and Liabilities - Not Applicable

O. SGI Securities - Not Applicable

P. Short Sales - Not Applicable

Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs	5	
(2) Aggregate amount of investment income	\$ 43,122	\$

## Notes to the Financial Statements

## 5. Investments (Continued)

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

Asset Type	Percent Share
(1) Cash	87.590 %
(2) Cash Equivalents	12.230 %
(3) Short-Term Investments	0.180 %
(4) Total	100.000 %

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

## A. Due and Accrued Income Excluded from Surplus

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

## B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes

## A. Components of the Net Deferred Tax Asset/(Liability)

## (1) Change between years by tax character

	2021			2020			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets	\$ 24,635,138	\$ 18	\$ 24,635,156	\$ 12,357,700	\$ 25,931	\$ 12,383,631	\$ 12,277,438	\$ (25,913)	\$ 12,251,525
(b) Statutory valuation allowance adjustments	24,615,165	18	24,615,183	3,272,588	25,931	3,298,519	21,342,577	(25,913)	21,316,664
(c) Adjusted gross deferred tax assets (1a - 1b)	19,973	-	19,973	9,085,112		9,085,112	(9,065,139)	-	(9,065,139)
(d) Deferred tax assets nonadmitted	-	-	-	8,014,146		8,014,146	(8,014,146)		(8,014,146)
(e) Subtotal net admitted deferred tax asset (1c - 1d)	\$ 19,973	\$ -	\$ 19,973	\$ 1,070,966	\$	\$ 1,070,966	\$ (1,050,993)	\$ -	\$ (1,050,993)
(f) Deferred tax liabilities	19,973		19,973	19,292		19,292	681		681
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f)	\$ -	\$ -	\$ -	\$ 1,051,674	\$	\$ 1,051,674	\$ (1,051,674)	\$ -	\$ (1,051,674)

## (2) Admission calculation components SSAP No. 101

	2021			2020			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)				1,051,672		1,051,672	(1,051,672)		(1,051,672)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	17,954		17,954	1,532,858		1,532,858	(1,514,904)		(1,514,904)
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX	1,363,813	XXX	XXX	(1,363,813)
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	19,974		19,974	19,292		19,292	682		682
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 19,974	\$	\$ 19,974	\$ 1,070,964	\$	\$ 1,070,964	\$ (1,050,990)	\$	\$ (1,050,990)

## (3) Ratio used as basis of admissibility

	2021	2020
(a) Ratio percentage used to determine recovery period and threshold limitation amount	273.000 %	367.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 32,056,172	\$ 29,879,127

## (4) Impact of tax-planning strategies

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

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	2021		2020		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 19,973	\$ -	\$ 9,085,112	\$ -	\$ (9,065,139)	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 19,973	\$ -	\$ 1,070,966	\$ -	\$ (1,050,993)	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

C. Major Components of Current Income Taxes Incurred

	(1)	(2)	(3)
	2021	2020	Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$ -	\$ -	\$ -
(b) Foreign	-	-	-
(c) Subtotal	\$ -	\$ -	\$ -
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$ -	\$ -	\$ -
	(1)	(2)	(3)
	2021	2020	Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 405,730	\$ 310,600	\$ 95,130
(2) Unearned premium reserve	736,417	402,466	333,951
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	70,750	67,740	3,010
(11) Net operating loss carry-forward	23,289,681	11,332,938	11,956,743
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)	132,560	243,956	(111,396)
(99) Subtotal	\$ 24,635,138	\$ 12,357,700	\$ 12,277,438
(b) Statutory valuation allowance adjustment	24,615,165	3,272,588	21,342,577
(c) Nonadmitted	-	8,014,146	(8,014,146)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 19,973	\$ 1,070,966	\$ (1,050,993)
(e) Capital			
(1) Investments	\$ 18	\$ -	\$ 18
(2) Net capital loss carry-forward		25,931	(25,931)
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)			
(99) Subtotal	\$ 18	\$ 25,931	\$ (25,913)
(f) Statutory valuation allowance adjustment	18	25,931	(25,913)
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	\$ 19,973	\$ 1,070,966	\$ (1,050,993)

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1) 2021	(2) 2020	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 13,498	\$ (18,406)	\$ 31,904
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other (including items <5% of total ordinary tax liabilities)	6,475	(886)	7,361
(99) Subtotal	\$ 19,973	\$ (19,292)	\$ 39,265
(b) Capital			
(1) Investments	\$	\$	\$
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$	\$	\$
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 19,973	\$ (19,292)	\$ 39,265
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ 1,090,258	\$ (1,090,258)

## D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant terms causing this difference are as follows:

	2021	Effective Tax Rate
Provision computed at statutory rate	\$ (12,113,127)	21.000 %
Tax exempt interest income deduction	(581)	0.001 %
Change in VA	21,316,664	-36.956 %
Other - Deferred True Ups	(42,835)	0.074 %
Other	(127,424)	0.221 %
Total	\$ 9,032,697	-15.660 %

	2021	Effective Tax Rate
Federal and foreign income taxes incurred	\$ -	- %
Change in net deferred income taxes	9,032,697	-15.660 %
Total statutory income taxes	\$ 9,032,697	-15.660 %

## E. Operating Loss and Tax Credit Carryforwards

The Company had net operating losses of \$ 111,472,210.

(1) At December 31, 2021, the Company has a federal net operating loss carryforward of \$ 111,472,210 for future years.

(2) Income tax expense available for recoupment - Not Applicable

(3) Deposits admitted under IRS Code Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

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

- Weston Insurance Holdings Corp
- Weston Insurance Management

(2) The method of allocation is subject to written agreement, approved by the Board of Directors. Allocation is based on separate return calculation with current credit for net losses. Intercompany tax balances are settled annually after the Consolidated Federal Income Tax Return is filed.

## G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

## H. Repatriation Transition Tax (RTT) - Not Applicable

## I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

## A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

## B. Detail of transaction greater than 0.5% of admitted assets

In December 2016, the Company converted a portion of its intercompany balance with Weston Insurance Management (WIM) to a loan in the amount of (USD 3,250,000). The loan may be partially or fully repaid at any time by WIM upon mutual written agreement between the parties but at a minimum in compliance with applicable amortization requirements for admissibility of any outstanding balance by the Company as an asset pursuant to Chapter 625, Florida Statutes. The loan will be automatically terminated on December 30, 2021 (the "Termination Date") unless otherwise agreed in writing between WIM and the Company. All capital amounts outstanding under the loan will be due and payable to the Company on the Termination Date.



## Notes to the Financial Statements

**10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties (Continued)**

On December 31, 2021, the amount of the loan outstanding is \$0, having been repaid in full on 12/27/2021. Interest income in the amount of \$87,016 was recorded by the Company in 2021.

Weston Specialty Insurance Company was redomesticated from Texas to Florida and renamed Weston Property & Casualty Insurance Company effective 12/17/21. Weston Insurance Company was merged with and into Weston Property & Casualty Insurance Company effective 12/22/21. Weston Property & Casualty Insurance Company is the surviving entity.

In 2021, the company has received \$58.44 million from affiliated entities. The amount received was comprised of capital contributions from WIHC in the amount of \$54.87 million and the partial repayment of the advance account from WIM of \$3.57 million.

C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable

D. Amounts due to or from related parties

The receivable from affiliates reported on line 23 of the assets page includes a \$3.31M receivable from WIM. The amount is deemed an admitted asset by the Florida Office of Insurance Regulation (the "Office") and is being repaid based on a repayment plan approved by the Office. The Company is current with its payments as of the filing date of this statement.

E. Management, service contracts, cost-sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and claims administration. An expense of \$31,354,643 and \$29,128,873 was recorded in the twelve months ending December 31, 2021, and 2020 respectively, per the terms of the MGA agreement.

F. Guarantees or Contingencies - Not Applicable

G. Nature of Relationships that Could Affect Operations - Not Applicable

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Effective December 31, 2020, WIHC contributed its shares of WSIC to the Company. The Company requested and received special consent pursuant to Section 625.331(1)(a) Florida Statutes, to temporarily exceed the limitation on investments in subsidiaries and affiliates.

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

M. All SCA Investments - Not Applicable

N. Investment in Insurance SCAs - Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

**11. Debt - Not Applicable****12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable****13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**

A. Outstanding shares

As of December 31, 2021, the Company has 5,000,000 shares of authorized, issued, and outstanding common stock at a par value of one dollar (\$1) per share.

B. Dividend Rate of Preferred Stock - Not Applicable

C. Dividend restrictions

Florida Statute 628.371 restricts dividend payments for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation dividends are restricted to unassigned surplus.

D. Dates and amounts of dividends paid

The company paid a total of \$5,000,000 to parent, Weston Insurance Holdings Company, during the second quarter of 2020.

E. Company Profits Paid as Ordinary Dividends - Not Applicable

F. Surplus Restrictions - Not Applicable

G. Surplus Advances - Not Applicable

H. Stock Held for Special Purposes - Not Applicable

I. Changes in Special Surplus Funds - Not Applicable

J. Unassigned Funds (Surplus)

(\$44.3 MM)

K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable



## Notes to the Financial Statements

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)****L. Impact of Any Restatement Due to Prior Quasi-Reorganizations**

\$46.8 million - See Note 13M

**M. On October 14, 2020, the TDI approved a quasi-reorganization Weston Specialty Insurance Company. The impact of the quasi-reorganization was to net \$25.6 million of accumulated deficit against contributed capital within the statutory statement of changes in capital and surplus.**

On March 31, 2021, the Florida Office of Insurance Regulation approved Weston Insurance Company's request for a quasi-reorganization which was recorded in the first quarter of 2021. The impact of the quasi-reorganization was to net \$46.8 million of accumulated deficit against contributed capital with the statutory statement of changes in capital and surplus.

**14. Liabilities, Contingencies and Assessments****A. Contingent Commitments - Not Applicable****B. Assessments - Not Applicable****C. Gain Contingencies - Not Applicable****D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits**

Extra contractual obligation and bad faith losses – The company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits.

	Direct
Claims-related ECO and bad faith losses paid during the reporting period.....	\$..... 3,856

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period.

(a)	(b)	(c)	(d)	(e)
0-25 Claims	26-50 Claims	51-100 Claims	101-500 Claims	More than 500 Claims
X				

Method used to disclose claim count information:

(f) Per Claim [ X ]

(g) Per Claimant [ ]

**E. Product Warranties - Not Applicable****F. Joint and Several Liabilities - Not Applicable****G. All Other Contingencies**

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

**15. Leases - Not Applicable****16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable****18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable****19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

In 2012, the Weston Insurance Company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. On October 1, 2016 the Company amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the company.

On March 13, 2020 Weston Specialty Insurance company entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which the Company is licensed. The agreement grants a commission to WIM of 30%.

When the companies merged on 12/22/2021, the business formerly under WIC remained with a commission of 26.5% and the business formerly under Weston Specialty continuing at 30%

All authorities for WIM with respect to the MGA contracts remain unchanged.

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CAR,P,B,U	\$ 158,829,606
<b>Total</b>					<b>\$ 158,829,606</b>

## Notes to the Financial Statements

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Exempt MM Mutual Fund.....	\$.....	\$.....	\$.....	116,648	116,648
Other MM Mutual Fund.....	1,055,190			2,000,819	3,056,009
Common Stock.....				151	151
Total assets at fair value/NAV.....	\$ 1,055,190	\$.....	\$.....	2,117,619	3,172,809
b. Liabilities at fair value					
Total liabilities at fair value.....	\$.....	\$.....	\$.....		

(2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

(3) Policy on transfers into and out of Level 3 - Not Applicable

(4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

(5) Derivatives - Not Applicable

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Common Stock.....	\$..... 151	\$..... 151	\$..... 151				
Bonds.....	12,152,104	12,137,572	12,152,104				
Cash, Cash Equivalents and Short-Term Investments.....	25,932,077	25,932,077	25,932,077				

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

The write-in asset of \$11.6 million reported on Page 2, line 2507 is to recognize additional tax deferred assets that will be utilized by December 31, 2022 or otherwise collected pursuant to a guarantee from HSCM Bermuda Fund, Ltd. The reporting of this portion of the deferred tax asset is consistent with SSAP 101, paragraph 10 regarding the Admissibility of Income Tax Assets and SSAP 4.

(1) Agent's Balances or Uncollected Premiums per Statement - before reduction for ceded reinsurance balances payable.....	\$... 11,507,502
(2) Premium collected from "Controlled" or "Controlling" persons.....	\$.....
(3) Premiums collected by "Controlled" or "Controlling" persons within 15 working days immediately preceding reporting period; F.S. 625.012(5)(a)1.....	\$.....
Amount of Applicable:	
(4) Trust Fund.....	\$.....
(5) Letter of Credit.....	\$.....
(6) Financial Guaranty Bond.....	\$.....
(7) Total of line (4), (5) and (6).....	\$.....
(8) Line (2) minus (3) minus (7), should not exceed zero.....	\$.....

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

## 22. Events Subsequent

Included on line 25 of the assets page is a receivable for \$7 million representing a capital contribution from WIHC. On March 1, 2022, the Office approved the Company's request to include the capital contribution as a Type 1 subsequent event and admit the receivable as an asset on December 31, 2021. The funds were received on February 28, 2022.

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

## Notes to the Financial Statements

## 23. Reinsurance (Continued)

Amount (000) omitted

Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus

Individual Reinsurers Who Are Not Members of a Group

FEIN	Reinsurer Name	Unsecured Amount
95-2769232	INSURANCE CO OF THE WEST	\$ 2,041
13-4924125	MUNICH REINS AMER INC	8,091
36-2403971	NATIONAL LIAB & FIRE INS CO	2,456
47-0698507	ODYSSEY REINS CO	6,164
13-3031176	PARTNER REINS CO OF THE US	16,566
AA-1340125	HANNOVER RUECK SE	2,572

B. Reinsurance Recoverable in Dispute - Not Applicable

C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$	\$	\$	\$
b. All other			64,485,982	18,700,935	(64,485,982)	(18,700,935)
c. Total	\$	\$	\$ 64,485,982	\$ 18,700,935	\$ (64,485,982)	\$ (18,700,935)
d. Direct unearned premium reserve			\$ 80,346,350			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

D. Uncollectible Reinsurance - Not Applicable

E. Commutation of Ceded Reinsurance - Not Applicable

F. Retroactive Reinsurance - Not Applicable

G. Reinsurance Accounted for as a Deposit - Not Applicable

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

K. Reinsurance Credit - Not Applicable

## 24. Retrospectively Rated Contracts &amp; Contracts Subject to Redetermination

A. Method Used to Estimate - Not Applicable

B. Method Used to Record - Not Applicable

C. Amount and Percent of Net Retrospective Premiums - Not Applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

E. Calculation of Nonadmitted Retrospective Premium - Not Applicable

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

1. Not Applicable

- (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?  
**NO**

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable
- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable
- (4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable
- (5) ACA risk corridors receivable as of reporting date - Not Applicable

## Notes to the Financial Statements

### 25. Changes in Incurred Losses and Loss Adjustment Expenses

#### A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2020 were \$24,245,934. For the twelve months ending December 31, 2021, \$ 15,976,889 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$14,205,235 resulting in adverse development of \$4,953,616. Increases or decreases occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims.

#### B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

### 26. Intercompany Pooling Arrangements - Not Applicable

### 27. Structured Settlements - Not Applicable

### 28. Health Care Receivables - Not Applicable

### 29. Participating Policies - Not Applicable

### 30. Premium Deficiency Reserves - Not Applicable

### 31. High Deductibles - Not Applicable

### 32. Discounting of Liabilities For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable

### 33. Asbestos/Environmental Reserves - Not Applicable

### 34. Subscriber Savings Accounts - Not Applicable

### 35. Multiple Peril Crop Insurance - Not Applicable

### 36. Financial Guaranty Insurance - Not Applicable



## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

## GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes ☒ No ☐ N/A ☐
- 1.3 State Regulating? Florida
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes ☐ No ☒
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes ☒ No ☐
- 2.2 If yes, date of change: 12/21/2021
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2021
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2015
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/15/2017
- 3.4 By what department or departments? Florida Office of Insurance Regulation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ☐ No ☐ N/A ☒
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ☐ No ☐ N/A ☒
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes ☒ No ☐
- 4.12 renewals? Yes ☒ No ☐
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes ☐ No ☒
- 4.22 renewals? Yes ☐ No ☒
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ☒ No ☐  
If yes, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
Weston Insurance Company	14930	FL

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes ☐ No ☒
- 6.2 If yes, give full information
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes ☒ No ☐
- 7.2 If yes, 7.21 State the percentage of foreign control 62.0 %  
7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
Bermudian	Corporation
United Kingdom	Individual
United Kingdom	Individual
Bermuda	Corporation

## GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [ ] No [ X ]  
 8.2 If response to 8.1 is yes, please identify the name of the DIHC.

