



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2021
OF THE CONDITION AND AFFAIRS OF THE

FARMERS INSURANCE EXCHANGE

NAIC Group Code 0069 0069 NAIC Company Code 21652 Employer's ID Number 95-2575893
(Current) (Prior)

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

Incorporated/Organized 03/28/1928 Commenced Business 04/06/1928

Statutory Home Office 6301 Owensmouth Ave, Woodland Hills, CA, US 91367
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 6301 Owensmouth Ave
(Street and Number) Woodland Hills, CA, US 91367
(City or Town, State, Country and Zip Code) 818-965-0433
(Area Code) (Telephone Number)

Mail Address 6301 Owensmouth Ave, Woodland Hills, CA, US 91367
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 6301 Owensmouth Ave
(Street and Number) Woodland Hills, CA, US 91367
(City or Town, State, Country and Zip Code) 818-876-7924
(Area Code) (Telephone Number)

Internet Website Address www.farmers.com

Statutory Statement Contact Joseph Hammond, 818-876-7924
(Name) (Area Code) (Telephone Number)
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OFFICERS

President, CEO Jeffrey John Dailey * CFO, Treasurer Thomas Sangkyu Noh
Secretary Doren Eugene Hohl Chief Actuary James Leslie Nutting *

*The individuals listed are officers of Farmers Group, Inc., dba as Farmers Underwriters Association, a Nevada Corporation which acts as attorney-in-fact of Farmers Insurance Exchange

OTHER

Robert Paul Howard, Chief Claims Officer Frank Anthony Carni, Claims Executive Timothy Earl Felks, Claims Executive

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DIRECTORS OR TRUSTEES

<u>Thomas George Allen **</u>	<u>Thomas David Brown **</u>	<u>Joe David Bryant **</u>
<u>Julio Areias Da Silva **</u>	<u>Alan Roy Gildemeister **</u>	<u>Scott William Hood **</u>
<u>Frederick Henry Kruse **</u>	<u>Ronald Lee Marrone **</u>	<u>Gary Randolph Martin **</u>
<u>Ronald Gregory Myhan **</u>		

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California SS:
County of Los Angeles

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.

DocuSigned by:

CD68E677CFB24D2...
Jeffrey John Dailey *
President, CEO

DocuSigned by:

5AA115586887458...
Doren Eugene Hohl
Secretary

DocuSigned by:

5878CF6868E044E...
Thomas Sangkyu Noh
CFO, Treasurer

Subscribed and sworn to (or affirmed) 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.....

- (1) Jeffrey John Dailey, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and
- (2) Doren Eugene Hohl, proved to me on the basis of satisfactory evidence to be the person who appeared before me, and
- (3) Thomas Sangkyu Noh, proved to me on the basis of satisfactory evidence to be the person who appeared before me.

To be completed after the COVID-19 pandemic

*The individuals listed are officers of Farmers Group, Inc., dba as Farmers Underwriters Association, a Nevada Corporation which acts as attorney-in-fact of Farmers Insurance Exchange

**Board of Governors

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

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)	4,513,532,940		4,513,532,940	4,702,027,118
2. Stocks (Schedule D):				
2.1 Preferred stocks	6,412,677	6,412,677		
2.2 Common stocks	7,735,778,279	4,596,702	7,731,181,577	6,006,772,631
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)	31,070,950		31,070,950	32,670,777
4.2 Properties held for the production of income (less \$ encumbrances)	231,706,554		231,706,554	237,617,860
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$80,585,968 , Schedule E - Part 1), cash equivalents (\$459,005,905 , Schedule E - Part 2) and short-term investments (\$4,995,737 , Schedule DA)	544,587,611		544,587,611	655,408,055
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	226,673,124		226,673,124	224,677,121
9. Receivable for securities	9,280,103		9,280,103	77,796
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	13,299,042,237	11,009,379	13,288,032,858	11,859,251,359
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	33,846,180	68,553	33,777,627	34,931,329
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	276,090,136	9,041,584	267,048,552	223,506,249
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ (884,365) earned but unbilled premiums)	3,754,766,993		3,754,766,993	3,495,399,724
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)	535,270		535,270	545,731
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	846,144,798		846,144,798	797,732,591
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	228,610,181		228,610,181	198,772,810
18.2 Net deferred tax asset	246,391,293		246,391,293	240,875,713
19. Guaranty funds receivable or on deposit	292,270		292,270	254,690
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)	884,723	884,723		
22. Net adjustment in assets and liabilities due to foreign exchange rates	24,852,848	24,852,848		
23. Receivables from parent, subsidiaries and affiliates	2,311,933,123		2,311,933,123	356,770,804
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	840,143,486	76,980,172	763,163,315	645,221,522
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	21,863,533,538	122,837,259	21,740,696,280	17,853,262,522
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	21,863,533,538	122,837,259	21,740,696,280	17,853,262,522
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Insurance-company owned life insurance-cash value	527,882,269		527,882,269	513,594,521
2502. Other assets	216,989,031	76,980,172	140,008,860	68,593,147
2503. Business-owned life insurance-cash value	68,063,398		68,063,398	61,063,812
2598. Summary of remaining write-ins for Line 25 from overflow page	27,208,788		27,208,788	1,970,041
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	840,143,486	76,980,172	763,163,315	645,221,522

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	4,223,162,949	3,778,135,649
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)	1,042,266,957	820,368,925
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	1,224,523,647	1,082,773,735
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	6,587,529	6,975,335
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	43,564,147	59,882,717
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$9,260,441,517 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)	3,588,323,448	3,135,683,977
10. Advance premium	90,017,272	99,460,241
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	988,890,535	596,220,600
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20)	5,319,946,464	3,484,400,159
14. Amounts withheld or retained by company for account of others	266,335	314,757
15. Remittances and items not allocated	36,777,239	37,880,622
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 3, Column 78)	2,054,732	2,300,139
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities	22,437,726	304,667
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	319,602,705	81,179,590
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	16,908,421,686	13,185,881,113
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	16,908,421,686	13,185,881,113
29. Aggregate write-ins for special surplus funds	3,600,000	3,700,000
30. Common capital stock		
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes	1,793,936,999	1,793,836,999
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	3,034,737,596	2,869,844,411
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	4,832,274,595	4,667,381,410
38. TOTALS (Page 2, Line 28, Col. 3)	21,740,696,280	17,853,262,522
DETAILS OF WRITE-INS		
2501. Accounts payable	408,284,737	182,655,907
2502. Claims payments made after data-processing close	(289,691,820)	(270,182,441)
2503. Deferred agent/DM compensation liability	41,741,173	35,849,059
2598. Summary of remaining write-ins for Line 25 from overflow page	159,268,616	132,857,065
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	319,602,705	81,179,590
2901. Reclassification of unamortized discount on surplus note from Unassigned surplus to Special surplus	3,600,000	3,700,000
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	3,600,000	3,700,000
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	8,056,067,860	7,347,285,673
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	5,148,552,868	4,377,138,403
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	779,678,646	698,948,509
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	2,484,079,288	2,464,890,832
5. Aggregate write-ins for underwriting deductions.....	(1,870,406)	(6,693,746)
6. Total underwriting deductions (Lines 2 through 5).....	8,410,440,396	7,534,283,997
7. Net income of protected cells.....		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7).....	(354,372,536)	(186,998,324)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	35,867,581	53,555,479
10. Net realized capital gains or (losses) less capital gains tax of \$ 1,622,239 (Exhibit of Capital Gains (Losses)).....	8,547,409	24,800,353
11. Net investment gain (loss) (Lines 9 + 10).....	44,414,990	78,355,832
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$(71,668) amount charged off \$33,174,231).....	(33,245,899)	(67,404,280)
13. Finance and service charges not included in premiums.....	80,545,860	79,297,981
14. Aggregate write-ins for miscellaneous income.....	(176,887,245)	(77,877,954)
15. Total other income (Lines 12 through 14).....	(129,587,284)	(65,984,253)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(439,544,830)	(174,626,745)
17. Dividends to policyholders.....	549,112	396,076
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).....	(440,093,941)	(175,022,821)
19. Federal and foreign income taxes incurred.....	(73,277,859)	(58,664,261)
20. Net income (Line 18 minus Line 19)(to Line 22).....	(366,816,082)	(116,358,560)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	4,667,381,410	4,493,716,442
22. Net income (from Line 20).....	(366,816,082)	(116,358,560)
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 20,758,918.....	485,490,175	231,465,711
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	26,274,498	14,316,639
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3).....	17,801,958	44,129,310
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	245,407	(2,259,503)
29. Change in surplus notes.....	100,000	100,000
30. Surplus (contributed to) withdrawn from protected cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....		
33.3 Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	1,797,229	2,271,372
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	164,893,185	173,664,968
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	4,832,274,595	4,667,381,410
DETAILS OF WRITE-INS		
0501. Pooled share of LAD program income.....	(1,870,406)	(6,693,746)
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page.....		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above).....	(1,870,406)	(6,693,746)
1401. Interest expense on funds held.....	(135,155,129)	(92,550,489)
1402. Miscellaneous (expense) / income.....	(39,061,805)	16,925,543
1403. Premiums for company-owned life insurance.....	(2,094,755)	(1,788,037)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(575,556)	(464,971)
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....	(176,887,245)	(77,877,954)
3701. Net proceeds from company-owned life insurance.....	1,693,034	1,470,198
3702. Pooled share of unauthorized reinsurance.....	104,195	801,174
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above).....	1,797,229	2,271,372

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	8,594,643,993	6,993,277,690
2. Net investment income	67,837,694	83,496,855
3. Miscellaneous income	(129,587,284)	(65,984,253)
4. Total (Lines 1 through 3)	8,532,894,403	7,010,790,292
5. Benefit and loss related payments	4,549,549,121	4,397,973,904
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	2,884,987,542	3,075,336,444
8. Dividends paid to policyholders	549,112	396,076
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(41,818,249)	(574,236,525)
10. Total (Lines 5 through 9)	7,393,267,526	6,899,469,898
11. Net cash from operations (Line 4 minus Line 10)	1,139,626,877	111,320,393
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,572,335,171	1,643,565,879
12.2 Stocks	35,606,973	235,268,726
12.3 Mortgage loans		
12.4 Real estate	1,746,328	13,730,386
12.5 Other invested assets	65,147	
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		9,451
12.7 Miscellaneous proceeds	12,933,413	
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,622,687,032	1,892,574,441
13. Cost of investments acquired (long-term only):		
13.1 Bonds	1,403,718,358	2,090,050,163
13.2 Stocks	1,247,453,811	83,006,629
13.3 Mortgage loans		
13.4 Real estate	2,596,087	693,161
13.5 Other invested assets	156,406	175,887
13.6 Miscellaneous applications		9,279,812
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,653,924,662	2,183,205,652
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(1,031,237,630)	(290,631,210)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	(219,209,692)	201,642,403
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(219,209,692)	201,642,403
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(110,820,445)	22,331,586
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	655,408,055	633,076,470
19.2 End of period (Line 18 plus Line 19.1)	544,587,611	655,408,055

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

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

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	211,587,597	153,768,470	153,327,796	212,028,271
2.	Allied lines	165,904,404	121,462,514	117,975,243	169,391,675
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	2,548,254,938	1,256,366,973	1,374,295,951	2,430,325,960
5.	Commercial multiple peril	531,360,267	298,204,574	292,349,626	537,215,215
6.	Mortgage guaranty				
8.	Ocean marine	21,035,492	12,328,983	11,142,742	22,221,734
9.	Inland marine	29,721,360	10,252,551	14,196,886	25,777,025
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	14,583,376	6,677,154	6,383,807	14,876,723
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	84,166,576	44,713,627	40,955,265	87,924,938
17.1	Other liability - occurrence	168,396,432	74,253,295	93,772,083	148,877,644
17.2	Other liability - claims-made	13,499,826		3,301,976	10,197,849
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	13,582	13,304	10,614	16,272
18.2	Products liability - claims-made				
19.1, 19.2	Private passenger auto liability	2,717,060,808	662,429,493	817,991,139	2,561,499,163
19.3, 19.4	Commercial auto liability	208,517,036	61,875,289	79,118,291	191,274,035
21.	Auto physical damage	1,787,194,033	433,276,900	583,445,185	1,637,025,747
22.	Aircraft (all perils)				
23.	Fidelity	262,918	1,573	1,429	263,062
24.	Surety	7,249,375	(35)	(20)	7,249,360
26.	Burglary and theft	1,852	1,151	936	2,068
27.	Boiler and machinery	(102,543)	58,160	54,498	(98,881)
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - nonproportional assumed property				
32.	Reinsurance - nonproportional assumed liability				
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business				
35.	TOTALS	8,508,707,331	3,135,683,977	3,588,323,448	8,056,067,860
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)				

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

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	153,327,796				153,327,796
2.	Allied lines	117,975,243				117,975,243
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	1,374,295,127	824			1,374,295,951
5.	Commercial multiple peril	292,349,626				292,349,626
6.	Mortgage guaranty					
8.	Ocean marine	11,142,742				11,142,742
9.	Inland marine	14,196,886				14,196,886
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	6,383,807				6,383,807
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	40,955,265				40,955,265
17.1	Other liability - occurrence	93,769,440	2,643			93,772,083
17.2	Other liability - claims-made	3,301,976				3,301,976
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	10,614				10,614
18.2	Products liability - claims-made					
19.1, 19.2	Private passenger auto liability	817,991,139				817,991,139
19.3, 19.4	Commercial auto liability	79,118,291				79,118,291
21.	Auto physical damage	583,413,125	32,061			583,445,185
22.	Aircraft (all perils)					
23.	Fidelity	1,429				1,429
24.	Surety	(20)				(20)
26.	Burglary and theft	936				936
27.	Boiler and machinery	54,498				54,498
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance - nonproportional assumed property					
32.	Reinsurance - nonproportional assumed liability					
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business					
35.	TOTALS	3,588,287,920	35,528			3,588,323,448
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					3,588,323,448
DETAILS OF WRITE-INS						
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)					

(a) State here basis of computation used in each case Daily Pro-rata

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
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	9,296,265	692,690,486		234,960,279	255,438,875	211,587,597
2. Allied lines	13,387,223	582,485,830		222,043,876	207,924,774	165,904,404
3. Farmowners multiple peril						
4. Homeowners multiple peril	1,904,369,362	8,789,895,530	(12,320)	5,382,383,501	2,763,614,132	2,548,254,938
5. Commercial multiple peril	506,495,832	2,010,322,884		1,470,638,702	514,819,747	531,360,267
6. Mortgage guaranty						
8. Ocean marine		64,193,123		20,632,547	22,525,084	21,035,492
9. Inland marine	14,163,350	95,024,527		50,219,360	29,247,156	29,721,360
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake	19,256,399	57,251,223		42,433,432	19,490,813	14,583,376
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation	25,589,588	419,658,365		282,051,291	79,030,087	84,166,576
17.1 Other liability - occurrence	153,829,532	414,400,072	(8,085)	175,794,380	224,030,706	168,396,432
17.2 Other liability - claims-made	9,144,018	47,566,246		32,696,165	10,514,273	13,499,826
17.3 Excess workers' compensation						
18.1 Products liability - occurrence	21,248	23,712		17,122	14,255	13,582
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	1,735,036,282	6,061,134,936		2,629,768,134	2,449,342,276	2,717,060,808
19.3, 19.4 Commercial auto liability	327,186,287	900,362,472		748,738,544	270,293,178	208,517,036
21. Auto physical damage	998,226,916	4,273,682,594		1,828,632,047	1,656,083,430	1,787,194,033
22. Aircraft (all perils)						
23. Fidelity	4,115	744,655		260,459	225,393	262,918
24. Surety		28,016,914		20,767,539		7,249,375
26. Burglary and theft	1,108	7,333		4,733	1,856	1,852
27. Boiler and machinery	62,306	(313,465)		(156,865)	8,248	(102,543)
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	XXX					
32. Reinsurance - nonproportional assumed liability	XXX					
33. Reinsurance - nonproportional assumed financial lines	XXX					
34. Aggregate write-ins for other lines of business						
35. TOTALS	5,716,069,830	24,437,147,436	(20,405)	13,141,885,246	8,502,604,284	8,508,707,331
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)						

(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 reported on an annualized basis \$