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

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC
		NO	NO	NO	NO

- 8.5 Is the reporting entity a depository institution holding company with significant insurance operations as defined by the Board of Governors of Federal Reserve System or a subsidiary of the reporting entity? Yes [ ] No [ X ]  
 8.6 If response to 8.5 is no, is the reporting entity a company or subsidiary of a company that has otherwise been made subject to the Federal Reserve Board's capital rule? Yes [ ] No [ ] N/A [ X ]  
 9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
 RSM 100 Second Avenue South, Suite 600, St. Petersburg, FL 33701  
 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]  
 10.4 If the response to 10.3 is yes, provide information related to this exemption:  
 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]  
 10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
 Ryan Purdy, FCAS, MAAA, Consulting Actuary Merlino & Associates 3274 Medlock Bridge Rd. Peachtree Corners, GA 30092  
 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [ X ]  
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved 0  
 12.13 Total book/adjusted carrying value \$

12.2 If yes, provide explanation

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

- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ ]  
 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.  
 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).



## GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes ☐ No ☒
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
			0

## BOARD OF DIRECTORS

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

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ☐ No ☒
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$
- 20.12 To stockholders not officers \$
- 20.13 Trustees, supreme or grand (Fraternal only) \$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$
- 20.22 To stockholders not officers \$
- 20.23 Trustees, supreme or grand (Fraternal only) \$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes ☐ No ☒
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$
- 21.22 Borrowed from others \$
- 21.23 Leased from others \$
- 21.24 Other \$
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes ☐ No ☒
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$
- 22.22 Amount paid as expenses \$
- 22.23 Other amounts paid \$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes ☒ No ☐
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$0
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes ☐ No ☒
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

## INVESTMENT

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

## GENERAL INTERROGATORIES

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

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

25.04 For the reporting entity's securities lending program, report amount of collateral for conforming programs as outlined in the Risk-Based Capital Instructions. \$.....0

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

25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ☐ No ☐ NA ☒25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ☐ No ☐ NA ☒25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ☐ No ☐ NA ☒

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

25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0

25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....0

25.093 Total payable for securities lending reported on the liability page \$.....0

26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 24.1 and 25.03). Yes ☒ No ☐

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

26.21 Subject to repurchase agreements \$.....

26.22 Subject to reverse repurchase agreements \$.....

26.23 Subject to dollar repurchase agreements \$.....

26.24 Subject to reverse dollar repurchase agreements \$.....

26.25 Placed under option agreements \$.....

26.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock \$.....

26.27 FHLB Capital Stock \$.....

26.28 On deposit with states \$.....1,963,753

26.29 On deposit with other regulatory bodies \$.....

26.30 Pledged as collateral – excluding collateral pledged to an FHLB \$.....

26.31 Pledged as collateral to FHLB – including assets backing funding agreements \$.....

26.32 Other \$.....

26.3 For category (26.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

27.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ☐ No ☐ N/A ☒  
If no, attach a description with this statement.

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

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

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

27.41 Special accounting provision of SSAP No. 108 Yes ☐ No ☒27.42 Permitted accounting practice Yes ☐ No ☒27.43 Other accounting guidance Yes ☐ No ☒27.5 By responding YES to 27.41 regarding utilizing the special accounting provisions of SSAP No. 108, the reporting entity attests to the following: Yes ☐ No ☒

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

28.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes ☐ No ☒

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

29. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping agreements of the NAIC *Financial Condition Examiners Handbook*? Yes ☒ No ☐29.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Synovus Trust.....	1148 Broadway, 5th Floor, PO Box 23024, Columbus, GA 31901.....
Merrill Lynch.....	355 Alhambra Cir, Ste 1502 Coral Gables, FL 33134.....

## GENERAL INTERROGATORIES

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

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

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

Yes ☐ No ☒

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

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

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

1 Name of Firm or Individual	2 Affiliation
Weston Insurance Management LLC	A

29.0597 For those firms/individuals listed in the table for Question 29.05, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

29.0598 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 29.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

30.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b) (1)])?

Yes ☐ No ☒

30.2 If yes, complete the following schedule:

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

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

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

## GENERAL INTERROGATORIES

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
31.1 Bonds.....	12,182,568	12,327,697	145,128
31.2 Preferred Stocks.....	0	0	0
31.3 Totals	12,182,568	12,327,697	145,128

- 31.4 Describe the sources or methods utilized in determining the fair values:

SVO values were used to determine fair value if available. If not available, fair values were obtained from published sources.....

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

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

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

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

- 33.2 If no, list exceptions:

34. By self-designating 5GI securities, the reporting entity is certifying the following elements of each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.  
b. Issuer or obligor is current on all contracted interest and principal payments.  
c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes ☐ No ☒

35. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.  
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.  
d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes ☐ No ☒

36. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.  
b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.  
c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.  
d. The fund only or predominantly holds bonds in its portfolio.  
e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.  
f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes ☐ No ☒

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

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

Has the reporting entity rolled/renewed short-term or cash equivalent investments in accordance with these criteria?

Yes ☐ No ☐ NA ☒

**GENERAL INTERROGATORIES****OTHER**

38.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ .....223,351

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

1 Name	2 Amount Paid
Insurance Service Offices.....	\$.....179,751

39.1 Amount of payments for legal expenses, if any?

\$ .....105,058

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

1 Name	2 Amount Paid
Colodny Fass LLP.....	\$.....90,450

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

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

1 Name	2 Amount Paid



## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? ..... Yes [ ] No [ X ]
- 1.2 If yes, indicate premium earned on U. S. business only ..... \$ .....0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ .....0
- 1.31 Reason for excluding .....

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. .... \$ .....0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. .... \$ .....0
- 1.6 Individual policies:

Most current three years:

1.61 Total premium earned ..... \$ .....0

1.62 Total incurred claims ..... \$ .....0

1.63 Number of covered lives ..... 0

All years prior to most current three years:

1.64 Total premium earned ..... \$ .....0

1.65 Total incurred claims ..... \$ .....0

1.66 Number of covered lives ..... 0

- 1.7 Group policies:

Most current three years:

1.71 Total premium earned ..... \$ .....0

1.72 Total incurred claims ..... \$ .....0

1.73 Number of covered lives ..... 0

All years prior to most current three years:

1.74 Total premium earned ..... \$ .....0

1.75 Total incurred claims ..... \$ .....0

1.76 Number of covered lives ..... 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	\$ .....0	\$ .....0
2.2	Premium Denominator	\$ .....(5,190,817)	\$ .....25,604,547
2.3	Premium Ratio (2.1/2.2)	.....0.000	.....0.000
2.4	Reserve Numerator	\$ .....0	\$ .....0
2.5	Reserve Denominator	\$ .....51,118,252	\$ .....33,799,420
2.6	Reserve Ratio (2.4/2.5)	.....0.000	.....0.000

- 3.1 Did the reporting entity issue participating policies during the calendar year? ..... Yes [ ] No [ X ]
- 3.2 If yes, provide the amount of premium written for participating and/or non-participating policies during the calendar year:
- 3.21 Participating policies ..... \$ .....0
- 3.22 Non-participating policies ..... \$ .....0

4. For Mutual reporting entities and Reciprocal Exchanges only:

- 4.1 Does the reporting entity issue assessable policies? ..... Yes [ ] No [ ]
- 4.2 Does the reporting entity issue non-assessable policies? ..... Yes [ ] No [ ]
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... %
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. .... \$ .....0

5. For Reciprocal Exchanges Only:

- 5.1 Does the exchange appoint local agents? ..... Yes [ ] No [ ]
- 5.2 If yes, is the commission paid:

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

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

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

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? ..... Yes [ ] No [ X ]
- 5.5 If yes, give full information .....



## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss: N/A
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: The company utilizes a third party reinsurance broker to assist in validating its catastrophe exposure and estimating the probable maximum loss from windstorm and severe convective storms. The broker uses RMS and AIR software to model the company's portfolio. Risks in TX, FL, MS and LA.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? The Company's reinsurance protection includes an 80% quota share and \$415 million per occurrence limit XOL covers.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes ☒ No ☐
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes ☒ No ☐
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions: 1
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes ☒ No ☐
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes ☐ No ☒
- 8.2 If yes, give full information
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
- (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
  - (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
  - (c) Aggregate stop loss reinsurance coverage;
  - (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
  - (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
  - (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.
- Yes ☐ No ☒
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
- (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
  - (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.
- Yes ☐ No ☒
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
- (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
  - (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
  - (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R - *Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
- (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
  - (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?
- Yes ☐ No ☒
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
- (a) The entity does not utilize reinsurance; or
  - (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
  - (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.
- Yes ☐ No ☒
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes ☐ No ☐ N/A ☒

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force?..... Yes [ ] No [ X ]

11.2 If yes, give full information .....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:.....

12.11 Unpaid losses..... \$ .....

12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$ .....

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$ .....

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... Yes [ ] No [X] N/A [ ]

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:.....

12.41 From..... %

12.42 To..... %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?..... Yes [ ] No [ X ]

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

12.61 Letters of Credit..... \$ .....

12.62 Collateral and other funds..... \$ .....

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):..... \$ .....2,000,000

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? ..... Yes [ ] No [ X ]

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....7

14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract?..... Yes [ ] No [ X ]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:.....

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts?..... Yes [ ] No [ ]

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements?..... Yes [ ] No [ ]

14.5 If the answer to 14.4 is no, please explain:.....

15.1 Has the reporting entity guaranteed any financed premium accounts?..... Yes [ ] No [ X ]

15.2 If yes, give full information .....

16.1 Does the reporting entity write any warranty business?..... Yes [ ] No [ X ]

If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.12 Products.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.13 Automobile.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
16.14 Other*.....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....

\* Disclose type of coverage:.....

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

Incurring but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption:

	Gross amount of unauthorized reinsurance in Schedule F – Part 3	
17.11	exempt from the statutory provision for unauthorized reinsurance.....	\$ .....
17.12	Unfunded portion of Interrogatory 17.11.....	\$ .....
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11 .....	\$ .....
17.14	Case reserves portion of Interrogatory 17.11.....	\$ .....
17.15	Incurred but not reported portion of Interrogatory 17.11.....	\$ .....
17.16	Unearned premium portion of Interrogatory 17.11.....	\$ .....
17.17	Contingent commission portion of Interrogatory 17.11.....	\$ .....

18.1 Do you act as a custodian for health savings accounts? ..... Yes [ ] No [ X ]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. .... \$ .....

18.3 Do you act as an administrator for health savings accounts? ..... Yes [ ] No [ X ]

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

19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes [ X ] No [ ]

19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes [ ] No [ ]

## FIVE-YEAR HISTORICAL DATA

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

	1 2021	2 2020	3 2019	4 2018	5 2017
<b>Gross Premiums Written</b> (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	52,059	73,465	69,584	58,542	338,735
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	105,539,959	137,257,752	1,938,714	1,725,452	2,387,993
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	53,017,648	54,586,173	34,210,752	13,618,569	13,781,883
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	158,609,665	191,917,390	36,219,050	15,402,563	16,508,611
<b>Net Premiums Written</b> (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	2,858	16,694	40,835	13,900	15,316
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	3,537,540	9,347,086	697,646	486,035	577,445
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	2,910,691	12,569,855	12,167,031	4,013,573	3,441,826
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	6,451,089	21,933,635	12,905,512	4,513,508	4,034,587
<b>Statement of Income</b> (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(58,378,023)	(39,290,028)	(10,083,470)	(1,834,303)	(3,950,592)
14. Net investment gain (loss) (Line 11)	306,653	604,597	(544,521)	195,190	169,509
15. Total other income (Line 15)	389,814	(639,324)	(59,802)	(16,055)	0
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	0	(47,943)	(238,442)	139,179	192,902
18. Net income (Line 20)	(57,681,556)	(39,276,813)	(10,449,351)	(1,794,347)	(3,973,985)
<b>Balance Sheet Lines</b> (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	126,997,375	119,903,635	32,826,812	17,196,379	18,568,583
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	10,743,556	4,519,556	1,702,537	755,897	1,280,517
20.2 Deferred and not yet due (Line 15.2)	4,903,861	6,288,584	1,078,674	671,342	0
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	98,702,856	90,963,984	22,826,812	7,193,951	8,466,007
22. Losses (Page 3, Line 1)	32,437,254	22,352,814	5,407,421	1,483,149	2,151,356
23. Loss adjustment expenses (Page 3, Line 3)	2,820,631	1,893,130	1,314,729	547,692	395,087
24. Unearned premiums (Page 3, Line 9)	15,860,306	4,218,461	5,872,706	2,678,446	2,261,104
25. Capital paid up (Page 3, Lines 30 & 31)	5,000,000	2,500,000	2,500,000	2,500,000	2,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	28,294,519	28,939,652	10,000,000	10,002,428	10,102,576
<b>Cash Flow</b> (Page 5)					
27. Net cash from operations (Line 11)	(76,787,728)	(34,308,561)	310,060	(2,615,091)	(2,941,882)
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	28,294,519	28,939,652	10,000,000	10,002,428	10,102,576
29. Authorized control level risk-based capital	8,918,245	11,750,624	2,185,164	1,579,949	1,559,926
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3)(Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	31.9	24.7	30.2	34.6	47.1
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	4.3	4.3	6.4
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	68.1	71.2	59.1	52.0	37.0
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	4.1	3.8	9.1	9.4
38. Receivables for securities (Line 9)	0.0	0.0	2.7	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
48. Total of above Lines 42 to 47	0	0	0	0	0
49. Total Investment in parent included in Lines 42 to 47 above	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0



## FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2021	2 2020	3 2019	4 2018	5 2017
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24) .....	.84	(136,753)	705,013	(767,752)	232,270
52. Dividends to stockholders (Line 35) .....	0	(5,000,000)	0	0	(342,000)
53. Change in surplus as regards policyholders for the year (Line 38) .....	(645,130)	(9,242,395)	(2,428)	(100,147)	1,087,018
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	109,870	24,331	0	38,776	37,045
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	32,373,684	69,935,801	606,909	520,516	1,353,540
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	118,301,069	48,114,080	12,077,321	5,491,036	7,103,501
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
59. Total (Line 35) .....	150,784,624	118,074,213	12,684,230	6,050,328	8,494,086
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....	109,870	24,331	0	3,224	2,129
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....	12,306,367	30,336,133	437,608	233,094	809,765
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27) .....	13,445,102	8,445,762	7,119,684	2,721,989	3,717,961
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....	0	0	0	0	0
65. Total (Line 35) .....	25,861,340	38,806,226	7,557,292	2,958,307	4,529,855
<b>Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	(691.5)	207.3	118.2	55.9	113.9
68. Loss expenses incurred (Line 3) .....	(89.6)	21.3	40.8	36.7	47.2
69. Other underwriting expenses incurred (Line 4) .....	(243.5)	24.9	44.8	52.1	39.3
70. Net underwriting gain (loss) (Line 8) .....	1,124.6	(153.4)	(103.8)	(44.8)	(100.4)
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0) .....	189.9	31.9	34.2	47.7	38.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	(781.1)	228.6	159.0	92.6	161.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0) .....	22.8	75.8	129.1	45.1	39.9
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11) .....	4,954	(770)	(184)	(979)	(710)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0) .....	17.1	(1.6)	(1.8)	(9.7)	(7.9)
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12) .....	(816)	(530)	(763)	(1,063)	(256)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0) .....	(2.1)	(1.0)	(7.6)	(11.8)	(2.7)

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

Yes [ ] No [ ]