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
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	474,992	246,905,008	166,270,261	81,109,739	33,546,263	33,813,856	80,842,146	38.1
2. Allied lines	12,933,374	395,692,866	280,724,367	127,901,872	8,586,241	5,526,369	130,961,744	77.3
3. Farmowners multiple peril		300,000	85,170	214,830	1	214,865	(34)	
4. Homeowners multiple peril	1,207,320,280	4,734,322,659	4,362,295,428	1,579,347,510	743,935,739	568,617,381	1,754,665,868	72.2
5. Commercial multiple peril	227,503,126	1,228,567,177	1,123,745,823	332,324,480	426,509,274	418,414,304	340,419,450	63.4
6. Mortgage guaranty								
8. Ocean marine		34,029,882	22,065,739	11,964,144	9,086,856	11,014,746	10,036,254	45.2
9. Inland marine	3,859,571	19,371,209	16,716,234	6,514,547	9,960,479	9,690,703	6,784,322	26.3
10. Financial guaranty								
11.1 Medical professional liability - occurrence					686,508	527,048	159,460	
11.2 Medical professional liability - claims-made		4,022	1,940	2,081	1,472,825	1,129,143	345,763	1,728,814,000.0
12. Earthquake	20,343	174,883,760	138,128,099	36,776,004	275,425	138,720	36,912,710	248.1
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation	10,783,429	205,838,144	165,099,144	51,522,428	385,852,194	410,155,802	27,218,820	31.0
17.1 Other liability - occurrence	54,094,247	222,116,076	222,638,495	53,571,827	297,336,972	322,801,929	28,106,871	18.9
17.2 Other liability - claims-made	2,502,736	13,885,211	13,657,872	2,730,075	15,823,151		18,553,227	181.9
17.3 Excess workers' compensation								
18.1 Products liability - occurrence		40,000	33,027	6,973	59,821	71,692	(4,898)	(30.1)
18.2 Products liability - claims-made								
19.1, 19.2 Private passenger auto liability	864,868,306	2,585,338,893	2,185,323,761	1,264,883,438	1,959,694,944	1,725,137,701	1,499,440,682	58.5
19.3, 19.4 Commercial auto liability	160,075,249	456,018,521	505,000,094	111,093,676	245,706,201	192,467,927	164,331,950	85.9
21. Auto physical damage	672,761,818	2,329,612,975	1,960,407,139	1,041,967,655	78,252,036	76,973,305	1,043,246,386	63.7
22. Aircraft (all perils)		1,179	335	844			844	
23. Fidelity		300,981	187,670	113,310	258,997	210,439	161,869	61.5
24. Surety		4,619,461	3,148,525	1,470,936	6,111,286	1,197,384	6,384,839	88.1
26. Burglary and theft	13	(316)	(9)	(293)	520	532	(305)	(14.7)
27. Boiler and machinery		24,753	15,264	9,488	7,216	31,804	(15,100)	15.3
28. Credit								
29. International								
30. Warranty								
31. Reinsurance - nonproportional assumed property	XXX							
32. Reinsurance - nonproportional assumed liability	XXX							
33. Reinsurance - nonproportional assumed financial lines	XXX							
34. Aggregate write-ins for other lines of business								
35. TOTALS	3,217,197,485	12,651,872,461	11,165,544,378	4,703,525,567	4,223,162,949	3,778,135,649	5,148,552,868	63.9
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498.	Summary of remaining write-ins for Line 34 from overflow page							
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)							

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ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

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	73,196	57,705,752	37,102,156	20,676,792	533,386	56,487,283	44,151,197	33,546,263	7,858,435
2. Allied lines	1,364,548	27,659,083	20,556,893	8,466,738	813,896	37,745,042	38,439,436	8,586,241	4,514,417
3. Farmowners multiple peril						(1)	(2)	1	48
4. Homeowners multiple peril	209,367,240	1,029,727,905	913,418,569	325,676,576	527,461,349	1,589,815,196	1,699,017,381	743,935,739	143,005,532
5. Commercial multiple peril	143,023,414	635,392,070	599,449,763	178,965,721	272,079,656	903,368,557	927,904,661	426,509,274	148,444,292
6. Mortgage guaranty									
8. Ocean marine		14,457,339	7,240,943	7,216,396		6,699,442	4,828,983	9,086,856	778,992
9. Inland marine	28,392	18,786,342	9,850,325	8,964,409	768,045	3,550,006	3,321,982	9,960,479	434,467
10. Financial guaranty									
11.1 Medical professional liability - occurrence		400,200	163,267	236,933		719,073	269,498	686,508	151,135
11.2 Medical professional liability - claims-made		432,209	208,541	223,668		2,489,491	1,240,335	1,472,825	549,113
12. Earthquake	15,800	15,800	26,122	5,478	229,069	932,440	891,563	275,425	563,519
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)								(a)	
15. Other accident and health								(a)	
16. Workers' compensation	24,542,929	397,840,373	308,089,633	114,293,669	81,472,564	926,306,955	736,220,995	385,852,194	90,059,647
17.1 Other liability - occurrence	64,675,143	221,471,923	210,800,300	75,346,766	150,567,588	622,086,457	550,663,839	297,336,972	204,756,372
17.2 Other liability - claims-made	1,400,579	14,076,613	11,864,644	3,612,548	10,528,567	44,835,494	43,153,457	15,823,151	7,440,760
17.3 Excess workers' compensation									
18.1 Products liability - occurrence		196	109	87	57,195	164,109	161,570	59,821	35,427
18.2 Products liability - claims-made									
19.1, 19.2 Private passenger auto liability	540,987,878	1,661,762,053	1,411,747,574	791,002,357	1,508,261,476	2,186,637,440	2,526,206,328	1,959,694,944	495,647,080
19.3, 19.4 Commercial auto liability	149,022,296	394,991,756	447,299,128	96,714,924	283,586,932	621,330,042	755,925,697	245,706,201	52,850,678
21. Auto physical damage	168,232	104,496,683	77,665,596	26,999,319	79,510,108	150,975,597	179,232,988	78,252,036	66,569,026
22. Aircraft (all perils)									
23. Fidelity					4,950	697,964	443,917	258,997	176,147
24. Surety		15,424	9,325	6,099		20,612,926	14,507,739	6,111,286	678,076
26. Burglary and theft	14	571	385	200	81	975	736	520	304
27. Boiler and machinery					14,889	5,971	13,644	7,216	10,181
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									
35. TOTALS	1,134,669,661	4,579,232,292	4,055,493,272	1,658,408,681	2,915,889,751	7,175,460,462	7,526,595,944	4,223,162,949	1,224,523,647
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)									

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	148,405,264			148,405,264
1.2 Reinsurance assumed	2,041,313,548			2,041,313,548
1.3 Reinsurance ceded	1,768,824,437			1,768,824,437
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	420,894,375			420,894,375
2. Commission and brokerage:				
2.1 Direct excluding contingent		588,458,842		588,458,842
2.2 Reinsurance assumed, excluding contingent		2,810,953,428		2,810,953,428
2.3 Reinsurance ceded, excluding contingent		3,224,542,192		3,224,542,192
2.4 Contingent - direct		59,943,478		59,943,478
2.5 Contingent - reinsurance assumed				
2.6 Contingent - reinsurance ceded				
2.7 Policy and membership fees		5,706,695		5,706,695
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		240,520,250		240,520,250
3. Allowances to managers and agents		12,966,622		12,966,622
4. Advertising		169,468,630		169,468,630
5. Boards, bureaus and associations		20,379,347		20,379,347
6. Surveys and underwriting reports		111,275,543		111,275,543
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries	178,181,906	840,009,658	5,323,456	1,023,515,020
8.2 Payroll taxes	18,649,292	58,242,158	365,254	77,256,704
9. Employee relations and welfare	90,434,212	274,593,377	61,962	365,089,550
10. Insurance	696,314	7,957,283		8,653,596
11. Directors' fees		1,639,179		1,639,179
12. Travel and travel items	4,296,399	11,236,277	11,009	15,543,686
13. Rent and rent items	11,842,859	63,588,114	324	75,431,298
14. Equipment	7,412,854	109,659,266	28,447	117,100,566
15. Cost or depreciation of EDP equipment and software	17,909,964	155,658,485		173,568,449
16. Printing and stationery	588,253	6,666,587	823,266	8,078,106
17. Postage, telephone and telegraph, exchange and express	5,255,999	42,418,041	1,135	47,675,175
18. Legal and auditing	6,481,582	16,048,334	15,401	22,545,318
19. Totals (Lines 3 to 18)	341,749,634	1,901,806,899	6,630,255	2,250,186,788
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		285,296,477		285,296,477
20.2 Insurance department licenses and fees		11,719,895		11,719,895
20.3 Gross guaranty association assessments		948,863		948,863
20.4 All other (excluding federal and foreign income and real estate)	860,071	1,889,294		2,749,365
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	860,071	299,854,529		300,714,601
21. Real estate expenses			3,133,915	3,133,915
22. Real estate taxes			3,349,125	3,349,125
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	16,174,566	41,897,609	2,973,890	61,046,065
25. Total expenses incurred	779,678,646	2,484,079,288	16,087,185	(a) 3,279,845,119
26. Less unpaid expenses - current year	1,224,523,647	50,197,556		1,274,721,203
27. Add unpaid expenses - prior year	1,082,773,735	66,903,525		1,149,677,260
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	637,928,734	2,500,785,256	16,087,185	3,154,801,175
DETAILS OF WRITE-INS				
2401. Miscellaneous IT-related ULAE expenses	16,174,566			16,174,566
2402. Miscellaneous IT-related agent network expenses		39,231,442		39,231,442
2403. Charitable contributions		2,666,166		2,666,166
2498. Summary of remaining write-ins for Line 24 from overflow page			2,973,890	2,973,890
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	16,174,566	41,897,609	2,973,890	61,046,065

(a) Includes management fees of \$ 1,471,219,134 to affiliates and \$ to non-affiliates.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 16,180,471	14,980,118
1.1 Bonds exempt from U.S. tax	(a) 25,800,778	25,236,646
1.2 Other bonds (unaffiliated)	(a) 85,314,576	85,337,426
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b) 43,407	43,407
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)	6,943,738	7,164,739
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d) 24,508,658	24,508,658
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 159,178	160,576
7. Derivative instruments	(f)	
8. Other invested assets	12,164,626	12,164,626
9. Aggregate write-ins for investment income	385,113	385,113
10. Total gross investment income	171,500,545	169,981,309
11. Investment expenses		(g) 12,738,060
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 3,349,125
13. Interest expense		(h) 108,408,655
14. Depreciation on real estate and other invested assets		(i) 9,517,888
15. Aggregate write-ins for deductions from investment income		100,000
16. Total deductions (Lines 11 through 15)		134,113,728
17. Net investment income (Line 10 minus Line 16)		35,867,581
DETAILS OF WRITE-INS		
0901. Miscellaneous Income	385,113	385,113
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	385,113	385,113
1501. Amort. of Surplus Note Iss. Cost		100,000
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		100,000

- (a) Includes \$ 3,166,889 accrual of discount less \$ 24,781,094 amortization of premium and less \$ 1,228,076 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ 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 \$ 8,790 accrual of discount less \$ 33 amortization of premium and less \$ 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 \$ 108,408,655 interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ 9,517,888 depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	(1,221,893)		(1,221,893)		
1.1 Bonds exempt from U.S. tax	296,583		296,583		
1.2 Other bonds (unaffiliated)	1,328,870	(249,765)	1,079,105	1,270,021	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)				(55,233)	
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)	9,167,776	(307,878)	8,859,898	95,732,458	
2.21 Common stocks of affiliates				407,397,102	
3. Mortgage loans					
4. Real estate	1,156,995		1,156,995		
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets				1,904,745	
9. Aggregate write-ins for capital gains (losses)	(1,039)		(1,039)		
10. Total capital gains (losses)	10,727,292	(557,643)	10,169,649	506,249,093	
DETAILS OF WRITE-INS					
0901. Loss on Leasehold Improvement	(1,039)		(1,039)		
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	(1,039)		(1,039)		

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks	6,412,677	11,620,795	5,208,118
2.2 Common stocks	4,596,702	16,470	(4,580,233)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)	11,009,379	11,637,265	627,885
13. Title plants (for Title insurers only)			
14. Investment income due and accrued	68,553	310,375	241,822
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	9,041,584	15,754,961	6,713,378
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software		728,311	728,311
21. Furniture and equipment, including health care delivery assets	884,723	29,773,092	28,888,369
22. Net adjustment in assets and liabilities due to foreign exchange rates	24,852,848		(24,852,848)
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	76,980,172	82,435,213	5,455,042
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	122,837,259	140,639,217	17,801,958
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	122,837,259	140,639,217	17,801,958
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Other Assets	76,980,172	82,435,213	5,455,042
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	76,980,172	82,435,213	5,455,042

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NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

The financial statements of Farmers Insurance Exchange (“FIE”) are presented on the basis of accounting practices prescribed or permitted by the Insurance Department of the state of California (“DOI”).

FIE recognizes only statutory accounting practices prescribed or permitted by the state of California (the “State”) for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the California Insurance Law. The National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures Manual (the “Codification”), version effective January 1, 2001 and subsequently amended (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State. The State has adopted certain prescribed accounting practices that differ from those found in NAIC SAP, specifically requirements pertaining to computer hardware and software. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices. FIE did not utilize any permitted practices during the years presented.

A reconciliation of FIE’s net income and surplus between NAIC SAP and practices prescribed by the State of California for year-to-date December 31, 2021 and the year ended December 31, 2020 is shown below:

	SSAP #	F/S Page	F/S Line #	2021	2020
<u>NET INCOME</u>					
(1) California basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (366,816,082)	\$ (116,358,560)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP:				-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP:	XXX	XXX	XXX	-	-
(4) NAIC SAP (1-2-3=4)				\$ (366,816,082)	\$ (116,358,560)
<u>SURPLUS</u>					
(5) California basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 4,832,274,595	\$ 4,667,381,410
(6) State Prescribed Practices that increase/(decrease) NAIC SAP:				-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP:				-	-
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	\$ 4,832,274,595	\$ 4,667,381,410

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, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned pro rata over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Ceded unearned premium reserves under the All Lines reinsurance agreements (see Note 21C) are calculated based on a quota share percentage of the underlying pro-rata direct unearned premium reserves.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred.

In addition, FIE uses the following accounting policies:

- (1) Short-term investments include all investments whose maturities, at the time of acquisition, are greater than three months and less than one year and are stated at amortized cost, which approximates fair value.
- (2) Bonds not backed by other loans are generally carried at amortized cost or the lower of amortized cost or fair value depending on their NAIC designation. Bond premium or discount is amortized using the interest method.
- (3) Unaffiliated common stocks are carried at NAIC market value. The change in the stated value is recorded as a change in net unrealized capital gains or losses, a component of unassigned funds.
- (4) Redeemable preferred stocks are carried at amortized cost or at the lower of amortized cost or fair value, depending on their NAIC designation. Redeemable preferred stock premium or discount is amortized using the interest method. Non-redeemable preferred stocks are carried at market value or the lower of cost or fair value based on their NAIC designation.

NOTES TO FINANCIAL STATEMENTS

FIE recognizes other-than-temporary impairment losses on investments when the decline in fair value specific to an issuer's fundamental credit difficulties, or a non-interest related decline, is deemed to be other than temporary. There are a number of assumptions and estimates inherent in evaluating impairments specific to an issuer's fundamental credit difficulties, or non-interest related decline, and determining if they are other than temporary, including: 1) FIE's ability and intent to retain the investment for a period of time sufficient to allow for an anticipated recovery in value; 2) the recoverability of principal and interest; 3) the length of time and extent to which the fair value has been less than amortized cost for bonds or cost for unaffiliated common and preferred stocks; 4) the financial condition, near-term and long-term prospects of the issue or issuer, including relevant industry conditions and trends, and implications of rating agency actions and offering prices; and 5) the specific reasons that a security is in a significant unrealized loss position, including market conditions which could affect access to liquidity. Interest rate related impairments are deemed other than temporary when FIE has the intent to sell an investment, at the reporting date, before recovery of the cost of the investment.

The 2028 and 2048 Trust Notes owned by FIE ("FIE"), Truck Insurance Exchange ("Truck") and Fire Insurance Exchange ("Fire,") (collectively "the Exchanges") are equal to the obligations owed to it under the terms of the underlying surplus notes (Notes Payable), and as a result, the Trust Notes are carried at par value. The premiums paid for the tendered Trust Notes were charged to income as realized losses.

- (5) FIE has no mortgage loans.
- (6) Mortgage-backed bonds and structured securities are stated at either amortized cost or the lower of amortized cost or market value. Premiums and discounts on mortgage-backed securities and structured securities are amortized using the retrospective method, except for interest-only mortgage-backed securities, which are amortized using the prospective method.

Loan-backed securities with evidence of deterioration of credit quality for which it is probable that the company will be unable to collect all contractually required payments receivable, are written down to the present value of expected cash flows to be received.

- (7) Common stocks of insurance subsidiaries are carried on the equity basis. The change in the stated value is recorded as a change in net unrealized capital gains or losses, a component of unassigned funds.

FIE carries its interest in Bristol West Holdings, Inc., a non-insurance subsidiary, based on audited US GAAP equity adjusted to a statutory basis of accounting.

- (8) The FIE has investments in joint ventures and partnerships and carries these investments based on the underlying audited GAAP equity of the investee with unrealized gains reflected in the capital and surplus. In addition, the Company also has 100% ownership interest in limited liability companies which in turn own real estate properties. These investments are reported on a depreciated historical basis and marked down to fair value if impaired.

Investments in private equity are determined and carried based on fair value. Equity joint ventures fair value is derived from the equity amount of the Fund's audited financial statements with invested assets carried at fair value basis. Fair value for private equity investments are calculated by the Private Equity General Partner(s) using a number of methodologies, which include but are not limited to, public comparable EBITDA multiples, revenue multiples, discounted cash flow analysis and transaction comparable, to estimate fair value. The General Partner(s) also takes into consideration the financial condition and operating results of the investment, the nature of the investment, market information and other factors he/she deems appropriate. Due to the considerable judgment that is required in determining the fair value, amounts ultimately realized from each investment may vary significantly from the fair values presented.