If no, please explain

## SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

### SCHEDULE P - PART 1 - SUMMARY

(\$000 Unlimited)												
Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10		11
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4	5	6	7	8	9	Salvage and Subrogation Received		Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 2012	13,051	9,831	3,220	7,699	5,201	864	735	909	576	56	2,961	XXX
3. 2013	81,001	79,748	1,253	5,312	4,036	323	193	701	545	8	1,562	XXX
4. 2014	112,972	113,766	(794)	6,684	5,606	512	413	948	828	0	1,297	XXX
5. 2015	135,960	130,383	5,577	6,720	2,557	381	87	990	343	6	5,105	XXX
6. 2016	117,979	110,256	7,723	39,253	23,266	2,969	2,346	2,895	1,362	15	18,144	XXX
7. 2017	110,250	102,872	7,378	153,542	141,917	18,538	18,295	7,186	6,063	188	12,991	XXX
8. 2018	102,529	93,156	9,373	58,546	48,303	2,815	2,580	1,622	686	90	11,415	XXX
9. 2019	107,895	92,680	15,215	22,870	7,809	542	90	2,230	626	24	17,117	XXX
10. 2020	161,864	136,259	25,605	80,127	32,758	7,694	3,749	7,573	6,098	0	52,788	XXX
11. 2021	179,083	184,274	(5,191)	115,602	104,612	2,249	533	12,744	11,893	0	13,557	XXX
12. Totals	XXX	XXX	XXX	496,355	376,064	36,887	29,021	37,798	29,019	387	136,935	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1. ....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	XXX
2. ....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	XXX
3. ....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	XXX
4. ....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	XXX
5. ....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0	XXX
6. ....16	.....12	2,795	2,766	2	2	0	0	12	10	0	36	XXX	
7. ....10,133	10,133	5,672	5,654	125	91	0	0	707	705	0	54	XXX	
8. ....264	219	5,868	5,818	30	0	0	0	171	2	0	294	XXX	
9. ....90	58	2,005	201	3	1	0	0	15	2	0	1,851	XXX	
10. ....2,132	834	10,638	364	84	17	0	0	414	83	0	11,971	XXX	
11. ....10,655	7,531	35,850	20,092	172	0	2,993	1,003	1,036	1,027	0	21,053	XXX	
12. ....23,291	18,787	62,828	34,895	415	111	2,993	1,003	2,354	1,828	0	35,258	XXX	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter- Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. _____	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2. _____	9,472	6,511	2,961	72.6	66.2	91.9	0	0		0	0
3. _____	6,336	4,774	1,562	7.8	6.0	124.6	0	0		0	0
4. _____	8,144	6,847	1,297	7.2	6.0	(163.4)	0	0		0	0
5. _____	8,092	2,987	5,105	6.0	2.3	91.5	0	0		0	0
6. _____	47,943	29,763	18,180	40.6	27.0	235.4	0	0		33	3
7. _____	195,902	182,857	13,044	177.7	177.8	176.8	0	0		18	36
8. _____	69,317	57,608	11,709	67.6	61.8	124.9	0	0		95	199
9. _____	27,755	8,788	18,967	25.7	9.5	124.7	0	0		1,836	14
10. _____	108,661	43,903	64,758	67.1	32.2	252.9	0	0		11,572	398
11. _____	181,300	146,690	34,610	101.2	79.6	(666.7)	0	0		18,882	2,171
12. _____	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	32,437	2,821

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



**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	One Year	Two Year
1. Prior	90	143	150	138	135	136	136	137	(30)	(30)	0	(167)
2. 2012	2,032	2,389	2,557	2,612	2,568	2,570	2,574	2,575	2,631	2,627	(4)	52
3. 2013	XXX	1,145	1,353	1,458	1,453	1,357	1,409	1,362	1,406	1,406	0	44
4. 2014	XXX	XXX	920	1,381	1,357	1,211	1,223	1,222	1,177	1,177	0	(45)
5. 2015	XXX	XXX	XXX	4,689	5,000	4,507	4,451	4,427	4,458	4,457	(1)	30
6. 2016	XXX	XXX	XXX	XXX	15,285	15,198	16,732	16,727	16,651	16,644	(7)	(83)
7. 2017	XXX	XXX	XXX	XXX	XXX	12,814	12,017	12,047	11,955	11,920	(35)	(127)
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	10,839	10,516	10,604	10,604	0	88
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,960	17,350	17,350	0	(610)
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	57,952	62,952	5,000	XXX
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	33,750	XXX	XXX
12. Totals											4,954	(816)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
1. Prior	000	104	136	138	135	136	136	136	(30)	(30)	XXX	XXX
2. 2012	1,749	2,211	2,527	2,555	2,568	2,570	2,571	2,571	2,631	2,627	XXX	XXX
3. 2013	XXX	931	1,263	1,343	1,352	1,357	1,362	1,362	1,406	1,406	XXX	XXX
4. 2014	XXX	XXX	562	1,078	1,173	1,184	1,208	1,208	1,177	1,177	XXX	XXX
5. 2015	XXX	XXX	XXX	2,765	4,216	4,349	4,409	4,424	4,457	4,457	XXX	XXX
6. 2016	XXX	XXX	XXX	XXX	12,718	14,342	16,558	16,612	16,600	16,611	XXX	XXX
7. 2017	XXX	XXX	XXX	XXX	XXX	11,099	11,574	11,822	11,865	11,868	XXX	XXX
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	9,015	9,857	10,343	10,479	XXX	XXX
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10,001	14,474	15,513	XXX	XXX
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	37,326	51,312	XXX	XXX
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12,706	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
1. Prior	86	37	14	0	0	0	0	0	0	0
2. 2012	184	168	29	56	0	0	0	0	0	0
3. 2013	XXX	141	60	35	101	0	7	0	0	0
4. 2014	XXX	XXX	299	236	140	23	13	4	0	0
5. 2015	XXX	XXX	XXX	819	506	103	29	1	0	0
6. 2016	XXX	XXX	XXX	XXX	1,008	466	98	90	51	29
7. 2017	XXX	XXX	XXX	XXX	XXX	1,023	437	189	18	18
8. 2018	XXX	XXX	XXX	XXX	XXX	XXX	1,330	520	50	50
9. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,243	2,621	1,804
10. 2020	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,194	10,274
11. 2021	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	17,748

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated By States And Territories									
States, etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	0	0	0	0	0	0	0	0
2. Alaska	AK	0	0	0	0	0	0	0	0
3. Arizona	AZ	0	812	0	0	0	0	0	0
4. Arkansas	AR	0	0	0	0	0	0	0	0
5. California	CA	0	0	0	0	0	0	0	0
6. Colorado	CO	0	0	0	0	0	0	0	0
7. Connecticut	CT	0	0	0	0	0	0	0	0
8. Delaware	DE	0	0	0	0	0	0	0	0
9. Dist. Columbia	DC	0	0	0	0	0	0	0	0
10. Florida	FL	64,492,079	64,813,533	0	22,639,863	14,409,493	30,290,965	223,593	0
11. Georgia	GA	0	0	0	0	0	0	0	0
12. Hawaii	HI	0	0	0	0	0	0	0	0
13. Idaho	ID	0	0	0	0	0	0	0	0
14. Illinois	IL	0	0	0	0	0	0	0	0
15. Indiana	IN	0	0	0	0	0	0	0	0
16. Iowa	IA	0	0	0	0	0	0	0	0
17. Kansas	KS	0	0	0	0	0	0	0	0
18. Kentucky	KY	0	0	0	0	0	0	0	0
19. Louisiana	LA	13,389,003	11,031,141	0	46,097,107	48,943,111	5,551,679	13,691	0
20. Maine	ME	0	0	0	0	0	0	0	0
21. Maryland	MD	0	0	0	0	0	0	0	0
22. Massachusetts	MA	0	0	0	0	0	0	0	0
23. Michigan	MI	0	0	0	0	0	0	0	0
24. Minnesota	MN	0	0	0	0	0	0	0	0
25. Mississippi	MS	47,335	(2,389)	0	0	0	0	164	0
26. Missouri	MO	0	0	0	0	0	0	0	0
27. Montana	MT	0	0	0	0	0	0	0	0
28. Nebraska	NE	0	0	0	0	0	0	0	0
29. Nevada	NV	0	0	0	0	0	0	0	0
30. New Hampshire	NH	0	0	0	0	0	0	0	0
31. New Jersey	NJ	0	0	0	0	0	0	0	0
32. New Mexico	NM	0	0	0	0	0	0	0	0
33. New York	NY	0	0	0	0	0	0	0	0
34. No. Carolina	NC	0	0	0	0	0	0	0	0
35. No. Dakota	ND	0	0	0	0	0	0	0	0
36. Ohio	OH	0	0	0	0	0	0	0	0
37. Oklahoma	OK	0	0	0	0	0	0	0	0
38. Oregon	OR	0	0	0	0	0	0	0	0
39. Pennsylvania	PA	0	0	0	0	0	0	0	0
40. Rhode Island	RI	0	0	0	0	0	0	0	0
41. So. Carolina	SC	0	0	0	0	0	0	0	0
42. So. Dakota	SD	0	0	0	0	0	0	0	0
43. Tennessee	TN	0	0	0	0	0	0	0	0
44. Texas	TX	80,901,189	83,131,955	0	82,047,654	107,774,596	50,276,533	176,081	0
45. Utah	UT	0	0	0	0	0	0	0	0
46. Vermont	VT	0	0	0	0	0	0	0	0
47. Virginia	VA	0	0	0	0	0	0	0	0
48. Washington	WA	0	0	0	0	0	0	0	0
49. West Virginia	WV	0	0	0	0	0	0	0	0
50. Wisconsin	WI	0	0	0	0	0	0	0	0
51. Wyoming	WY	0	0	0	0	0	0	0	0
52. American Samoa	AS	0	0	0	0	0	0	0	0
53. Guam	GU	0	0	0	0	0	0	0	0
54. Puerto Rico	PR	0	0	0	0	0	0	0	0
55. U.S. Virgin Islands	VI	0	0	0	0	0	0	0	0
56. Northern Mariana Islands	MP	0	0	0	0	0	0	0	0
57. Canada	CAN	0	0	0	0	0	0	0	0
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0
59. Totals	XXX	158,829,606	158,975,053	0	150,784,624	171,127,201	86,119,177	413,529	0
<b>DETAILS OF WRITE-INS</b>									
58001.	XXX	0	0	0	0	0	0	0	0
58002.	XXX	0	0	0	0	0	0	0	0
58003.	XXX	0	0	0	0	0	0	0	0
58998. Sum. of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

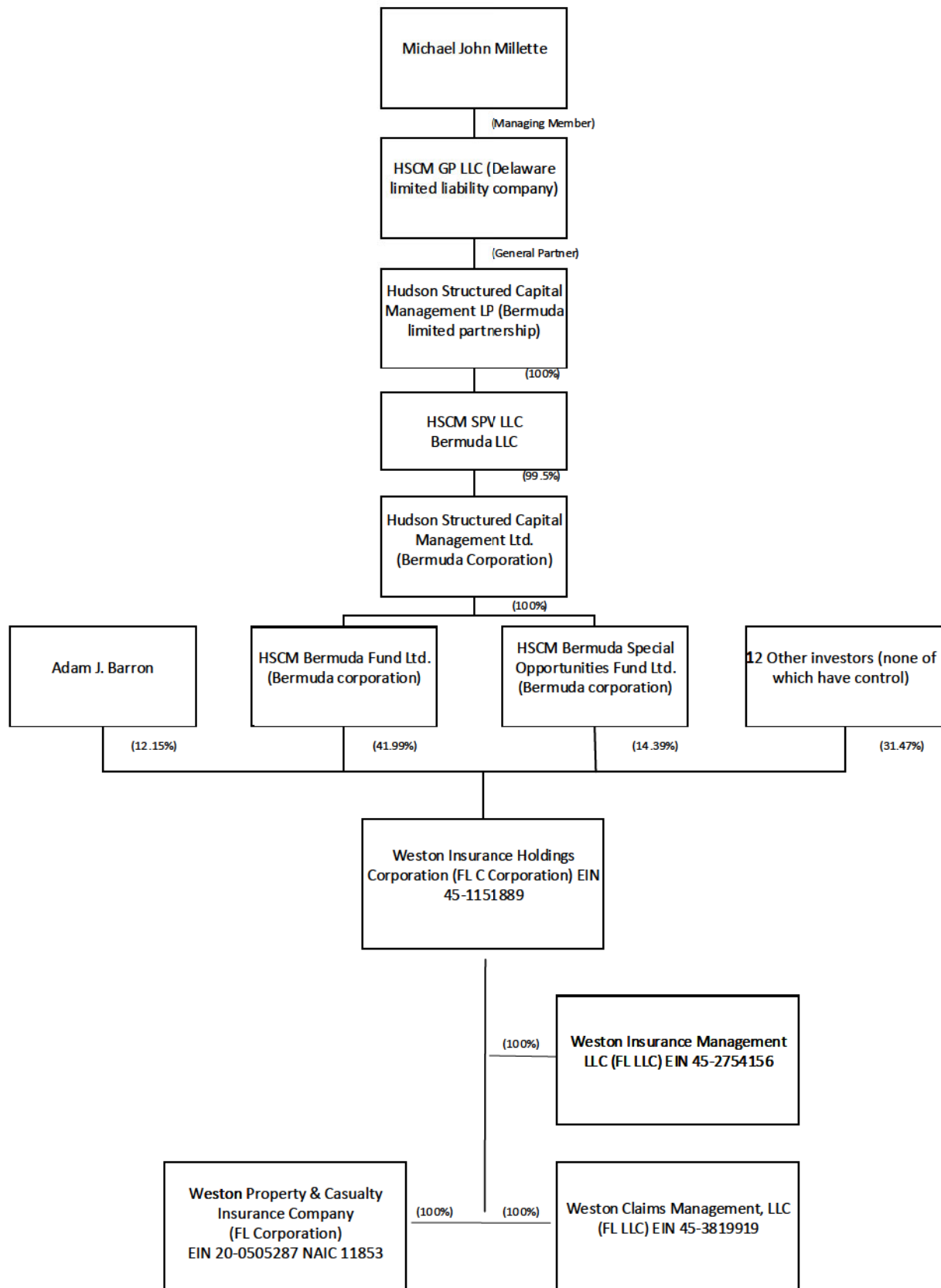
## (a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG \_\_\_\_\_15 R – Registered – Non-domiciled RRGs \_\_\_\_\_0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) \_\_\_\_\_0 Q – Qualified – Qualified or accredited reinsurer \_\_\_\_\_1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile \_\_\_\_\_0 N – None of the above – Not allowed to write business in the state \_\_\_\_\_41

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

All premiums are allocated to the state in which the risk is located.

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS  
OF A HOLDING COMPANY GROUP PART 1 – ORGANIZATIONAL CHART**





PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

# QUARTERLY STATEMENT

AS OF MARCH 31, 2022  
OF THE CONDITION AND AFFAIRS OF THE

## Weston Property & Casualty Insurance Company

NAIC Group Code	00000	00000	NAIC Company Code	11853	Employer's ID Number	20-0505287
	(Current Period)	(Prior Period)				
Organized under the Laws of	Florida		State of Domicile or Port of Entry	Florida		
Country of Domicile	United States					
Incorporated/Organized	12/23/2003		Commenced Business	01/05/2004		
Statutory Home Office	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134			
	(Street and Number)		(City or Town, State, Country and Zip Code)			
Main Administrative Office	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134		888-800-5002	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Mail Address	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134			
	(Street and Number or P.O. Box)		(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2555 Ponce De Leon Blvd, Suite 300		Coral Gables, FL, US 33134		888-800-5002	
	(Street and Number)		(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Web Site Address	www.weston-ins.com					
Statutory Statement Contact	Rachael Aldulaimi		786-646-1189			
	(Name)		(Area Code) (Telephone Number) (Extension)			
	rachael.aldulaimi@weston-ins.com		888-862-7390			
	(E-Mail Address)		(Fax Number)			

### OFFICERS

Name	Title	Name	Title
Deanne Dietrich Nixon	Chief Executive Officer & President	Eduardo Miguel Amador	Chief Underwriting Officer
Rachael Lynn Aldulaimi	VP Finance, Treasurer, Controller	Melissa Lillian Shelley-Mello	Chief Actuary

### OTHER OFFICERS

Janice Weidenborner	Chief Operating Officer & General Counsel
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### DIRECTORS OR TRUSTEES

Rachael Lynn Aldulaimi	Eduardo Miguel Amador	Deanne Dietrich Nixon	Melissa Lillian Shelley-Mello
Janice Weidenborner	Edouard von Herberstein		

State of .....Florida.....