- (9) Investments in derivative instruments, including warrants, are carried at fair value with the corresponding unrealized gain or loss flowing through unassigned funds. Realized gain or loss is reported in the net realized capital gain or loss line of the statement of operations. FIE does not have any investments in derivatives as of December 31, 2021 and 2020.
- (10) FIE utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums. FIE evaluates the need for a premium deficiency reserve on a line of business level for all books. At December 31, 2021 and 2020, FIE had not established any premium deficiency reserves based on this calculation.
- (11) Reserves for 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 ("IBNR"). 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. The methods for making such estimates and for establishing the resulting reserves are continually reviewed and any adjustments are reflected in the period determined.
- (12) FIE has not modified its capitalization policy from the prior period.
- (13) Not applicable as FIE does not write any medical insurance with prescription drug coverage.

NOTES TO FINANCIAL STATEMENTS

D. Going Concern

Management has evaluated the reporting entity's ability to continue as a going concern, and is satisfied that it has adequate resources to enable it to continue in business for the foreseeable future.

2. ACCOUNTING CHANGES AND CORRECTION OF ERRORS

Effective January 1, 2021, the NAIC made substantive revisions to SSAP No. 32R - ("Preferred Stock"), modifying the definitions on classification of preferred stock as redeemable or perpetual. This revision defined redeemable preferred stock as any preferred stock, (regardless of other attributes i.e., voting or dividend rights), which the issuer undertakes to redeem at a price and date(s), both of which are fixed or determinable in any way, and is redeemable either mandatory or at the option of the holders. In addition, it classified and referred perpetual preferred stock as constituting those preferred stocks which are not redeemable or are redeemable solely at the option of the issuer. This revised guidance clarified that preferred stock does not include investments except for Exchange Traded Funds qualifying for preferred stock treatment, as identified by the Securities Valuation Office ("SVO"). It also modified and provided measurement guidance to ensure appropriate, consistent measurement based on the type and terms of preferred stock held, including guidance for mandatory convertible preferred stock. Additionally, it made clarifications on the guidance of impairment, dividend recognition and redemption. When other than temporary impairment ("OTTI") is identified, preferred stock is written down to fair value as the new cost basis and the write down is treated as realized loss. Dividends are recognized at the fair value of the form in which they are received with any difference between fair value and dividend receivable as gain or loss. The reporting entity that sells or redeems preferred stock back to the issuer shall recognize consideration received in excess of the book/adjusted carrying value as a realized gain or loss, regardless of whether the repurchase is at market value or at a predetermined set call price. These revisions and expanded definitions have been reviewed and incorporated into FIE's 2021 and subsequent financial statements and had no material impact on FIE's statutory financial statements.

Effective January 1, 2020, the NAIC made substantive revisions to SSAP No. 22R - ("Leases"), modifying the guidance on sale-leaseback transactions, lessor accounting, and leveraged leases for lessors. This revision not only incorporated and provided guidance on the valuation of leveraged leases but also clarified the statutory accounting and reporting treatment by lessors on all lease-related transactions. It stipulated for the lessors involved in leveraged leases transactions to initially measure their investment in a leveraged lease net of the nonrecourse debt, and for such net balances to continue to represent and serve as the initial and continuing investment in all said leveraged leases situations. Additional guidance improves on determining whether an arrangement contains a lease and what is included in the definition of property, plant and equipment. These revisions and expanded definitions have been reviewed and incorporated into the FIE's 2020 and subsequent financial statements and had no material impact on FIE's statutory financial statements.

In 2020, the NAIC revised and added new guidance to SSAP No. 105R - ("Working Capital Finance Investments") that clarified the role of the Securities Valuation Office ("SVO") in the valuation of a qualifying international finance agent and also broadened the overall review requirements to allow independent review of the finance agent by either audit or through an internal control report. This revision effectively removed the requirement that the SVO determine if the international finance agent is the functional equivalent of the U.S. Regulator and also removed the finance agent prohibitions on commingling. Also removed from this guidance was duplicative text regarding exercise of investor rights. In addition, this revised guidance changed and expanded the default provisions of non-admission for an investment in default for a period up to 30 days instead of the current 15 days. The adoption of these revisions had no material impact on FIE's statutory financial statements.

3. BUSINESS COMBINATIONS AND GOODWILL

A. Statutory Purchase Method

Business Combination - Acquisitions - Metropolitan Property and Casualty Company ("MetLife")

On December 11, 2020, the Exchanges and FGI announced that they will jointly acquire the US property and casualty ("P&C") insurance business of Metropolitan Property and Casualty Company ("MetLife") for total consideration of \$3.94 billion in cash. Under this proposed agreement, Zurich Financial Services will contribute \$2.43 billion of the purchase price through FGI and Farmers will pay \$1.51 billion in cash for MetLife's auto and home business. The parties expect to complete the transaction in the second quarter of 2021, pending regulatory approvals.

On April 7, 2021, Farmers Exchanges and Farmers Group, Inc. ("FGI") announced they have jointly completed the acquisition of MetLife's property and casualty business ("MetLife Auto & Home") for a purchase price of \$3.94 billion as of April 7, assuming responsibility for 2.4 million policies in force. The closure provides the Farmers brand significant opportunity to expand its customer reach with a truly national presence, grow its core property and casualty business and strengthen its position as one of the leading personal lines carriers in the United States. As part of the transaction, the Farmers Exchanges entered into a 10-year exclusive distribution agreement with MetLife to offer Farmers personal lines products on MetLife's U.S. Group Benefits platform, which reaches 3,800 employers and approximately 37 million eligible employees.

Under the terms of the transaction, FGI paid MetLife-Inc ("NYSE: MET") \$3.94 billion, consisting of the combination of cash and securities. Subsequent to this acquisition, on April 8, 2021, FGI sold, for \$1.5 billion, the

NOTES TO FINANCIAL STATEMENTS

underlying insurance business to FIE, Truck, and Fire. Direct expenses incurred in connection with this acquisition, including regulatory filings, investment banker's fees totaled \$15.8 million. FIE's share of this acquisition was \$1,226.6 million (80%); Truck's share was \$153.3 million (10%); and Fire's share was \$153.3 million (10%). This acquisition was recorded using the statutory purchase method of accounting. FIE, Truck, and Fire's share of the total negative goodwill of \$208.8 million was \$167.0 million, \$20.9 million, and \$20.9 million, respectively.

FIE recorded negative goodwill as reflected in the following:

1	2	3	4	5
Purchased Entity	Acquisition Date	Cost of Acquired Entity	Original Amount of Goodwill	Original Amount of Admitted Goodwill
*Farmers Property and Casualty Insurance Company	04/08/2021	\$ 1,226,606,559	\$ (167,035,878)	\$ (167,035,878)
Total	XXX	\$ 1,226,606,559	\$ (167,035,878)	\$ (167,035,878)

1	6	7	8	9
Purchased Entity	Admitted Goodwill as of the Reporting Date	Amount of Goodwill Amortized During the Reporting Period	Book Value of SCA	Admitted Goodwill as a % of SCA BACV, Gross of Admitted Goodwill Col. 6/Col. 8
Farmers Property and Casualty Insurance Company	\$ (154,508,187)	\$ (12,527,691)	\$ 1,598,666,409	-9.7%
Total	(154,508,187)	\$ (12,527,691)	\$ 1,598,666,409	XXX

*Farmers Property and Casualty Insurance Company ("FPC"), formerly Metropolitan Property and Casualty Insurance Company ("MPC"), reflects the new name of the lead company in the previous MetLife Auto and Home block of business, which was acquired by the Exchanges on April 8, 2021.

B. Statutory Merger

Not applicable.

C. Impairment Loss

None.

D. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

Not applicable. FIE recognized negative goodwill in its purchase of Farmers Property and Casualty Insurance Company.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not applicable

B. Debt Restructuring

(1) None.

(2) None.

(3) None.

(4) None.

C. Reverse Mortgages

Not applicable.

NOTES TO FINANCIAL STATEMENTS

D. Loan-Backed Securities

- (1) Prepayment assumptions were obtained from an external securities information service and are consistent with the current interest rate and economic environment.
- (2) Not applicable
- (3) All loan backed other-than-temporary impairment securities were classified as such based on the fact that the present value of cash flows expected to be collected is less than the amortized cost basis of the security. See aggregate totals below.

CUSIP	Book/Adj Carry Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than- Temporary Impairment	Amortized cost After Other-Than- Temporary Impairment	Fair Value
225470DX8	\$ 922,807	\$ 904,301	\$ (18,506)	\$ 904,301	\$ 899,480
Total Impaired in Quarter 1 2021	\$ 922,807	\$ 904,301	\$ (18,506)	\$ 904,301	\$ 899,480
225470DX8	904,296	901,040	(3,257)	901,039	892,728
Total Impaired in Quarter 2 2021	\$ 904,296	\$ 901,040	\$ (3,257)	\$ 901,039	\$ 892,728
225470DX8	886,453	881,559	(4,895)	881,558	838,670
Total Impaired in Quarter 3 2021	\$ 886,453	\$ 881,559	\$ (4,895)	\$ 881,558	\$ 838,670
225470DX8	794,204	782,412	(11,793)	782,411	733,939
Total Impaired in Quarter 4 2021	\$ 794,204	\$ 782,412	\$ (11,793)	\$ 782,411	\$ 733,939

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

	1. Less than 12 months	(\$4,337,088)
	2. 12 months or Longer	(\$1,346,540)
 - b. The aggregate related fair value of securities with unrealized losses:

	1. Less than 12 months	\$448,917,390
	2. 12 months or Longer	\$204,584,524
- (5) All loan-backed and structured securities were reviewed to determine if there were any indications of potential other-than-temporary impairment. If any indication of other-than-temporary impairment existed, then a cash flow and credit support analysis were performed. If it was determined that the company was to received less than 100% contractual cash flows, an other-than-temporary impairment was measured and taken in accordance with SSAP 43R.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

- (1) None.
- (2-7) None.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

- (1-11) Not Applicable.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

- (1-10) Not Applicable.

H. Repurchase Agreements Transactions Accounted for as a Sale

- (1-9) Not Applicable.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

- (1-8) Not Applicable.

NOTES TO FINANCIAL STATEMENTS

J. Real Estate

(1) None.

(2) As of December 31, 2021, FIE sold the following operating properties:

- a) Located in Springfield, Illinois, recognized a loss of \$367 on February 25, 2021.
- b) Located in Citrus Heights, California, recognized a gain of \$1,157,361 on March 5, 2021.

As of December 31, 2021, there were no real estate properties listed for sale by the FIE.

(3-5) None.

K. Low-Income Housing Tax Credits (LIHTC)

(1-7) None.

L. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted					Current Year					
	Current Year					6	7	8	9	Percentage	
	1	2	3	4	5					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	Total From Prior Year	Increase/ Decrease	Total Nonadmitted Restricted	Total Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Asset	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	15,000,000	-	-	-	15,000,000	15,000,000	-	-	15,000,000	0.07%	0.07%
j. On deposit with states	637,038,873	-	-	-	637,038,873	680,473,424	(43,434,551)	-	637,038,873	3.01%	3.03%
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	652,038,873	-	-	-	652,038,873	695,473,424	(43,434,551)	-	652,038,873	3.09%	3.10%

(2) Details of Assets Pledged as Collateral Not Captured in Other Categories

None.

(3) Detail of Other Restricted Assets

None.

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

None.

M. Working Capital Finance Investments

Not Applicable.

N. Offsetting and Netting of Assets and Liabilities

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

O. 5GI Securities

None.

P. Short Sales

(1-2) None.

Q. Prepayment Penalty and Acceleration Fees

	General Account	Separate Account
Number of CUSIPs	4	-
Aggregate Amount of Investment Income	\$ 313,001	\$ -

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

Not Applicable.

6. JOINT VENTURES, PARTNERSHIPS, AND LIMITED LIABILITY COMPANIES

- A. FIE had no investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at both December 31, 2021 and 2020.
- B. FIE did not recognize any impairment write down for its investments in joint ventures, partnerships, and limited liability companies during the year ended December 31, 2021.

7. INVESTMENT INCOME

- A. Investment income due and accrued with amounts over 90 days past due is non-admitted.
- B. The total amount of investment income due and accrued excluded from surplus was \$68,553 and \$310,375 at December 31, 2021 and 2020, respectively.

8. DERIVATIVE INSTRUMENTS

- A. Derivatives under SSAP No. 86—Derivatives

Not Applicable.
- B. Derivatives under SSAP No. 108—Derivative Hedging Variable Annuity Guarantees

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

9. INCOME TAXES

A. Deferred Tax Asset/ (Liability)

1. The components of the net deferred tax assets/(liability) at December 31 are as follows:

	12/31/2021			12/31/2020		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 325,073,959	\$ 4,131,902	\$ 329,205,861	\$ 301,855,319	\$ 5,214,168	\$ 307,069,487
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	325,073,959	4,131,902	329,205,861	301,855,319	5,214,168	307,069,487
(d) Deferred Tax Assets Nonadmitted	-	-	-	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	325,073,959	4,131,902	329,205,861	301,855,319	5,214,168	307,069,487
(f) Deferred Tax Liabilities	30,690,511	52,124,056	82,814,567	34,115,904	32,077,870	66,193,774
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 294,383,448</u>	<u>\$ (47,992,154)</u>	<u>246,391,294</u>	<u>\$ 267,739,415</u>	<u>\$ (26,863,702)</u>	<u>\$ 240,875,713</u>

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 23,218,640	\$ (1,082,266)	\$ 22,136,374
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	23,218,640	(1,082,266)	22,136,374
(d) Deferred Tax Assets Nonadmitted	-	-	-
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	23,218,640	(1,082,266)	22,136,374
(f) Deferred Tax Liabilities	(3,425,393)	20,046,186	16,620,793
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	<u>\$ 26,644,033</u>	<u>\$ (21,128,452)</u>	<u>\$ 5,515,581</u>

	12/31/2021			12/31/2020		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total

Admission Calculation Components SSAP No. 101

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 263,080,647	\$ 4,131,902	\$ 267,212,549	\$ 248,065,699	\$ 5,214,168	\$ 253,279,867
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b) 2 Below)	-	-	-	1	-	1
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	-	-	-	1	-	1
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	---	---	681,106,563	---	---	658,858,194
(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	61,993,312	-	61,993,312	53,789,619	-	53,789,619
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	<u>\$ 325,073,959</u>	<u>\$ 4,131,902</u>	<u>\$ 329,205,861</u>	<u>\$ 301,855,319</u>	<u>\$ 5,214,168</u>	<u>\$ 307,069,487</u>

NOTES TO FINANCIAL STATEMENTS

	Change		
	(7)	(8)	(9)
	(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 15,014,948	\$ (1,082,266)	\$ 13,932,682
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets from 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b) 2 Below)	(1)	-	(1)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	(1)	-	(1)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	---	---	22,248,369
(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	8,203,693	-	8,203,693
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total 2(a) + 2(b) + 2(c)	\$ 23,218,640	\$ (1,082,266)	\$ 22,136,374

	2021	2020
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount	432%	455%
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above	\$ 4,461,349,636	\$ 4,307,884,287

	12/31/2021		12/31/2020		Change	
	(1)	(2)	(3)	(4)	(5)	(6)
	Ordinary	Capital	Ordinary	Capital	(Col 1-3) Ordinary	(Col 2-4) Capital
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						
1. Adjusted Gross DTAs Amount From Note 5A1(c)	\$ 325,073,959	\$ 4,131,902	\$ 301,855,319	\$ 5,214,168	\$ 23,218,640	\$ (1,082,266)
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net Admitted Adjusted Gross DTAs Amount From Note 5A1(e)	\$ 325,073,959	\$ 4,131,902	\$ 301,855,319	\$ 5,214,168	\$ 23,218,640	\$ (1,082,266)
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

(b) Does the company's tax-planning strategies include the use of reinsurance? Yes [] No [X]

B. Deferred Tax Liabilities Not Recognized

FIE is currently recognizing all deferred tax liabilities.