County of .....Miami-Dade.....ss

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

Deanne Dietrich Nixon	Eduardo Miguel Amador	Rachael Lynn Aldulaimi
Chief Executive Officer & President	Chief Underwriting Officer	VP Finance, Treasurer, Controller

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [X] No [ ]

b. If no:

1. State the amendment number \_\_\_\_\_

2. Date filed \_\_\_\_\_

3. Number of pages attached \_\_\_\_\_



## STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property &amp; Casualty Insurance Company

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	11,293,848		11,293,848	12,137,572
2. Stocks:				
2.1 Preferred stocks .....			0	0
2.2 Common stocks .....	423		423	151
3. Mortgage loans on real estate:				
3.1 First liens .....			0	0
3.2 Other than first liens .....			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....			0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....			0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....			0	0
5. Cash (\$ .....23,828,519 ), cash equivalents (\$ .....7,121,131 ) and short-term investments (\$ .....15,000 ) .....	30,964,649		30,964,649	25,932,077
6. Contract loans (including \$ ..... premium notes) .....			0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	0		0	0
9. Receivables for securities .....			0	0
10. Securities lending reinvested collateral assets .....			0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	42,258,920	0	42,258,920	38,069,800
13. Title plants less \$ ..... charged off (for Title insurers only) .....			0	0
14. Investment income due and accrued .....	90,075		90,075	131,650
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	7,695,878	710,361	6,985,517	10,743,556
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	4,284,921		4,284,921	4,903,861
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	30,176,050		30,176,050	49,301,380
16.2 Funds held by or deposited with reinsured companies .....			0	0
16.3 Other amounts receivable under reinsurance contracts .....			0	0
17. Amounts receivable relating to uninsured plans .....			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....			0	0
18.2 Net deferred tax asset .....	23,979,672	23,979,672	0	0
19. Guaranty funds receivable or on deposit .....			0	0
20. Electronic data processing equipment and software .....			0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			0	0
23. Receivables from parent, subsidiaries and affiliates .....	2,948,600		2,948,600	3,296,569
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	15,822,222	0	15,822,222	20,550,560
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	127,256,338	24,690,032	102,566,305	126,997,375
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	127,256,338	24,690,032	102,566,305	126,997,375
DETAILS OF WRITE-INS				
1101. ....			0	0
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. SSAP 72 Surplus Contribution due from Weston Insurance Holdings .....	3,000,000		3,000,000	7,000,000
2502. Brokerage Sharing Commission Receivable .....	1,237,652		1,237,652	1,968,875
2503. Miscellaneous receivable .....	30,570		30,570	27,250
2598. Summary of remaining write-ins for Line 25 from overflow page .....	11,554,000	0	11,554,000	11,554,436
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	15,822,222	0	15,822,222	20,550,560



**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 5,151,624 )	18,578,421	32,437,254
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	3,278,545	2,820,631
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	262,801	1,399,268
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 44,146,476 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	28,239,452	15,860,306
10. Advance premium	4,997,692	1,673,439
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	25,634,329	40,913,015
13. Funds held by company under reinsurance treaties	989,680	989,680
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated	113,952	104,736
16. Provision for reinsurance (including \$ certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		1,000,000
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	1,273,807	1,504,528
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	83,368,679	98,702,856
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	83,368,679	98,702,856
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	70,564,332	67,564,332
35. Unassigned funds (surplus)	(56,366,706)	(44,269,812)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$ )		0
36.2 shares preferred (value included in Line 31 \$ )		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	19,197,626	28,294,519
38. Totals (Page 2, Line 28, Col. 3)	102,566,304	126,997,375
<b>DETAILS OF WRITE-INS</b>		
2501.		0
2502. Deferred Ceding Commissions	793,452	943,162
2503. Refunds Payable	179,325	282,268
2598. Summary of remaining write-ins for Line 25 from overflow page	301,030	279,098
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,273,807	1,504,528
2901.		0
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201.		0
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ 29,744,729 )	35,159,586	36,531,346	158,869,007
1.2 Assumed (written \$ )		9,019,790	7,148,983
1.3 Ceded (written \$ )	37,005,139	49,054,548	171,208,807
1.4 Net (written \$ 29,744,729 )	(1,845,553)	(3,503,412)	(5,190,817)
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 4,945,475 ):			
2.1 Direct	8,175,670	31,167,646	170,631,149
2.2 Assumed		1,059,880	5,992
2.3 Ceded	849,999	20,495,756	134,743,739
2.4 Net	7,325,671	11,731,771	35,893,402
3. Loss adjustment expenses incurred	1,293,664	1,873,974	4,652,354
4. Other underwriting expenses incurred	1,723,142	250,374	12,641,449
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	10,342,477	13,856,120	53,187,206
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(12,188,030)	(17,359,532)	(58,378,023)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	54,165	116,761	355,288
10. Net realized capital gains (losses) less capital gains tax of \$		628	(48,635)
11. Net investment gain (loss) (Lines 9 + 10)	54,165	117,388	306,653
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$ )	33,530	(44,727)	(23,715)
13. Finance and service charges not included in premiums	56,125	64,128	413,529
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	89,655	19,401	389,814
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(12,044,210)	(17,222,742)	(57,681,556)
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(12,044,210)	(17,222,742)	(57,681,556)
19. Federal and foreign income taxes incurred	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22)	(12,044,210)	(17,222,742)	(57,681,556)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	28,294,519	39,168,070	28,939,653
22. Net income (from Line 20)	(12,044,210)	(17,222,742)	(57,681,556)
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$		(16,555)	84
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	2,526,993	2,626,653	12,369,536
27. Change in nonadmitted assets	(2,579,677)	(2,738,873)	(13,760,560)
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	3,000,000	12,500,000	54,872,930
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	3,554,436
38. Change in surplus as regards policyholders (Lines 22 through 37)	(9,096,894)	(4,851,516)	(645,130)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	19,197,625	34,316,553	28,294,522
<b>DETAILS OF WRITE-INS</b>			
0501.	0	0	0
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	0	0	0
3701. Other change in unrealized	0	0	0
3702. Additional Deferred Tax assets guaranteed	0	0	3,554,436
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	3,554,436

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	6,038,188	10,467,609	(9,161,002)
2. Net investment income .....	95,740	140,707	603,651
3. Miscellaneous income .....	89,655	19,401	389,814
4. Total (Lines 1 to 3) .....	6,223,583	10,627,717	(8,167,536)
5. Benefit and loss related payments .....	2,059,174	15,870,109	53,837,189
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	3,958,160	1,843,737	14,783,003
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	5,106,811	5,243,429	0
10. Total (Lines 5 through 9) .....	11,124,145	22,957,275	68,620,191
11. Net cash from operations (Line 4 minus Line 10) .....	(4,900,562)	(12,329,557)	(76,787,728)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	1,007,000	1,009,833	4,515,190
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	0	600,000	2,650,000
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	7,833	0
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	1,007,000	1,617,666	7,165,190
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	200,311	0	756,745
13.2 Stocks .....	0	0	68
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	0	0	0
13.6 Miscellaneous applications .....	18	16,555	134
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	200,329	16,555	756,946
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	806,671	1,601,111	6,408,244
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	0	0
16.2 Capital and paid in surplus, less treasury stock .....	3,000,000	0	47,872,930
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	6,126,464	5,179,832	2,281,549
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	9,126,464	5,179,832	50,154,479
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	5,032,573	(5,548,614)	(20,225,005)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	25,932,077	46,157,082	46,157,082
19.2 End of period (Line 18 plus Line 19.1) .....	30,964,649	40,608,467	25,932,077

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

20.0001. Capital Contribution.....	0	0
20.0002. SSAP 72 Capital contribution .....	0	7,000,000

## Notes to the Financial Statements

## 1. Summary of Significant Accounting Policies and Going Concern

## A. Accounting Practices

The financial statements of Weston Property & Casualty Insurance Company (the Company) are presented on a basis of accounting practices prescribed or permitted by the Florida Office of Insurance Regulation.

The Florida Office of Insurance Regulation recognizes only statutory accounting practices prescribed by or permitted by the State of Florida for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Florida Insurance Law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, version effective January 1, 2001, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Florida.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Florida is shown below:

	SSAP #	F/S Page	F/S Line #	03/31/2022	12/31/2021
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ (12,043,311)	\$ (57,681,557)
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ (12,043,311)</u>	<u>\$ (57,681,557)</u>
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 19,197,626	\$ 28,294,519
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 19,197,626</u>	<u>\$ 28,294,519</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

## C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances, received or receivable.

In addition, the company uses the following accounting policies:

- (1) Basis of valuation of short-term investments – Short-term investments are stated at amortized value using the effective interest method.
- (2) Basis of valuation of bonds – Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Basis of valuation of common stock – Common stock is stated at fair value.
- (4) Preferred stocks - Not Applicable
- (5) Mortgage loans - Not Applicable
- (6) Loan-backed securities - Not Applicable
- (7) Basis of valuation of subsidiary, controlled and affiliated – Investments in subsidiaries are carried at the lower of cost or fair value.
- (8) Investments in joint ventures, partnerships and limited liability companies - Not Applicable
- (9) Derivatives - Not Applicable
- (10) Investment income as a factor in the premium deficiency calculation - Not Applicable
- (11) Method of establishing loss and LAE reserves – Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. In spite of the variability inherent in such estimates, management believes that the liabilities for unpaid losses and loss adjustment expenses are adequate. The methods, for making such estimates and for establishing the resulting liability are continually reviewed and any changes are reflected in the period determined. Subrogation and salvage recoveries are reviewed and any adjustments are recorded as reductions in losses and loss adjustment expenses when received.
- (12) Changes in capitalization policy - Not Applicable
- (13) Pharmaceutical rebate receivables - Not Applicable

## D. Going Concern - Not Applicable

## 2. Accounting Changes and Corrections of Errors - Not Applicable

## 3. Business Combinations and Goodwill - No Significant Changes

## 4. Discontinued Operations - Not Applicable



## Notes to the Financial Statements

## 5. Investments

- A. Mortgage Loans, including Mezzanine Real Estate Loans - Not Applicable
- B. Debt Restructuring - Not Applicable
- C. Reverse Mortgages - Not Applicable
- D. Loan-Backed Securities - Not Applicable
- E. Dollar Repurchase Agreements and/or Securities Lending Transactions - Not Applicable
- F. Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing - Not Applicable
- H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable
- J. Real Estate - Not Applicable
- K. Low-Income Housing Tax Credits (LIHTC) - Not Applicable
- L. Restricted Assets

(1) Restricted assets (including pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year					(6)	(7)	Current Year			
	(1)	(2)	(3)	(4)	(5)			(8)	(9)	(10)	(11)
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity	Total (1 + 3)	Total From Prior Year	Increase / (Decrease) (5 - 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5-8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets, %	Admitted Restricted to Total Admitted Assets, %
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending agreements										%	%
c. Subject to repurchase agreements										%	%
d. Subject to reverse repurchase agreements										%	%
e. Subject to dollar repurchase agreements										%	%
f. Subject to dollar reverse repurchase agreements										%	%
g. Placed under option contracts										%	%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock										%	%
i. FHLB capital stock										%	%
j. On deposit with states	2,460,000				2,460,000	1,963,753	496,247		2,460,000	1.983 %	2.179 %
k. On deposit with other regulatory bodies										%	%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets										%	%
o. Total restricted assets	\$ 2,460,000	\$	\$	\$	\$ 2,460,000	\$ 1,963,753	\$ 496,247	\$	\$ 2,460,000	1.983 %	2.179 %

(2) Detail of assets pledged as collateral not captured in other categories (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(3) Detail of other restricted assets (contracts that share similar characteristics, such as reinsurance and derivatives, are reported in the aggregate) - Not Applicable

(4) Collateral received and reflected as assets within the reporting entity's financial statements - Not Applicable



## Notes to the Financial Statements

## 5. Investments (Continued)

- M. Working Capital Finance Investments - Not Applicable
- N. Offsetting and Netting of Assets and Liabilities - Not Applicable
- O. SGI Securities - Not Applicable
- P. Short Sales - Not Applicable
- Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs.....		
(2) Aggregate amount of investment income.....	\$.....	\$.....

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

Asset Type	Percent Share
(1) Cash.....	76.950 %
(2) Cash Equivalents.....	23.000 %
(3) Short-Term Investments.....	0.050 %
(4) Total.....	100.000 %

## 6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

## 7. Investment Income

- A. Due and Accrued Income Excluded from Surplus  
The Company non-admits investment income due and accrued if amounts are over 90 days past due.
- B. Total Amount Excluded - Not Applicable

## 8. Derivative Instruments - Not Applicable

## 9. Income Taxes

## A. Components of the Net Deferred Tax Asset/(Liability)

## (1) Change between years by tax character

	03/31/2022			12/31/2021			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Gross deferred tax assets.....	\$ 24,635,138	\$ 18	\$ 24,635,156	\$ 24,635,138	\$ 18	\$ 24,635,156	\$ -	\$ -	\$ -
(b) Statutory valuation allowance adjustments.....	24,615,165	18	24,615,183	24,615,165	18	24,615,183	-	-	-
(c) Adjusted gross deferred tax assets (1a - 1b).....	19,973	-	19,973	19,973	-	19,973	-	-	-
(d) Deferred tax assets nonadmitted.....	-	-	-	-	-	-	-	-	-
(e) Subtotal net admitted deferred tax asset (1c - 1d).....	\$ 19,973	\$ -	\$ 19,973	\$ 19,973	\$ -	\$ 19,973	\$ -	\$ -	\$ -
(f) Deferred tax liabilities.....	19,973	-	19,973	19,973	-	19,973	-	-	-
(g) Net admitted deferred tax asset/(net deferred tax liability) (1e - 1f).....	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

## (2) Admission calculation components SSAP No. 101

	03/31/2022			12/31/2021			Change		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Ordinary	Capital	Total (Col 1+2)	Ordinary	Capital	Total (Col 4+5)	Ordinary (Col 1-4)	Capital (Col 2-5)	Total (Col 7+8)
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (lesser of 2(b)1 and 2(b)2 below)									
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	17,954		17,954	17,954		17,954	-		-
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX		XXX	XXX		XXX	XXX	
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	19,974		19,974	19,974		19,974	-		-
(d) Deferred tax assets admitted as the result of application of SSAP No. 101.									
Total (2(a) + 2(b) + 2(c))	\$ 19,974	\$	\$ 19,974	\$ 19,974	\$	\$ 19,974	\$ -	\$	\$ -

## (3) Ratio used as basis of admissibility

	03/31/2022	12/31/2021
(a) Ratio percentage used to determine recovery period and threshold limitation amount	273.000 %	273.000 %
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 32,056,172	\$ 32,056,172

## (4) Impact of tax-planning strategies

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

	03/31/2022		12/31/2021		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	Ordinary (Col. 1-3)	Capital (Col. 2-4)
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 19,973	\$ -	\$ 19,973	\$ -	\$ -	\$ -
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net admitted adjusted gross DTAs amount from Note 9A1(e)	\$ 19,973	\$ -	\$ 19,973	\$ -	\$ -	\$ -
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

## (b) Use of reinsurance-related tax-planning strategies

Does the company's tax-planning strategies include the use of reinsurance? NO

## B. Regarding Deferred Tax Liabilities That Are Not Recognized - Not Applicable

## C. Major Components of Current Income Taxes Incurred

	(1)	(2)	(3)
	03/31/2022	12/31/2021	Change (1-2)
Current income taxes incurred consist of the following major components:			
1. Current Income Tax			
(a) Federal	\$	\$	-
(b) Foreign			-
(c) Subtotal	\$	\$	-
(d) Federal income tax on net capital gains			-
(e) Utilization of capital loss carry-forwards			-
(f) Other			-
(g) Federal and foreign income taxes incurred	\$	\$	-

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	(1) 03/31/2022	(2) 12/31/2021	(3) Change (1-2)
2. Deferred Tax Assets			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 405,730	\$ 405,730	\$ -
(2) Unearned premium reserve	736,417	736,417	-
(3) Policyholder reserves			
(4) Investments			
(5) Deferred acquisition costs			
(6) Policyholder dividends accrual			
(7) Fixed assets			
(8) Compensation and benefits accrual			
(9) Pension accrual			
(10) Receivables - nonadmitted	70,750	70,750	-
(11) Net operating loss carry-forward	23,289,681	23,289,681	-
(12) Tax credit carry-forward			
(13) Other (including items less than 5% of total ordinary tax assets)	132,560	132,560	-
(99) Subtotal	\$ 24,635,138	\$ 24,635,138	\$ -
(b) Statutory valuation allowance adjustment	24,615,165	24,615,165	-
(c) Nonadmitted			
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 19,973	\$ 19,973	\$ -
(e) Capital			
(1) Investments	\$ 18	\$ 18	\$ -
(2) Net capital loss carry-forward			
(3) Real estate			
(4) Other (including items <5% of total capital tax assets)			
(99) Subtotal	\$ 18	\$ 18	\$ -
(f) Statutory valuation allowance adjustment	18	18	-
(g) Nonadmitted			
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	-	-	-
(i) Admitted deferred tax assets (2d + 2h)	\$ 19,973	\$ 19,973	\$ -
	(1) 03/31/2022	(2) 12/31/2021	(3) Change (1-2)
3. Deferred Tax Liabilities			
(a) Ordinary			
(1) Investments	\$ 13,498	\$ 13,498	\$ -
(2) Fixed assets			
(3) Deferred and uncollected premium			
(4) Policyholder reserves			
(5) Other (including items <5% of total ordinary tax liabilities)	6,475	6,475	-
(99) Subtotal	\$ 19,973	\$ 19,973	\$ -
(b) Capital			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate			
(3) Other (including items <5% of total capital tax liabilities)			
(99) Subtotal	\$ -	\$ -	\$ -
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 19,973	\$ 19,973	\$ -
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ -	\$ -

## D. Among the More Significant Book to Tax Adjustments

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate to pre-tax income. The significant terms causing this difference are as follows:

	03/31/2022	Effective Tax Rate
Provision computed at statutory rate	\$ (12,113,127)	21.000 %
Tax exempt interest income deduction	(581)	0.001 %
Change in VA	21,316,664	-36.956 %
Other - Deferred True Ups	(42,835)	0.074 %
Other	(127,424)	0.221 %
Total	\$ 9,032,697	-15.660 %

## Notes to the Financial Statements

## 9. Income Taxes (Continued)

	03/31/2022	Effective Tax Rate
Federal and foreign income taxes incurred.....	\$.....	%
Change in net deferred income taxes.....	9,032,697	-15.660 %
Total statutory income taxes.....	\$ 9,032,697	-15.660 %

## E. Operating Loss and Tax Credit Carryforwards

The Company had net operating losses of \$ 111,472,210.

(1) At December 31, 2021, the Company has a federal net operating loss carryforward of \$ 111,472,210 for future years.

(2) Income tax expense available for recoupment - Not Applicable

(3) Deposits admitted under IRS Code Section 6603 - Not Applicable

## F. Consolidated Federal Income Tax Return

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

- Weston Insurance Holdings Corp
- Weston Insurance Management

(2) The method of allocation is subject to written agreement, approved by the Board of Directors. Allocation is based on separate return calculation with current credit for net losses. Intercompany tax balances are settled annually after the Consolidated Federal Income Tax Return is filed.

G. Federal or Foreign Income Tax Loss Contingencies - Not Applicable

H. Repatriation Transition Tax (RTT) - Not Applicable

I. Alternative Minimum Tax (AMT) Credit - Not Applicable

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

## A. Nature of relationships

All outstanding shares of the Company are owned by Weston Insurance Holdings Corporation (WIHC), a Florida Corporation.

B. There are no transactions more than 0.5% of admitted assets.

C. Transactions With Related Party Who Are Not Reported on Schedule Y - Not Applicable

D. Amounts due to or from related parties

The receivable from affiliates reported on line 23 of the assets page includes a \$2.95M receivable from WIM. The amount is deemed an admitted asset by the Florida Office of Insurance Regulation (the "Office") and is being repaid based on a repayment plan approved by the Office. The Company is current with its payments as of the filing date of this statement.

E. Management, service contracts, cost-sharing arrangements

WIM, an affiliate of the Company, is the exclusive management general agent for the Company. Under the Managing General Agency (MGA) Agreement with WIM, the Company pays a commission to the MGA for expenses incurred that are related to underwriting, acquisition, operations management, and claims administration. An expense of \$6,808,609 and \$5,956,805 was recorded in the three months ending March 31, 2022, and 2021 respectively, per the terms of the MGA agreement.

F. Guarantees or Contingencies - Not Applicable

G. Nature of Relationships that Could Affect Operations - Not Applicable

H. Amount Deducted for Investment in Upstream Company - Not Applicable

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - No Significant Changes

J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable

K. Foreign Subsidiary Value Using CARVM - Not Applicable

L. Downstream Holding Company Value Using Look-Through Method - Not Applicable

M. All SCA Investments - Not Applicable

N. Investment in Insurance SCAs - Not Applicable

O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

## 11. Debt - Not Applicable

## 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

## 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

## A. Outstanding shares

As of March 31, 2022, the Company has 5,000,000 shares of authorized, issued, and outstanding common stock at a par value of one dollar (\$1) per share.

B. Dividend Rate of Preferred Stock - Not Applicable

## Notes to the Financial Statements

**13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations (Continued)****C. Dividend restrictions**

Florida Statute 628.371 restricts dividend payments for State of Florida insurance companies without prior approval by the Insurance Commission to the larger of: 10% of the policyholders' surplus or the entire net income of the preceding year plus a two year carry forward. The dividend may also be computed as 10% of surplus with dividends constrained to unassigned funds minus 5% of unrealized capital gain. A third computation provides for the lesser of 10% of surplus or net investment income plus a year carry-forward with dividends constrained to unassigned funds minus 25% of unrealized capital gains. The maximum allowed for dividend restrictions is the lesser of the above calculations or the unassigned funds at year end. After computation dividends are restricted to unassigned surplus.

**D. Dates and amounts of dividends paid**

The company paid a total of \$5,000,000 to parent, Weston Insurance Holdings Company, during the second quarter of 2020.

**E. Company Profits Paid as Ordinary Dividends - Not Applicable****F. Surplus Restrictions - Not Applicable****G. Surplus Advances - Not Applicable****H. Stock Held for Special Purposes - Not Applicable****I. Changes in Special Surplus Funds - Not Applicable****J. Unassigned Funds (Surplus)**

(\$56.4 MM)

**K. Company-Issued Surplus Debentures or Similar Obligations - Not Applicable****L. Impact of Any Restatement Due to Prior Quasi-Reorganizations - Not Applicable****M. Effective Date(s) of Quasi-Reorganizations in the Prior 10 Years - Not Applicable****14. Liabilities, Contingencies and Assessments****A. Contingent Commitments - Not Applicable****B. Assessments - Not Applicable****C. Gain Contingencies - Not Applicable****D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits - Not Applicable****E. Product Warranties - Not Applicable****F. Joint and Several Liabilities - Not Applicable****G. All Other Contingencies**

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company has no assets that it considers to be impaired.

**15. Leases - Not Applicable****16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable****17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable****18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable****19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

In 2012, the Weston Insurance Company (WIC) entered into a Managing General Agent and Claims Administration Agreement with Weston Insurance Management (WIM). The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which WIC was licensed. On October 1, 2016, WIC amended the Managing General Agent and Claims Administration Agreement with WIM to increase the commission to WIM by 2.25% to a total of 26.50% for services to the company.

On March 13, 2020, Weston Specialty Insurance company (WSIC) entered into a Managing General Agent and Claims Administration Agreement with WIM. The terms of the MGA contract give the MGA authority for the claims payment (C), claims adjustment (CA), reinsurance ceding (R), binding authority (B), premium collection (P), and underwriting (U) in each state in which WSIC was licensed. The agreement grants a commission to WIM of 30%.

When WIC and WSIC merged to form Weston Property & Casualty Insurance Company on 12/22/2021, the business formerly under WIC remained with a commission of 26.5%, and the business formerly under WSIC continuing at 30%

All authorities for WIM with respect to the MGA contracts remain unchanged.

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Total Direct Premium Written / Produced By
Weston Insurance Management, LLC, P.O. Box 14-2057, Coral Gables, FL 33114	45-2754156	YES	Fire/Allied/ Homeowners Multi peril/Commercial Multi peril	C,CAR,PB,U	\$ 29,744,729
<b>Total</b>					<b>\$ 29,744,729</b>



## Notes to the Financial Statements

## 20. Fair Value Measurements

## A. Fair Value Measurement

## (1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Exempt MM Mutual Fund.....	\$.....	\$.....	\$.....	150,440	150,440
Other MM Mutual Fund.....				6,970,691	6,970,691
Common Stock.....				423	423
Total assets at fair value/NAV.....	\$.....	\$.....	\$.....	7,121,554	7,121,554
b. Liabilities at fair value					
Total liabilities at fair value.....	\$.....	\$.....	\$.....		

(2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

(3) Policy on transfers into and out of Level 3 - Not Applicable

(4) Inputs and techniques used for Level 2 and Level 3 fair values - Not Applicable

(5) Derivatives - Not Applicable

## B. Other Fair Value Disclosures - Not Applicable

## C. Fair Values for All Financial Instruments by Level 1, 2 and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Common Stock.....	\$..... 423	\$..... 423	\$.....	\$.....	\$.....	423	
Bonds.....	11,293,848	11,293,848	310,625	10,983,223			
Cash, Cash Equivalents and Short-Term Investments.....	30,964,649	23,828,519	15,000			30,949,649	

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

## A. Unusual or Infrequent Items - Not Applicable

## B. Troubled Debt Restructuring - Not Applicable

## C. Other Disclosures

The write-in asset of \$7.1 million reported on Page 2, line 2507 is to recognize additional tax deferred assets that will be utilized by December 31, 2022 or otherwise collected pursuant to a guarantee from HSCM Bermuda Fund, Ltd. The reporting of this portion of the deferred tax asset is consistent with SSAP 101, paragraph 10 regarding the Admissibility of Income Tax Assets and SSAP 4.

(1) Agent's Balances or Uncollected Premiums per Statement - before reduction for ceded reinsurance balances payable.....	\$..... 7,076,938
(2) Premium collected from "Controlled" or "Controlling" persons.....	\$.....
(3) Premiums collected by "Controlled" or "Controlling" persons within 15 working days immediately preceding reporting period; F.S. 625.012(5)(a)1.....	\$.....
Amount of Applicable:	
(4) Trust Fund.....	\$.....
(5) Letter of Credit.....	\$.....
(6) Financial Guaranty Bond.....	\$.....
(7) Total of line (4), (5) and (6).....	\$.....
(8) Line (2) minus (3) minus (7), should not exceed zero.....	\$.....

## D. Business Interruption Insurance Recoveries - Not Applicable

## E. State Transferable and Non-Transferable Tax Credits - Not Applicable

## F. Subprime-Mortgage-Related Risk Exposure - Not Applicable

## G. Insurance-Linked Securities (ILS) Contracts - Not Applicable

## H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

## 22. Events Subsequent

Included on line 25 of the assets page is a receivable for \$3 million representing a capital contribution from WIHC. On May 13, 2022, the Office approved the Company's request to include the capital contribution as a Type 1 subsequent event and admit the receivable as an asset on March 31, 2022. The funds were received on May 16, 2022.

## 23. Reinsurance

## A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves and unearned premium) in excess of 3% of the policyholders' surplus with any one reinsurer.

## Notes to the Financial Statements

## 23. Reinsurance (Continued)

Amount (000) omitted

Individual Reinsurers with Unsecured Reinsurance Recoverables Exceeding 3% of Policyholder Surplus

Individual Reinsurers Who Are Not Members of a Group

FEIN	Reinsurer Name	Unsecured Amount
95-2769232	INSURANCE CO OF THE WEST	\$ 1,508
13-4924125	MUNICH REINS AMER INC	6,468
36-2403971	NATIONAL LIAB & FIRE INS CO	2,088
47-0698507	ODYSSEY REINS CO	896
13-3031176	PARTNER REINS CO OF THE US	6,792
AA-1340125	HANNOVER RUECK SE	2,186

B. Reinsurance Recoverable in Dispute - Not Applicable

C. Reinsurance Assumed and Ceded

- (1) Maximum amount of return commission that would have been due reinsurers if all of the company's reinsurance was canceled or if the company's insurance assumed was canceled

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$	\$	\$	\$
b. All other			44,146,476	13,243,943	(44,146,476)	(13,243,943)
c. Total	\$	\$	\$ 44,146,476	\$ 13,243,943	\$ (44,146,476)	\$ (13,243,943)
d. Direct unearned premium reserve			\$ 72,385,928			

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this statement as a result of existing contractual arrangements is accrued as follows: - Not Applicable

- (3) Risks attributed to each of the company's protected cells - Not Applicable

D. Uncollectible Reinsurance - Not Applicable

E. Commutation of Ceded Reinsurance - Not Applicable

F. Retroactive Reinsurance - Not Applicable

G. Reinsurance Accounted for as a Deposit - Not Applicable

H. Disclosures for the Transfer of Property and Casualty Run-Off Agreements - Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation - Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation - Not Applicable

K. Reinsurance Credit - Not Applicable

## 24. Retrospectively Rated Contracts &amp; Contracts Subject to Redetermination

A. Method Used to Estimate - Not Applicable

B. Method Used to Record - Not Applicable

C. Amount and Percent of Net Retrospective Premiums - Not Applicable

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - Not Applicable

E. Calculation of Nonadmitted Retrospective Premium - Not Applicable

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

1. Not Applicable

- (1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Not Applicable

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?

NO

- (2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable

- (3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable

- (4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable

- (5) ACA risk corridors receivable as of reporting date - Not Applicable

## Notes to the Financial Statements

### 25. Changes in Incurred Losses and Loss Adjustment Expenses

#### A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

Reserves as of December 31, 2021 were \$35,257,887. For the three months ending March 31, 2022, \$ 22,019,356 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$21,856,966 resulting in favorable development of \$1,000,000. Increases or decreases occur as a result of claim settlements during the current year and as additional information is received regarding individual claims, causing changes from the original estimates of the cost of the claims.

#### B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses

Company and relevant industry loss development patterns are taken into account in evaluating the overall adequacy of unpaid losses and loss adjustment expenses.

### 26. Intercompany Pooling Arrangements - Not Applicable

### 27. Structured Settlements - Not Applicable

### 28. Health Care Receivables - Not Applicable

### 29. Participating Policies - Not Applicable

### 30. Premium Deficiency Reserves - Not Applicable

### 31. High Deductibles - Not Applicable

### 32. Discounting of Liabilities For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable

### 33. Asbestos/Environmental Reserves - Not Applicable

### 34. Subscriber Savings Accounts - Not Applicable

### 35. Multiple Peril Crop Insurance - Not Applicable

### 36. Financial Guaranty Insurance - Not Applicable

## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

## GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? ..... Yes ☐ No ☒
- 1.2 If yes, has the report been filed with the domiciliary state? ..... Yes ☐ No ☐
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes ☐ No ☒
- 2.2 If yes, date of change: .....
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes ☒ No ☐  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? ..... Yes ☐ No ☒
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes. ....
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes ☐ No ☒
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group .....
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... Yes ☐ No ☒
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes ☐ No ☒ NA ☐  
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ....12/31/2015
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ....06/15/2017
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ....12/31/2021
- 6.4 By what department or departments?  
Florida Office of Insurance Regulation.....
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes ☐ No ☐ NA ☒
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes ☐ No ☐ NA ☒
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? ..... Yes ☐ No ☒
- 7.2 If yes, give full information: .....
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?..... Yes ☐ No ☒
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company. ....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? ..... Yes ☐ No ☒
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes ☒ No ☐  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain: .....
- 9.2 Has the code of ethics for senior managers been amended? ..... Yes ☐ No ☒
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s). ....
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes ☐ No ☒
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s). ....



## GENERAL INTERROGATORIES

## FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?..... Yes ☒ No ☐

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

## INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)..... Yes ☐ No ☒11.2 If yes, give full and complete information relating thereto:  
.....