C. Current and Deferred Income Taxes

Current income taxes incurred consist of the following major components:

	(1)	(2)	(3)
	12/31/2021	12/31/2020	(Col 1-2) Change
1. Current income tax			
(a) Federal	\$ 132,441,522	\$ 167,780,630	\$ (35,339,109)
(b) Foreign	-	-	-
(c) Subtotal	132,441,522	167,780,630	(35,339,109)
(d) Federal income tax on net capital gains (losses)	1,622,239	9,495,852	(7,873,612)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Attorney-in-fact credit	(205,719,381)	(226,433,282)	20,713,901
(g) Other Tax Credits	-	-	-
(h) Federal and foreign income taxes incurred	\$ (71,655,620)	\$ (49,156,800)	\$ (22,498,820)

NOTES TO FINANCIAL STATEMENTS

2. Deferred Tax Assets:

(a) Ordinary

(1) Discounting of unpaid losses	\$	63,463,096	\$	59,319,011	\$	4,144,085
(2) Unearned premium reserve		154,863,526		135,352,741		19,510,785
(3) Policyholder reserves		-		-		-
(4) Investments		-		-		-
(5) Deferred acquisition costs		-		-		-
(6) Policyholder dividends accrual		-		-		-
(7) Fixed assets		-		4,382		(4,382)
(8) Compensation and benefit accrual		25,894,764		20,614,722		5,280,042
(9) Pension accrual		-		-		-
(10) Receivables - nonadmitted		1,898,511		3,308,542		(1,410,031)
(11) Net Operating Loss Carryover		-		-		-
(12) Tax credit carry-forward		-		-		-
(13) Other (including items <5% of total ordinary tax assets)		4,798,421		1,912,777		2,885,644
(14) Other assets - non admitted		23,897,091		26,225,693		(2,328,602)
(15) Intangible Assets		-		-		-
(16) Accrued expenses		20,326,072		29,284,380		(8,958,308)
(17) Post retirement accrual		20,960,717		21,258,333		(297,616)
(18) Guarantee Fund Asset (Receivable)		-		-		-
(19) Guarantee Fund Assessment		27,808		26,689		1,119
(20) Litigation Accrual		8,943,953		4,548,049		4,395,904
(99) Subtotal		<u>325,073,959</u>		<u>301,855,319</u>		<u>23,218,640</u>
(b) Statutory valuation allowance adjustment		-		-		-
(c) Nonadmitted		-		-		-
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	\$	<u>325,073,959</u>	\$	<u>301,855,319</u>	\$	<u>23,218,640</u>

(e) Capital:

(1) Investments	\$	940,477	\$	1,723,385	\$	(782,908)
(2) Net capital loss carry-forward		-		-		-
(3) Real estate		-		-		-
(4) Other (including items <5% of total capital tax assets)		-		-		-
(5) Investment write downs		3,191,425		3,490,783		(299,358)
(99) Subtotal		<u>4,131,902</u>		<u>5,214,168</u>		<u>(1,082,266)</u>
(f) Statutory valuation allowance adjustment		-		-		-
(g) Nonadmitted		-		-		-
(h) Admitted capital deferred tax assets (2e99-2f-2g)		<u>4,131,902</u>		<u>5,214,168</u>		<u>(1,082,266)</u>
(i) Admitted deferred tax assets (2d+2h)	\$	<u>329,205,861</u>	\$	<u>307,069,487</u>	\$	<u>22,136,374</u>

(1)	(2)	(3)
12/31/2021	12/31/2020	(Col 1-2) Change

3. Deferred tax liabilities:

NOTES TO FINANCIAL STATEMENTS

(a) Ordinary

(1) Investments	\$	993,541	\$	814,609	\$	178,932
(2) Fixed assets		8,177,616		10,721,249		(2,543,633)
(3) Deferred and uncollected premium		-		-		-
(4) Policyholder reserves		-		-		-
(5) Other (including items <5% of total ordinary tax liabilities)		5,921,145		4,079,102		1,842,043
(6) Pension liabilities		-		-		-
(7) BOLI / ICOLI		-		-		-
(8) Guaranty Funds Receivable		-		-		-
(9) Interest on Surplus Notes		3,987,269		3,987,269		-
(10) Discounting of unpaid losses - Transition Adj.		11,610,940		14,513,675		(2,902,735)
(99) Subtotal	\$	<u>30,690,511</u>	\$	<u>34,115,904</u>	\$	<u>(3,425,393)</u>

(b) Capital:

(1) Investments	\$	52,124,056	\$	32,077,870	\$	20,046,186
(2) Real estate		-		-		-
(3) Other (including items <5% of total capital tax liabilities)		-		-		-
(99) Subtotal	\$	<u>52,124,056</u>	\$	<u>32,077,870</u>	\$	<u>20,046,186</u>

(c) Deferred tax liabilities (3a99 + 3b99)	\$	<u>82,814,567</u>	\$	<u>66,193,774</u>	\$	<u>16,620,793</u>
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4. Net deferred tax assets/liabilities (2i - 3c)		<u>246,391,294</u>	\$	<u>240,875,713</u>	\$	<u>5,515,581</u>
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5. The change in net deferred income taxes is composed of the following at December 31, 2021 and December 31, 2020 are as follows:

	(1)	(2)	(3)
	12/31/2021	12/31/2020	(Col 1-2) Change
Adjusted gross deferred tax assets	\$ 329,205,861	\$ 307,069,487	\$ 22,136,374
Total deferred tax liabilities	<u>82,814,567</u>	<u>66,193,774</u>	<u>16,620,793</u>
Net deferred tax asset	246,391,294	240,875,713	5,515,581
Tax effect of unrealized (gains) losses			<u>(20,758,919)</u>
Change in net deferred income tax (charge)/benefit			<u>\$ 26,274,500</u>

D. Reconciliation of Federal income Tax Rate to Actual Effective Rate.

Among the more significant book to tax adjustments were the following:

	(1)	Effective Tax Rate
	12/31/2021	
Provision computed at statutory rate	\$ (92,079,293)	21.00%
Tax-exempt interest	(5,116,505)	1.17%
Dividend received deduction	(719,501)	0.16%
25% exemption adjustment	1,418,853	(0.32%)
Unallowable deductions	652,704	(0.15%)
BOLI / ICOLI	(5,378,536)	1.23%
Tax credits	-	0.00%
Net Interest Receivable	(595,736)	0.14%
Prior year under/(over) accrual of income taxes	149,260	(0.03%)
Change in nonadmitted assets	3,738,633	(0.85%)
Expiration of net operating loss	-	0.00%
Other	0	0.00%
Total	\$ (97,930,120)	22.33%

NOTES TO FINANCIAL STATEMENTS

Federal income tax incurred/(benefit)	\$	(73,277,859)	16.71%
Tax on capital gains/(losses)		1,622,239	(0.37%)
Less: Change in net deferred income tax		<u>(26,274,500)</u>	<u>5.99%</u>
Total statutory income taxes	\$	<u>(97,930,120)</u>	<u>22.33%</u>

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

1. When available, FIE utilizes net operating loss carry forwards to offset taxable income under the terms of the tax sharing agreement. As of December 31, 2021, FIE did not have any net operating loss carry forwards. Certain net operating loss carry forwards are subject to an annual limitation under Internal Revenue Code section 382.

2. The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses as of December 31, 2021 and December 31, 2020 :

		<u>Amount</u>
Current year	\$	133,969,725
First preceding year		217,912,713

3. Deposits admitted under Internal Revenue Service Code Section 6603 None

F. Consolidated Federal Income Tax Return

1. FIE's federal income tax return is consolidated with the following entities, with Farmers Insurance Exchange as the parent company.

Farmers Insurance Exchange	Farmers Casualty Insurance Company
21st Century Advantage Insurance Company	Farmers Direct Property and Casualty Insurance Company
21st Century Auto Insurance Company of New Jersey	Farmers General Insurance Agency, Inc.
21st Century Casualty Company	Farmers Group Property & Casualty Insurance Company
21st Century Centennial Insurance Company	Farmers Insurance Company of Idaho
21st Century Indemnity Insurance Company	Farmers Insurance Company of Oregon
21st Century Insurance & Financial Services	Farmers Insurance Company, Inc.
21st Century Insurance Company	Farmers Insurance Hawaii, Inc.
21st Century Insurance Group	Farmers Insurance of Columbus, Inc
21st Century North America Insurance Company	Farmers Lloyds Insurance Company of Texas
21st Century Pacific Insurance Company	Farmers Lloyds, Inc.
21st Century Pinnacle Insurance Company	Farmers New Century Insurance Company
21st Century Premier Insurance Company	Farmers Property & Casualty Insurance Company
American Federation Insurance Company	Farmers Specialty Insurance Company
American Pacific Insurance Company, Inc.	Foremost Express Insurance Agency, Inc.
Bristol West Casualty Insurance Company	Foremost Insurance Company Grand Rapids, Michigan
Bristol West Holdings, Inc.	Foremost Lloyds of Texas
Bristol West Insurance Company	Foremost Property and Casualty Insurance Company
Bristol West Insurance Services of California, Inc.	Foremost Signature Insurance Company
Bristol West Insurance Services, Inc. of Florida	Hawaii Insurance Consultants Ltd.
Bristol West Preferred Insurance Company	Illinois Farmers Insurance Company
BWIS of Nevada, Inc.	Kraft Lake Insurance Agency Inc.
Coast National General Agency, Inc.	Mid-Century Insurance Company
Coast National Holding Company	Mid-Century Insurance Company of Texas
Coast National Insurance Company	Security National Insurance Company
Economy Fire & Casualty Company	Texas Farmers Insurance Company
Economy Preferred Insurance Company	Toggle Insurance Company
Economy Premier Assurance Company	Western Star Insurance Services, Inc.