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:.....\$ .....0

13. Amount of real estate and mortgages held in short-term investments:.....\$ .....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?..... Yes ☐ No ☒

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds .....	\$ .....0	\$ .....0
14.22 Preferred Stock .....	\$ .....0	\$ .....0
14.23 Common Stock .....	\$ .....0	\$ .....0
14.24 Short-Term Investments .....	\$ .....0	\$ .....0
14.25 Mortgage Loans on Real Estate .....	\$ .....0	\$ .....0
14.26 All Other .....	\$ .....0	\$ .....0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) .....	\$ .....0	\$ .....0
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above .....	\$ .....0	\$ .....0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?..... Yes ☐ No ☒15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?..... Yes ☐ No ☐ NA ☒

If no, attach a description with this statement.

16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ .....0

16.3 Total payable for securities lending reported on the liability page \$ .....0

17. Excluding items in Schedule E – Part 3 – Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III – General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?

Yes ☒ No ☐17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Synovus Trust .....	1148 Broadway, 5th Floor, PO Box 23024, Columbus, GA 31901.....
Merrill Lynch .....	355 Alhambra Cir, Ste 1502 Coral Gables, FL 33134.....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?..... Yes ☐ No ☒

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

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

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

1 Name of Firm or Individual	2 Affiliation

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's invested assets?

Yes ☐ No ☒

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?

Yes ☐ No ☒

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed



**GENERAL INTERROGATORIES**

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? ..... Yes ☒ No ☐

18.2 If no, list exceptions:

.....

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?.....

Yes ☐ No ☒

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?.....

Yes ☐ No ☒

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?.....

Yes ☐ No ☒

## GENERAL INTERROGATORIES

### PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes ☐ No ☐ NA ☒

If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? ..... Yes ☐ No ☒

If yes, attach an explanation.

- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? ..... Yes ☐ No ☒

- 3.2 If yes, give full and complete information thereto.

.....

- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? ..... Yes ☐ No ☐

- 4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	4 Unpaid Losses	TOTAL DISCOUNT			DISCOUNT TAKEN DURING PERIOD			
				5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
TOTAL			0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent ..... %

5.2 A&H cost containment percent ..... %

5.3 A&H expense percent excluding cost containment expenses ..... %

- 6.1 Do you act as a custodian for health savings accounts? ..... Yes ☐ No ☒

- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date ..... \$

- 6.3 Do you act as an administrator for health savings accounts? ..... Yes ☐ No ☒

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? ..... Yes ☒ No ☐

- 7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? ..... Yes ☐ No ☐

**STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property & Casualty Insurance Company**

## SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating
NONE						

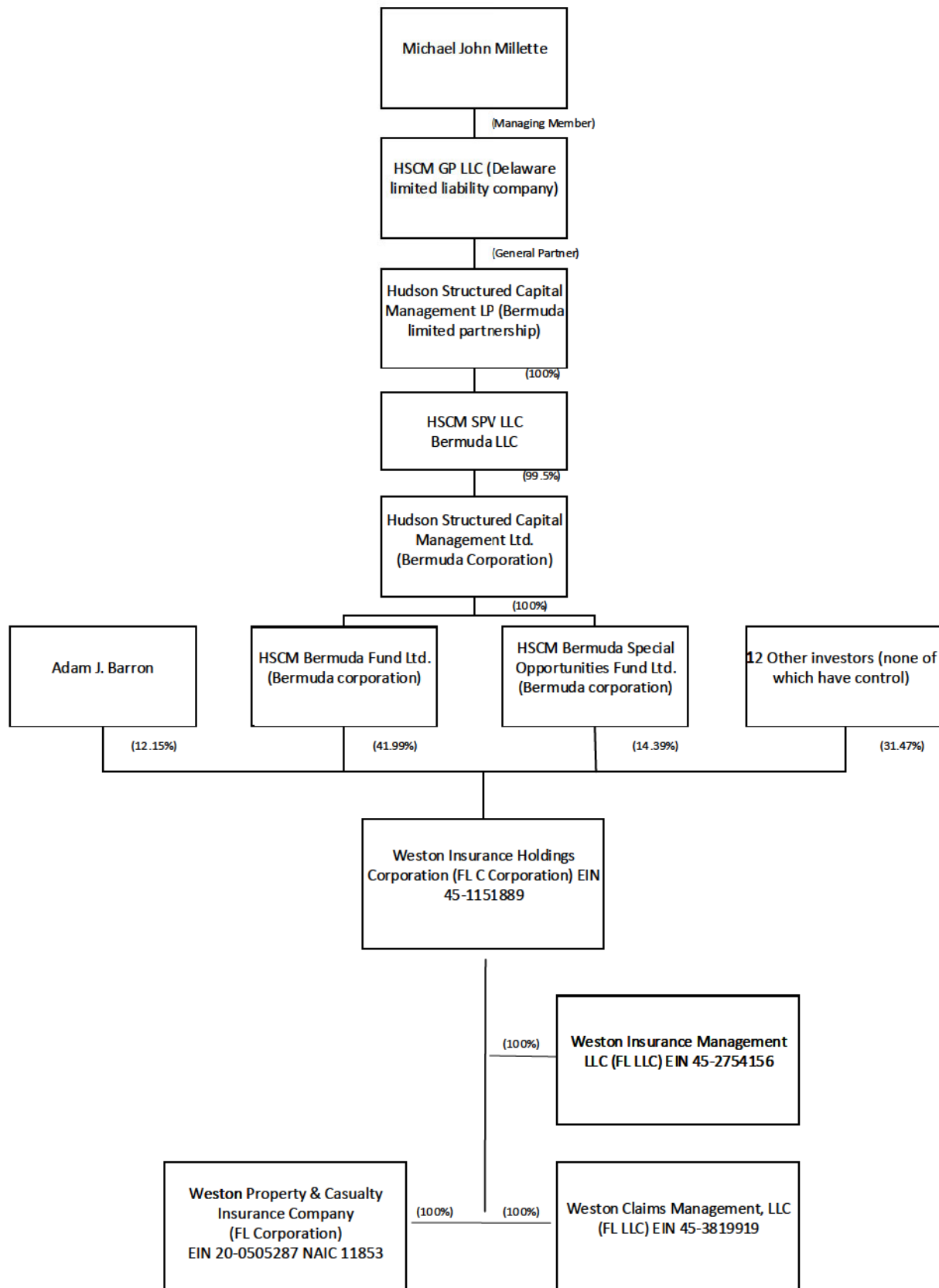
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Current Year to Date – Allocated by States and Territories							
States, etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	N	0		0		0
2. Alaska	AK	N	0		0		0
3. Arizona	AZ	L	0		0		0
4. Arkansas	AR	L	0		0		0
5. California	CA	N	0		0		0
6. Colorado	CO	N	0		0		0
7. Connecticut	CT	N	0		0		0
8. Delaware	DE	N	0		0		0
9. Dist. Columbia	DC	N	0		0		0
10. Florida	FL	L	17,161,109	12,708,024	1,283,746	7,297,137	39,359,723
11. Georgia	GA	L	0		0		42,601,193
12. Hawaii	HI	N	0		0		0
13. Idaho	ID	N	0		0		0
14. Illinois	IL	N	0		0		0
15. Indiana	IN	L	0		0		0
16. Iowa	IA	N	0		0		0
17. Kansas	KS	N	0		0		0
18. Kentucky	KY	L	0		0		0
19. Louisiana	LA	L	3,837,232	2,235,281	7,648,199	3,617,553	5,086,198
20. Maine	ME	N	0		0		2,849,061
21. Maryland	MD	N	0		0		0
22. Massachusetts	MA	N	0		0		0
23. Michigan	MI	N	0		0		0
24. Minnesota	MN	N	0		0		0
25. Mississippi	MS	L	75,011	(17,519)	0		0
26. Missouri	MO	L	0		0		0
27. Montana	MT	N	0		0		0
28. Nebraska	NE	N	0		0		0
29. Nevada	NV	N	0		0		0
30. New Hampshire	NH	N	0		0		0
31. New Jersey	NJ	N	0		0		0
32. New Mexico	NM	L	0		0		0
33. New York	NY	N	0		0		0
34. No. Carolina	NC	N	0		0		0
35. No. Dakota	ND	N	0		0		0
36. Ohio	OH	N	0		0		0
37. Oklahoma	OK	L	0		0		0
38. Oregon	OR	N	0		0		0
39. Pennsylvania	PA	N	0		0		0
40. Rhode Island	RI	N	0		0		0
41. So. Carolina	SC	L	0		0		0
42. So. Dakota	SD	N	0		0		0
43. Tennessee	TN	L	0		0		0
44. Texas	TX	L	8,671,377	15,506,094	12,934,618	21,760,369	46,206,200
45. Utah	UT	N	0		0		26,043,199
46. Vermont	VT	N	0		0		0
47. Virginia	VA	N	0		0		0
48. Washington	WA	N	0		0		0
49. West Virginia	WV	N	0		0		0
50. Wisconsin	WI	N	0		0		0
51. Wyoming	WY	N	0		0		0
52. American Samoa	AS	N	0		0		0
53. Guam	GU	N	0		0		0
54. Puerto Rico	PR	Q	0		0		0
55. U.S. Virgin Islands	VI	N	0		0		0
56. Northern Mariana Islands	MP	N	0		0		0
57. Canada	CAN	N	0		0		0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	XXX	29,744,729	30,431,880	21,866,562	32,675,059	90,652,121	71,493,454
<b>DETAILS OF WRITE-INS</b>							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(a) Active Status Counts

L – Licensed or Chartered – Licensed insurance carrier or domiciled RRG \_\_\_\_\_ 14 R – Registered – Non-domiciled RRGs \_\_\_\_\_ 0  
 E – Eligible – Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile – See DSLI) \_\_\_\_\_ 0 Q – Qualified – Qualified or accredited reinsurer \_\_\_\_\_ 1  
 D – Domestic Surplus Lines Insurer (DSLI) – Reporting entities authorized to write surplus lines in the state of domicile \_\_\_\_\_ 0 N – None of the above – Not allowed to write business in the state \_\_\_\_\_ 42

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS  
OF A HOLDING COMPANY GROUP PART 1 – ORGANIZATIONAL CHART**





**SCHEDULE Y**  
**PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM**

[illegible]

Asterisk 0000001	Explanation

**PART 1 - LOSS EXPERIENCE**

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire	77,002	110,481	143.5	471.6
2.1	Allied lines	22,870,504	3,699,550	16.2	9.6
2.2	Multiple peril crop			0.0	
2.3	Federal flood			0.0	
2.4	Private crop			0.0	
2.5	Private flood			0.0	
3.	Farmowners multiple peril			0.0	0.0
4.	Homeowners multiple peril	12,187,306	4,328,761	35.5	224.3
5.	Commercial multiple peril		36,879	0.0	220.4
6.	Mortgage guaranty			0.0	0.0
8.	Ocean marine			0.0	0.0
9.	Inland marine			0.0	0.0
10.	Financial guaranty			0.0	0.0
11.1	Medical professional liability -occurrence			0.0	0.0
11.2	Medical professional liability -claims made			0.0	0.0
12.	Earthquake			0.0	0.0
13.1	Comprehensive (hospital and medical) individual			0.0	
13.2	Comprehensive (hospital and medical) group			0.0	
14.	Credit accident and health			0.0	0.0
15.1	Vision only			0.0	
15.2	Dental only			0.0	
15.3	Disability income			0.0	
15.4	Medicare supplement			0.0	
15.5	Medicaid Title XIX			0.0	
15.6	Medicare Title XVIII			0.0	
15.7	Long-term care			0.0	
15.8	Federal employees health benefits plan			0.0	
15.9	Other health			0.0	
16.	Workers' compensation			0.0	0.0
17.1	Other liability occurrence	10,642		0.0	(237.6)
17.2	Other liability-claims made			0.0	
17.3	Excess Workers' Compensation			0.0	0.0
18.1	Products liability-occurrence			0.0	0.0
18.2	Products liability-claims made			0.0	0.0
19.1	Private passenger auto no-fault (personal injury protection)			0.0	
19.2	Other private passenger auto liability			0.0	
19.3	Commercial auto no-fault (personal injury protection)			0.0	
19.4	Other commercial auto liability			0.0	
21.1	Private passenger auto physical damage			0.0	
21.2	Commercial auto physical damage			0.0	
22.	Aircraft (all perils)			0.0	0.0
23.	Fidelity			0.0	0.0
24.	Surety			0.0	0.0
26.	Burglary and theft	929		0.0	0.0
27.	Boiler and machinery	13,204		0.0	0.0
28.	Credit			0.0	0.0
29.	International			0.0	0.0
30.	Warranty			0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	35,159,586	8,175,670	23.3	85.3
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire .....	(1,253)	(1,253)	92,214
2.1	Allied lines .....	23,846,085	23,846,085	19,711,546
2.2	Multiple peril crop .....	.0	.0	.0
2.3	Federal flood .....	.0	.0	.0
2.4	Private crop .....	.0	.0	.0
2.5	Private flood .....	.0	.0	.0
3.	Farmowners multiple peril .....	.0	.0	.0
4.	Homeowners multiple peril .....	5,900,308	5,900,308	10,591,598
5.	Commercial multiple peril .....	.0	.0	(3,010)
6.	Mortgage guaranty .....	.0	.0	.0
8.	Ocean marine .....	.0	.0	.0
9.	Inland marine .....	.0	.0	.0
10.	Financial guaranty .....	.0	.0	.0
11.1	Medical professional liability-occurrence .....	.0	.0	.0
11.2	Medical professional liability-claims made .....	.0	.0	.0
12.	Earthquake .....	.0	.0	.0
13.1	Comprehensive (hospital and medical) individual .....	.0	.0	.0
13.2	Comprehensive (hospital and medical) group .....	.0	.0	.0
14.	Credit accident and health .....	.0	.0	.0
15.1	Vision only .....	.0	.0	.0
15.2	Dental only .....	.0	.0	.0
15.3	Disability income .....	.0	.0	.0
15.4	Medicare supplement .....	.0	.0	.0
15.5	Medicaid Title XIX .....	.0	.0	.0
15.6	Medicare Title XVIII .....	.0	.0	.0
15.7	Long-term care .....	.0	.0	.0
15.8	Federal employee health benefits plan .....	.0	.0	.0
15.9	Other health .....	.0	.0	.0
16.	Workers' compensation .....	.0	.0	.0
17.1	Other liability occurrence .....	(412)	(412)	16,229
17.2	Other liability-claims made .....	.0	.0	.0
17.3	Excess Workers' Compensation .....	.0	.0	.0
18.1	Products liability-occurrence .....	.0	.0	.0
18.2	Products liability-claims made .....	.0	.0	.0
19.1	Private passenger auto no-fault (personal injury protection) .....	.0	.0	.0
19.2	Other private passenger auto liability .....	.0	.0	.0
19.3	Commercial auto no-fault (personal injury protection) .....	.0	.0	.0
19.4	Other commercial auto liability .....	.0	.0	.0
21.1	Private passenger auto physical damage .....	.0	.0	.0
21.2	Commercial auto physical damage .....	.0	.0	.0
22.	Aircraft (all perils) .....	.0	.0	.0
23.	Fidelity .....	.0	.0	.0
24.	Surety .....	.0	.0	.0
26.	Burglary and theft .....	.0	.0	2,146
27.	Boiler and machinery .....	.0	.0	21,158
28.	Credit .....	.0	.0	.0
29.	International .....	.0	.0	.0
30.	Warranty .....	.0	.0	.0
31.	Reinsurance - Nonproportional Assumed Property .....	.XXX	.XXX	.XXX
32.	Reinsurance - Nonproportional Assumed Liability .....	.XXX	.XXX	.XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines .....	.XXX	.XXX	.XXX
34.	Aggregate write-ins for other lines of business .....	0	0	0
35.	TOTALS .....	29,744,729	29,744,729	30,431,880
DETAILS OF WRITE-INS				
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. of remaining write-ins for Line 34 from overflow page .....	.0	.0	.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0

## STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property &amp; Casualty Insurance Company

## PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2022 Loss and LAE Payments on Claims Reported as of Prior Year-End	2022 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2022 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2019 + Prior	334	1,901	2,235	28	831	859	305	1,070	0	1,376	0	0	0
2. 2020	1,696	10,274	11,971	333	784	1,118	1,363	8,490	0	9,853	0	(1,000)	(1,000)
3. Subtotals 2020 + prior	2,030	12,175	14,205	362	1,615	1,977	1,668	9,560	0	11,228	0	(1,000)	(1,000)
4. 2021	3,305	17,748	21,053	3,305	12,271	15,576	0	5,477	0	5,477	0	0	0
5. Subtotals 2021 + prior	5,334	29,924	35,258	3,666	13,886	17,553	1,668	15,037	0	16,705	0	(1,000)	(1,000)
6. 2022	XXX	XXX	XXX	XXX	4,467	4,467	XXX	1,000	4,152	5,152	XXX	XXX	XXX
7. Totals	5,334	29,924	35,258	3,666	18,353	22,019	1,668	16,037	4,152	21,857	0	(1,000)	(1,000)
8. Prior Year-End Surplus As Regards Policyholders	28,295										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 0.0	2. (3.3)	3. (2.8)
													Col. 13, Line 7 Line 8
													4. (3.5)

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of **NO** to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter **SEE EXPLANATION** and provide an explanation following the interrogatory questions.

- |  | <u>Response</u>           |
|--|---------------------------|
| 1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?                         | .....NO.....              |
| 2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?                         | .....NO.....              |
| 3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?                | .....YES.....             |
| 4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | .....SEE EXPLANATION..... |

**AUGUST FILING**

- |   |               |
|---|---------------|
| 5. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter. | .....N/A..... |
|---|---------------|

**Explanation:**

4. N/A

**Bar Code:**

- |    |  |
|----|--|
| 1. | <br>1 1 8 5 3 2 0 2 2 4 9 0 0 0 0 0 1 |
| 2. | <br>1 1 8 5 3 2 0 2 2 4 5 5 0 0 0 0 1 |



## OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.

**\*ASSETS**

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
2504. Additional Deferred Tax assets guaranteed.....	11,554,000		11,554,000	11,554,436
2597. Summary of remaining write-ins for Line 25 from Page 02	11,554,000	0	11,554,000	11,554,436

PQ003 Additional Aggregate Lines for Page 03 Line 25.

**\*LIAB**

	1 Current Statement Date	2 December 31, Prior Year
2504. Escheat Payable.....	301,030	279,098
2505. Deferred Brokerage share.....		
2597. Summary of remaining write-ins for Line 25 from Page 03	301,030	279,098

**SCHEDULE A – VERIFICATION**

Real Estate		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Current year change in encumbrances .....		0
4. Total gain (loss) on disposals .....		0
5. Deduct amounts received on disposals .....		0
6. Total foreign exchange change in book/adjusted carrying value .....		0
7. Deduct current year's other-than-temporary impairment recognized .....		0
8. Deduct current year's depreciation .....		0
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8) .....	0	0
10. Deduct total nonadmitted amounts .....	0	0
11. Statement value at end of current period (Line 9 minus Line 10) .....	0	0

**SCHEDULE B – VERIFICATION**

Mortgage Loans		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year .....	0	0
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		0
8. Deduct amortization of premium and mortgage interest points and commitment fees .....		0
9. Total foreign exchange change in book value/recorded investment excluding accrued interest .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Total valuation allowance .....		0
13. Subtotal (Line 11 plus Line 12) .....	0	0
14. Deduct total nonadmitted amounts .....	0	0
15. Statement value at end of current period (Line 13 minus Line 14) .....	0	0

**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	0	2,650,000
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....		0
2.2 Additional investment made after acquisition .....		0
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....		0
6. Total gain (loss) on disposals .....		0
7. Deduct amounts received on disposals .....		2,650,000
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	0	0
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	0	0

**SCHEDULE D – VERIFICATION**

Bonds and Stocks		
	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	12,137,723	16,061,478
2. Cost of bonds and stocks acquired .....	200,311	756,813
3. Accrual of discount .....	608	4,266
4. Unrealized valuation increase (decrease) .....	271	84
5. Total gain (loss) on disposals .....	18	(48,501)
6. Deduct consideration for bonds and stocks disposed of .....	1,007,000	4,515,190
7. Deduct amortization of premium .....	37,661	164,349
8. Total foreign exchange change in book/adjusted carrying value .....	0	0
9. Deduct current year's other-than-temporary impairment recognized .....	0	0
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	0	43,122
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10) .....	11,294,271	12,137,723
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	11,294,271	12,137,723

## STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property &amp; Casualty Insurance Company

**SCHEDULE D - PART 1B**Showing the Acquisitions, Dispositions and Non-Trading Activity  
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) _____	8,811,673	200,311	1,036,982	(23,089)	7,951,912	0	0	8,811,673
2. NAIC 2 (a) _____	3,370,896	0	0	(13,960)	3,356,936	0	0	3,370,896
3. NAIC 3 (a) _____	0	0	0	0	0	0	0	0
4. NAIC 4 (a) _____	0	0	0	0	0	0	0	0
5. NAIC 5 (a) _____	0	0	0	0	0	0	0	0
6. NAIC 6 (a) _____	0	0	0	0	0	0	0	0
7. Total Bonds	12,182,568	200,311	1,036,982	(37,049)	11,308,848	0	0	12,182,568
<b>PREFERRED STOCK</b>								
8. NAIC 1 _____	0	0	0	0	0	0	0	0
9. NAIC 2 _____	0	0	0	0	0	0	0	0
10. NAIC 3 _____	0	0	0	0	0	0	0	0
11. NAIC 4 _____	0	0	0	0	0	0	0	0
12. NAIC 5 _____	0	0	0	0	0	0	0	0
13. NAIC 6 _____	0	0	0	0	0	0	0	0
14. Total Preferred Stock	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	12,182,568	200,311	1,036,982	(37,049)	11,308,848	0	0	12,182,568

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$

15,000 ; NAIC 2 \$ ;

NAIC 3 \$ ; NAIC 4 \$ ; NAIC 5 \$ ; NAIC 6 \$

**SCHEDULE DA - PART 1**

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
770999999 Totals	15,000	XXX	14,997	0	0

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	44,997	19,000
2. Cost of short-term investments acquired .....	0	98,991
3. Accrual of discount .....	3	6
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	30,000	73,000
7. Deduct amortization of premium.....	0	0
8. Total foreign exchange change in book/adjusted carrying value.....	0	0
9. Deduct current year's other-than-temporary impairment recognized.....	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	15,000	44,997
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	15,000	44,997

**SCHEDULE DB - PART A - VERIFICATION**

Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/Adjusted Carrying Value, December 31, prior year (Line 10, prior year) .....0
2. Cost Paid/(Consideration Received) on additions.....
3. Unrealized Valuation increase/(decrease) .....
4. SSAP No. 108 adjustments.....
5. Total gain (loss) on termination recognized.....
6. Considerations received/(paid) on terminations.....
7. Amortization.....
8. Adjustment to the Book/Adjusted Carrying Value of hedged item.....
9. Total foreign exchange change in Book/Adjusted Carrying Value.....
10. Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4+5-6+7+8+9).....0
11. Deduct nonadmitted assets.....
12. Statement value at end of current period (Line 10 minus Line 11).....0

**SCHEDULE DB - PART B - VERIFICATION**

Futures Contracts

1. Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year).....0
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote – Cumulative Cash Change column).....0
- 3.1 Add:
  - Change in variation margin on open contracts – Highly Effective Hedges
  - 3.11 Section 1, Column 15, current year to date minus.....0
  - 3.12 Section 1, Column 15, prior year.....0
  - Change in variation margin on open contracts – All Other
  - 3.13 Section 1, Column 18, current year to date minus.....0
  - 3.14 Section 1, Column 18, prior year.....0
- 3.2 Add:
  - Change in adjustment to basis of hedged item
  - 3.21 Section 1, Column 17, current year to date minus.....0
  - 3.22 Section 1, Column 17, prior year.....0
  - Change in amount recognized
  - 3.23 Section 1, Column 19, current year to date minus.....0
  - 3.24 Section 1, Column 19, prior year plus.....0
  - 3.25 SSAP No. 108 adjustments.....0
- 3.3 Subtotal (Line 3.1 minus Line 3.2).....0
- 4.1 Cumulative variation margin on terminated contracts during the year.....
- 4.2 Less:
  - 4.21 Amount used to adjust basis of hedged item.....
  - 4.22 Amount recognized.....
  - 4.23 SSAP No. 108 adjustments.....0
- 4.3 Subtotal (Line 4.1 minus Line 4.2).....0
5. Dispositions gains (losses) on contracts terminated in prior year:
  - 5.1 Total gain (loss) recognized for terminations in prior year.....
  - 5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year.....
6. Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2).....0
7. Deduct total nonadmitted amounts.....
8. Statement value at end of current period (Line 6 minus Line 7).....0



Schedule DB - Part C - Section 1

**NONE**

Schedule DB - Part C - Section 2

**NONE**

**SCHEDULE DB - VERIFICATION**

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

## Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14.....	.0
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote – Total Ending Cash Balance.....	.0
3. Total (Line 1 plus Line 2).....	.0
4. Part D, Section 1, Column 6.....	.0
5. Part D, Section 1, Column 7.....	.0
6. Total (Line 3 minus Line 4 minus Line 5).....	.0

## Fair Value Check

7. Part A, Section 1, Column 16.....	.0
8. Part B, Section 1, Column 13.....	.0
9. Total (Line 7 plus Line 8).....	.0
10. Part D, Section 1, Column 9.....	.0
11. Part D, Section 1, Column 10.....	.0
12. Total (Line 9 minus Line 10 minus Line 11).....	.0

## Potential Exposure Check

13. Part A, Section 1, Column 21.....	.0
14. Part B, Section 1, Column 20.....	.0
15. Part D, Section 1, Column 12.....	.0
16. Total (Line 13 plus Line 14 minus Line 15).....	.0

**SCHEDULE E – PART 2 – VERIFICATION**

(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	3,172,658	19,358,787
2. Cost of cash equivalents acquired .....	9,637,770	14,627,117
3. Accrual of discount .....	.0	.0
4. Unrealized valuation increase (decrease) .....	.0	.0
5. Total gain (loss) on disposals .....	.0	.0
6. Deduct consideration received on disposals .....	5,689,297	30,813,246
7. Deduct amortization of premium .....	.0	.0
8. Total foreign exchange change in book/adjusted carrying value .....	.0	.0
9. Deduct current year's other-than-temporary impairment recognized .....	.0	.0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	7,121,131	3,172,658
11. Deduct total nonadmitted amounts .....	.0	.0
12. Statement value at end of current period (Line 10 minus Line 11) .....	7,121,131	3,172,658

Schedule A - Part 2

**NONE**

Schedule A - Part 3

**NONE**

Schedule B - Part 2

**NONE**

Schedule B - Part 3

**NONE**

Schedule BA - Part 2

**NONE**

Schedule BA - Part 3

**NONE**

**SCHEDULE D - PART 3**[illegible]



STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property & Casualty Insurance Company

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation, NAIC Desig. Modifier and SVO Administrative Symbol
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
228112-WE-5	GAHCO OHIO TEL	01/01/2022	Call @ 100.00	XXX	215,000	215,000	207,987	214,821	0	0	0	0	0	0	215,000	0	0	0	4,234	02/01/2022	1.0 FE
0705999999	Bonds - U.S. Political Subdivisions of States, Territories and Possessions				215,000	215,000	207,987	214,821	0	0	0	0	0	0	215,000	0	0	0	4,234	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
064086-AU-5	BANK OF NEW YORK MELLON	01/15/2022	Call @ 100.00	XXX	250,000	250,000	249,273	249,973	0	0	0	0	0	0	249,982	0	0	0	2,817	02/07/2022	1.0 FE
481288-AB-7	JPMORGAN CHASE & CO.	01/15/2022	Call @ 100.00	XXX	250,000	250,000	250,520	250,119	0	0	0	0	0	0	250,000	0	0	0	3,715	01/15/2023	1.0 FE
907818-EZ-7	WILSON PACIFIC CORP	03/01/2022	Redemption @ 100.00	XXX	250,000	250,000	250,220	250,136	0	0	0	0	0	0	250,000	0	0	0	3,688	03/01/2022	1.0 FE
548748-PC-5	BELLS FARM & CO.	03/08/2022	Redemption @ 100.00	XXX	42,000	42,000	44,044	42,215	0	0	0	0	0	0	42,000	0	0	0	739	03/08/2022	1.0 FE
1105999999	Bonds - Industrial and Miscellaneous (Unaffiliated)				752,000	752,000	801,436	752,440	0	0	0	0	0	0	751,982	0	0	0	10,954	XXX	XXX
2505999999	Bonds - Subtotals - Bonds - Part 4				1,007,000	1,007,000	1,009,424	1,007,262	0	0	0	0	0	0	1,005,982	0	0	0	15,189	XXX	XXX
2505999999	Bonds - Subtotals - Bonds				1,007,000	1,007,000	1,009,424	1,007,262	0	0	0	0	0	0	1,005,982	0	0	0	15,189	XXX	XXX
6005999999 Totals																					
					1,007,000	1,007,000	1,009,424	1,007,262	0	0	0	0	0	0	1,005,982	0	0	0	15,189	XXX	XXX

Schedule DB - Part A - Section 1

**NONE**

Schedule DB - Part B - Section 1

**NONE**

Schedule DB - Part D - Section 1

**NONE**

Schedule DB - Part D - Section 2

**NONE**

Schedule DB - Part E

**NONE**

Schedule DL - Part 1

**NONE**

Schedule DL - Part 2

**NONE**

**SCHEDULE E - PART 1 - CASH**E13

## STATEMENT AS OF MARCH 31, 2022 OF THE Weston Property &amp; Casualty Insurance Company

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
Exempt Money Market Mutual Funds – as identified by SVO								
005541-30-0	FEDERATED PRINC TRS TRST		03/01/2022	0.180	XXX	115,054	0	1
005541-30-0	FEDERATED PRINC US TRS FUND		07/01/2019	0.180	XXX	416	0	0
048751-30-0	FULLSPLING TRS FUND		03/02/2022	0.180	XXX	10,000	0	1
8309999999	Exempt Money Market Mutual Funds – as identified by SVO					150,440	0	2
All Other Money Market Mutual Funds								
711990-33-3	TD BANK DEPOSIT CERT		03/31/2022	0.000	XXX	3,577,555	0	545
830302-00-0	INVESTCO CREDIT FUND		03/01/2022	0.380	XXX	730,590	0	114
990284-91-1	MERRILL LYNCH		03/30/2022	0.000	XXX	1,925,492	0	14
990285-91-2	MERRILL LYNCH		03/03/2022	0.000	XXX	1	0	0
990287-91-1	MERRILL LYNCH/IFC/L INC		03/03/2022	0.000	XXX	245,000	0	0
990288-91-2	MERRILL LYNCH		03/03/2022	0.000	XXX	1,000	0	0
540000-00-0	BBAT TRUST DEPOSIT		03/02/2022	0.430	XXX	124,787	0	4
000000-00-0	Yalley Bank Money Market		03/01/2022	0.200	XXX	300,319	0	61
8309999999	All Other Money Market Mutual Funds					6,970,661	0	737
8309999999 Total Cash Equivalents								
						7,121,131	0	739



**SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2022 OF THE Weston Property & Casualty Insurance Company**

**MEDICARE PART D COVERAGE SUPPLEMENT**

(Net of Reinsurance)

NAIC Group Code.....00000

NAIC Company Code.....11853

	Individual Coverage		Group Coverage		5 Total Cash
	1 Insured	2 Uninsured	3 Insured	4 Uninsured	
1. Premiums Collected.....		XXX		XXX	0
2. Earned Premiums.....		XXX		XXX	XXX
3. Claims Paid.....		XXX		XXX	0
4. Claims Incurred.....		XXX		XXX	XXX
5. Reinsurance Coverage and Low Income Cost Sharing – Claims Paid Net of Reimbursements Applied (a).....	XXX		XXX		0
6. Aggregate Policy Reserves - Change.....		XXX		XXX	XXX
7. Expenses Paid.....		XXX		XXX	0
8. Expenses Incurred.....		XXX		XXX	XXX
9. Underwriting Gain or Loss.....	0	XXX	0	XXX	XXX
10. Cash Flow Result.....	XXX	XXX	XXX	XXX	0

(a) Uninsured Receivable/Payable with CMS at End of Quarter: \$ .....due from CMS or \$ .....due to CMS



## STATEMENT AS OF May 31, 2022 OF THE Weston Property &amp; Casualty Insurance Company

## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	9,950,000		9,950,000	12,137,572
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks			0	151
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 32,211,561 ), cash equivalents (\$ 8,153,012 ) and short-term investments (\$ 44,997 )	40,364,573		40,364,573	25,932,077
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	50,314,573	0	50,314,573	38,069,800
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	98,454		98,454	131,650
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	14,794,709	749,572	14,045,136	10,743,556
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	5,735,779		5,735,779	4,903,861
15.3 Accrued retrospective premiums (\$ ) and contracts subject to redetermination (\$ )			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	30,092,465		30,092,465	49,301,380
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset			0	0
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	0
21. Furniture and equipment, including health care delivery assets (\$ )			0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	3,347,475		3,347,475	3,296,569
24. Health care (\$ ) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	14,082,749	0	14,082,749	20,550,561
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	118,466,203	749,572	117,716,631	126,997,376
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	118,466,203	749,572	117,716,631	126,997,376
<b>DETAILS OF WRITE-INS</b>				
1101.	0		0	
1102.			0	0
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Brokerage Sharing Commission Receivable	2,321,456		2,321,456	1,968,875
2502. Miscellaneous receivable	27,249		27,249	27,250
2503. Profit commission receivable	179,608		179,608	
2598. Summary of remaining write-ins for Line 25 from overflow page	11,554,436	0	11,554,436	18,554,436
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	14,082,749	0	14,082,749	20,550,561

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Printed by: Lisa Ramudo Not Checking for Identifiers being edited	Statement Name: May 2022 Weston Prop & Cas Ins Co	

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ ..... )	12,555,333	32,437,254
2. Reinsurance payable on paid losses and loss adjustment expenses		0
3. Loss adjustment expenses	4,419,573	2,820,631
4. Commissions payable, contingent commissions and other similar charges		0
5. Other expenses (excluding taxes, licenses and fees)		0
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,008,910	1,399,268
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses))		0
7.2 Net deferred tax liability		0
8. Borrowed money \$ ..... and interest thereon \$ .....		0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ ..... and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act)	57,114,427	15,860,306
10. Advance premium	3,506,543	1,673,439
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	207,037	40,913,015
13. Funds held by company under reinsurance treaties	21,687,555	989,680
14. Amounts withheld or retained by company for account of others		0
15. Remittances and items not allocated		104,736
16. Provision for reinsurance (including \$ ..... certified)		0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		1,000,000
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ ..... and interest thereon \$ .....		0
25. Aggregate write-ins for liabilities	2,103,141	1,504,528
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	102,602,519	98,702,856
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	102,602,519	98,702,856
29. Aggregate write-ins for special surplus funds	0	0
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock		0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes		0
34. Gross paid in and contributed surplus	70,564,332	67,564,332
35. Unassigned funds (surplus)	(60,450,220)	(44,269,812)
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... )		0
36.2 ..... shares preferred (value included in Line 31 \$ ..... )		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	15,114,112	28,294,519
38. Totals (Page 2, Line 28, Col. 3)	117,716,631	126,997,375
<b>DETAILS OF WRITE-INS</b>		
2501. ....		0
2502. Deferred Ceding Commissions.....	1,537,501	943,162
2503. Refunds Payable.....	286,543	282,268
2598. Summary of remaining write-ins for Line 25 from overflow page	279,097	279,098
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,103,141	1,504,528
2901. ....		0
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	0
3201. ....		0
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct (written \$ .....65,084,188 ) .....	64,441,441	39,845,564	158,975,053
1.2 Assumed (written \$ ..... ) .....		18,036,722	7,148,983
1.3 Ceded (written \$ .....39,314,352 ) .....	71,344,679	65,826,181	171,208,807
1.4 Net (written \$ .....25,769,836 ) .....	(6,903,238)	(7,943,895)	(5,084,772)
DEDUCTIONS:			
2. Losses incurred (current accident year \$ .....):			
2.1 Direct .....	9,556,929	17,944,128	171,127,201
2.2 Assumed .....		12,071,284	5,992
2.3 Ceded .....		22,536,003	134,743,739
2.4 Net .....	9,556,929	7,479,409	36,389,454
3. Loss adjustment expenses incurred .....	1,686,517	961,125	4,652,354
4. Other underwriting expenses incurred .....	(1,764,348)	(2,364,839)	12,641,449
5. Aggregate write-ins for underwriting deductions .....	0	0	0
6. Total underwriting deductions (Lines 2 through 5) .....	9,479,098	6,075,695	53,683,257
7. Net income of protected cells .....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) .....	(16,382,335)	(14,019,590)	(58,768,029)
<b>INVESTMENT INCOME</b>			
9. Net investment income earned .....	82,447	(17,073)	355,288
10. Net realized capital gains (losses) less capital gains tax of \$ .....		61,860	(48,635)
11. Net investment gain (loss) (Lines 9 + 10) .....	82,447	44,787	306,653
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ ..... amount charged off \$ ..... ) .....	(9,583)	0	(23,715)
13. Finance and service charges not included in premiums .....	143,435	0	413,529
14. Aggregate write-ins for miscellaneous income .....	0	0	0
15. Total other income (Lines 12 through 14) .....	133,852	0	389,814
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) .....	(16,166,036)	(13,974,803)	(58,071,562)
17. Dividends to policyholders .....	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) .....	(16,166,036)	(13,974,803)	(58,071,562)
19. Federal and foreign income taxes incurred .....	0	0	0
20. Net income (Line 18 minus Line 19)(to Line 22) .....	(16,166,036)	(13,974,803)	(58,071,562)
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year .....	28,294,519	28,939,652	28,939,653
22. Net income (from Line 20) .....	(16,166,036)	(13,974,803)	(58,071,562)
23. Net transfers (to) from Protected Cell accounts .....	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....		(12,451,417)	84
25. Change in net unrealized foreign exchange capital gain (loss) .....	0	0	0
26. Change in net deferred income tax .....	3,783,965	2,939,369	12,369,536
27. Change in nonadmitted assets .....	(3,798,338)	(2,939,369)	(13,760,560)
28. Change in provision for reinsurance .....	0	0	0
29. Change in surplus notes .....	0	0	0
30. Surplus (contributed to) withdrawn from protected cells .....	0	0	0
31. Cumulative effect of changes in accounting principles .....	0	0	0
32. Capital changes:			
32.1 Paid in .....		12,500,000	0
32.2 Transferred from surplus (Stock Dividend) .....		0	0
32.3 Transferred to surplus .....		0	0
33. Surplus adjustments:			
33.1 Paid in .....	3,000,000	0	54,872,930
33.2 Transferred to capital (Stock Dividend) .....		0	0
33.3 Transferred from capital .....		0	0
34. Net remittances from or (to) Home Office .....		0	0
35. Dividends to stockholders .....		0	0
36. Change in treasury stock .....		0	0
37. Aggregate write-ins for gains and losses in surplus .....	0	0	3,554,436
38. Change in surplus as regards policyholders (Lines 22 through 37) .....	(13,180,409)	(13,926,220)	(1,035,137)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) .....	15,114,110	15,013,432	27,904,516
<b>DETAILS OF WRITE-INS</b>			
0501. ....		0	0
0502. ....		0	0
0503. ....		0	0
0598. Summary of remaining write-ins for Line 5 from overflow page .....	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....	0	0	0
1401. ....		0	0
1402. ....		0	0
1403. ....		0	0
1498. Summary of remaining write-ins for Line 14 from overflow page .....	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....	0	0	0
3701. Other change in unrealized .....		0	0
3702. Additional Deferred Tax assets guaranteed .....		0	3,554,436
3703. ....		0	0
3798. Summary of remaining write-ins for Line 37 from overflow page .....	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) .....	0	0	3,554,436

**CONSENT TO ORDER OF RECEIVERSHIP  
WESTON PROPERTY & CASUALTY INSURANCE COMPANY**

**IT IS HEREBY AGREED TO AS FOLLOWS:**

1. Weston Property & Casualty Insurance Company (hereinafter “Respondent”) is a Florida corporation and is a domestic property and casualty insurer authorized to transact insurance business in Florida and regulated by the Florida Office of Insurance Regulation.
2. Respondent admits that grounds exist for the appointment of a Receiver of the company for Rehabilitation or Liquidation pursuant to Sections 631.051 and 631.061, Florida Statutes.
3. Respondent specifically admits that it is insolvent as that term is defined in Section 631.011(14), Florida Statutes.
4. Pursuant to Sections 631.051 and 631.061, Florida Statutes, Respondent consents through a majority of its directors, stockholders, members or subscribers, to the entry of an Order of Liquidation, appointing the Florida Department of Financial Services, [hereinafter “the Department”] as the Receiver for Respondent, for purposes of liquidation, with the determination of the type of order to be sought and entered to be made at the sole discretion of the Department, and consents to any injunctions the receivership court, as defined by Section 631.021, deems necessary and appropriate, without the necessity of any hearing by the court. Respondent additionally agrees that the Department may, at its sole discretion, apply to the Court for any additional orders regarding Respondent, and that all such orders entered shall be final when entered, with Respondent waiving any right to appeal any of the orders entered by the receivership court as to the appointment of the Department as Receiver pursuant

to Chapter 631, Part I, Florida Statutes, and any other matter, with all such orders being final orders. The Resolution of the Board of Directors is attached as Attachment A to this Consent.

By execution hereof, WESTON PROPERTY & CASUALTY INSURANCE COMPANY consents to the appointment of the Department of Financial Services as receiver for purposes of Rehabilitation or Liquidation, agrees without reservation to all of the above terms and conditions, and shall be bound by all provisions herein. The undersigned represents that they have the authority to bind WESTON PROPERTY & CASUALTY INSURANCE COMPANY to the terms and conditions of this Consent to Order of Receivership.

WESTON PROPERTY & CASUALTY INSURANCE COMPANY

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Deanne D. Nixon

(name of person)

as President & CEO for Weston Property & Casualty Insurance Company

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)

Salmon

(Signature of the Notary)

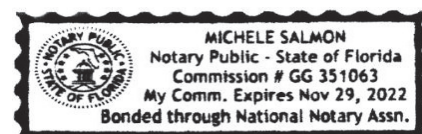
Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

Personally Known X OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022





**RESOLUTION OF THE BOARD OF DIRECTORS OF**  
**WESTON PROPERTY & CASUALTY INSURANCE COMPANY**  
**ATTACHMENT A**

The undersigned, being the majority of the Directors of Weston Property & Casualty Insurance Company, (hereinafter “the Company”) hereby makes the following resolutions as follows:

RESOLVED that the majority of the current Directors on the Board of Directors consent to the entry of an Order of Liquidation of the Company.

FURTHER RESOLVED, that pursuant to Sections 631.051 and 631.061, the majority of the Directors consent to the immediate appointment of the Florida Department of Financial Services (hereinafter “the Department”) as Receiver of the company, for the purposes of Liquidation, without further notice or hearing, and waive any and all rights to notice and hearing.

FURTHER RESOLVED, that the majority of Directors admit that the company is insolvent as defined by Section 631.011, Florida Statutes.

FURTHER RESOLVED, that the Majority of the Directors consent to waive any right to appeal any order entered by the receivership court appointing the Department as Receiver of the company, and that the order entered is a final order.

FURTHER RESOLVED, that the Majority of the Directors consent to the filing of any additional motions or pleadings regarding the company by the Department after its appointment as Receiver without the necessity for hearing.

FURTHER RESOLVED, that the Majority of the Directors consent to waive any right to appeal any order entered by the court and that such orders shall be final.

FURTHER RESOLVED, that the Chairman of the Board of Directors and the Officers of the Company are hereby authorized to execute any and all consent agreements or documents on behalf of the company, and are authorized to take any and all additional actions, including the Consent to Receivership under Chapter 631, Part I, Florida Statutes, as deemed necessary or appropriate by the Office of Insurance Regulation and/or the Department, without further approval of the shareholders or directors.

Signature pages to follow

(Remainder of page intentionally left blank)

Directors of Weston Property & Casualty Insurance Company

By: Deanne D. Nixon

[Corporate Seal]

Print Name: Deanne D. Nixon

Title: President & CEO

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Deanne D. Nixon  
(name of person)  
as President & CEO for Weston Property & Casualty Insurance Company.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Salmon

(Signature of the Notary)

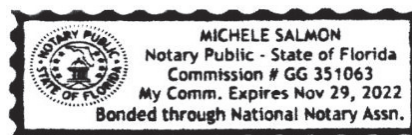
Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

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Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



[Corporate Seal]

By: \_\_\_\_\_

Print Name: Janice Weidenborner

Title: Chief Operating Officer & General Counsel

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Janice Weidenborner

(name of person)

as Chief Operating Officer & General Counsel for Weston Property & Casualty Insurance Company.

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)

*Salmon*

(Signature of the Notary)

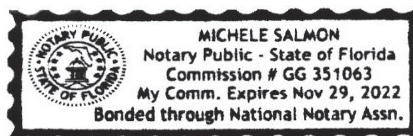
Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

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My Commission Expires November 29, 2022



By: Eduardo Amador

[Corporate Seal]

Print Name: Eduardo Amador

Title: Chief Underwriting Officer

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Eduardo Amador  
(name of person)

as Chief Underwriting Officer for Weston Property & Casualty Insurance Company.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Michele Salmon

(Signature of the Notary)

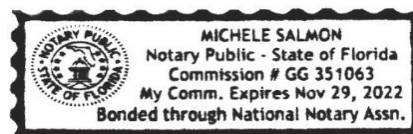
Michele Salmon

(Print, Type or Stamp Commissioned Name of Notary)

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Type of Identification Produced \_\_\_\_\_

My Commission Expires November 29, 2022



By: MSM

[Corporate Seal]

Print Name: Melissa Shelley-Mello

Title: Chief Actuary

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Melissa Shelley-Mello

(name of person)

as Chief Actuary for Weston Property & Casualty Insurance Company.

(type of authority; e.g., officer, trustee, attorney in fact)

(company name)

Salmon

(Signature of the Notary)

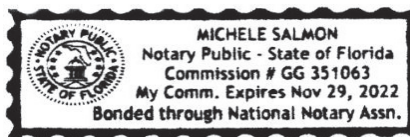
Michele Salmon

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My Commission Expires November 29, 2022





By: Rachael Aldulaimi

[Corporate Seal]

Print Name: Rachael Aldulaimi

Title: VP Finance, Treasurer & Controller

Date: 7/29/22

STATE OF Florida

COUNTY OF Miami Dade

The foregoing instrument was acknowledged before me by means of ☒ physical presence

or ☐ online notarization, this 29th day of July 2022, by Rachael Aldulaimi  
(name of person)

as VP Finance, Treasurer & Controller for Weston Property & Casualty Insurance Company.  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

Michele Salmon

(Signature of the Notary)

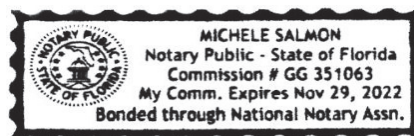
Michele Salmon

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My Commission Expires November 29, 2022



Directors of Weston Property & Casualty Insurance Company

By: E. von Herberstein

[Corporate Seal]

Print Name: Edouard von Herberstein

Title: Director

Date: 7/29/22

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The foregoing instrument was acknowledged before me by means of ☐ physical presence

or ☐ online notarization, this \_\_\_\_ day of \_\_\_\_\_ 2022, by \_\_\_\_\_  
(name of person)

as \_\_\_\_\_ for \_\_\_\_\_  
(type of authority; e.g., officer, trustee, attorney in fact) (company name)

\_\_\_\_\_  
(Signature of the Notary)

\_\_\_\_\_  
(Print, Type or Stamp Commissioned Name of Notary)

Personally Known \_\_\_\_\_ OR Produced Identification \_\_\_\_\_

Type of Identification Produced \_\_\_\_\_

My Commission Expires \_\_\_\_\_