NOTES TO FINANCIAL STATEMENTS

2. Farmers Insurance Exchange ("FIE") and its eligible affiliates have executed a tax-sharing agreement whereby FIE receives from its affiliates the tax they would pay if they had filed separate returns and pays to the affiliates amounts for any tax benefits reported. Any expense or benefit so derived is recognized in the respective affiliate's current year tax provision. Intercompany tax balances are settled monthly based on estimates with the final settlement made annually within 30 days after the return has been filed.

G. Federal or Foreign Federal Income Tax Loss Contingencies

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

H. Repatriation Transition Tax (RTT)

The Company does not have any liability for Repatriation Tax.

I. Alternative Minimum Tax (AMT) Credit

	<u>Amount</u>
(1) Gross AMT Credit Recognized as:	
a. Current year recoverable	\$ -
b. Deferred Tax Asset (DTA)	-
(2) Beginning Balance of AMT Credit Carryforward	N/A
(3) Amounts Recovered	\$ -
(4) Adjustments	-
(5) Ending Balance of AMT Credit Carryforward (5=2-3-4)	N/A
(6) Reduction for Sequestration	\$ -
(7) Nonadmitted by Reporting Entity	-
(8) Reporting Entity Ending Balance (8=5-6-7)	<u>N/A</u>

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES, AND OTHER RELATED PARTIES

A. Nature of Relationships

FIE is organized under the laws of the state of California and is the lead company in the Farmers Intercompany Reinsurance Program. Farmers P&C Companies is comprised of the Exchanges, their respective insurance subsidiaries, Farmers Texas County Mutual Insurance Company, Foremost County Mutual Insurance Company, Foremost Lloyds of Texas and Farmers Lloyds Insurance Company of Texas. The subsidiaries of the Exchanges include, among others, Foremost Insurance Company Grand Rapids and its subsidiaries, which were acquired on March 7, 2000, Bristol West Holdings, Inc. and its subsidiaries, which were acquired on July 3, 2007, the 21st Century companies which were acquired on July 1, 2009 and the Farmers Property and Casualty Insurance Company (formerly Metropolitan Property and Casualty Insurance Company) and its subsidiaries ("FWS"), which were acquired on April 8, 2021.

On January 13, 2020, 21st Century Superior Insurance Company was merged into 21st Century North America Insurance Company and subsequently dissolved.

B. Significant Transactions and Changes in Terms of Intercompany Arrangements

On December 31, 2021, Truck and Fire renewed the certificates of contribution in the amount of \$120 million and \$80 million, respectively, that were previously issued to the Farmers Insurance Exchange on December 31, 2011. The interest rate on the renewed notes was decreased by 2.0% to 4.0%. These certificates have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. Interest payments are to be received semi-annually from Truck and Fire. The renewed certificates mature December 31, 2031.

C. Transactions with related parties who are not reported on Schedule Y

- (1) Detail of Material Related Party Transactions

None.

- (2) Detail of Material Related Party Transactions Involving Services

None.

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

None.

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

None.

NOTES TO FINANCIAL STATEMENTS

D. Amounts Due to or from Related Parties

At December 31, 2021 and 2020, FIE reported \$2,311.9 million and \$356.8 million due from affiliates, respectively. The terms of settlement require that these amounts be settled within 45 days.

E. Management, Service Contracts, Cost Sharing Arrangements

Certain members of the Farmers Property and Casualty Companies (collectively, "Farmers") participate in an intercompany reinsurance agreement in which they share in the net premiums and ultimate losses of affiliates. With FIE as the lead company, Farmers' companies, (except Farmers Reinsurance Company and 21st Century affiliates business prior to July 1, 2009, and FWS affiliates business prior to April 1, 2021), cede all of their direct and assumed personal business and business insurance to FIE, which then retrocedes a share of the business back to the participants according to their respective participation percentages (see Note 26). For the year ended December 31, 2021, FIE assumed \$8,508.7 million in net premiums written, \$8,056.1 million in net premiums earned, and \$5,148.6 million in net losses incurred, as result of its participation in the intercompany reinsurance agreement. FIE has separate agreements for adjustment services with both Fire and Truck pursuant to which Fire and Truck utilize the services of the employees of FIE in the handling of its claims.

FIE has a service agreement with Farmers Insurance Company, Inc. ("FICO, Inc.") whereby FICO, Inc. provides claims handling and support services for FIE at its facilities located in Olathe, Kansas, and Oklahoma City, Oklahoma. In addition, FIE has a separate service agreement with FICO, Inc. Under the terms of this agreement, FIE provides various services to FICO, Inc. as are necessary and appropriate for FICO, Inc. to discharge its obligations to its policyholders, shareholders and regulators. This agreement broadly encompasses, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services.

FIE has separate service agreements with Mid-Century Insurance Company of Texas ("MCT") and the Texas Farmers Insurance Company ("TFIC"), which provide for FIE to collect premiums receipts and provide appropriate accounting for premiums collected by MCT and TFIC, including the reconciliation of policyholder records and monthly settlement of all balances. In addition, FIE has other service agreements with MCT and TFIC, to supplement the premium collection agreements. Under the terms of these supplemental agreements, FIE provides various services to MCT and TFIC as are necessary and appropriate for these two companies to discharge their obligations to policyholders, shareholders and regulators. These agreements broadly encompass, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services.

Effective October 24, 2019, FIE entered into a service agreement with American Federation Insurance Company ("AFIC") pursuant to which FIE will provides various services, including preparation of insurance policies, calculation of premiums, calculation and payment of commissions to agents, accounting services, claims adjustment services, and other administrative services to AFIC.

Effective April 8, 2021, FIE entered into a service agreement with Farmers Property and Casualty Insurance Company. Under the terms of this agreement, FIE provides various services as are necessary and appropriate to discharge their obligations to their policyholders, shareholders and regulators. These agreements broadly encompass, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services.

FIE also has service agreements with several of its other insurance subsidiaries and affiliates. Under the terms of these agreements, FIE provides various services to each of these companies as are necessary and appropriate for these companies to discharge their obligations to their policyholders, shareholders and regulators. These agreements broadly encompass, claims adjustment services, investment management services, preparation of insurance policies, billing and collections, and other administrative services. Following are the companies with service agreements with FIE:

FIE provides marketing, legal services, warehouse and distribution services, audit and training, and related services to FFS Holding, LLC, pursuant to a Service Agreement effective March 1, 2017.

FIE provides marketing, underwriting, reinsurance, operational and related services to the Zurich Personal Insurance business of Maryland Casualty Company, Assurance Company of America, National Standard Insurance Company, Northern Insurance Company of New York, and Universal Underwriters Insurance Company, pursuant to a Service Agreement effective January 1, 1999.

FIE provides certain claims adjusting services for the benefit of Zurich American Insurance Company and its United States affiliated insurers (collectively, "Zurich U.S."), pursuant to a Service Agreement entered into between the parties in November 2000. Under this Agreement, FIE handles, adjudicates, and adjusts Zurich U.S. private passenger auto claims, and is reimbursed for services provided.

Zurich American Insurance Company or its affiliates provide administrative, underwriting, policy issuance, and related services to FIE, Fire Insurance Exchange, Truck Insurance Exchange, and Mid-Century Insurance Company, in conjunction with the following specific insurance programs:

Mechanical Breakdown Insurance Program: Service Agreement between Universal Underwriters Insurance Company and FIE, effective September 1, 1998.

NOTES TO FINANCIAL STATEMENTS

Equipment Breakdown Insurance Program. Service Agreement between Zurich Services Corporation and FIE, Truck Ins Exchange, Mid-Century Insurance Company, Civic Property and Casualty Company, Exact Property and Casualty, and Neighborhood Spirit Property and Casualty Company, effective November 1, 2000.

FIE entered into a Service agreement, dated December 7, 2009, whereby Farmers provides collision claims services for Zurich Compania de Seguros, S.A (“Zurich Mexico”) policyholders who wish to have their motor vehicles repaired in the United States for losses which occur in Mexico and which are covered by Zurich Mexico’s “Zmart” insurance policies.

FIE entered into a Consultancy Agreement, dated August 12, 2010, with Zurich Services Corporation, pursuant to which Zurich Services Corporation will provide risk engineering assessment services to FIE.

Agency Agreement: Agency agreement between FX Insurance Agency, LLC and Farmers Insurance Exchange, Fire Insurance Exchange, Truck Insurance Exchange, Mid-Century Insurance Company, Civic Property and Casualty Insurance Company, Exact Property and Casualty Company, Neighborhood Spirit Property and Casualty Company, Coast National Insurance Company, 21st Century Insurance Company, 21st Century Casualty Company, Farmers Specialty Insurance Company and other insurers, effective January 1, 2019.

F. Guarantees or Undertakings for Related Parties

There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate (see Note 14A).

G. Nature of Relationships that Could Affect Operations

FIE is governed by a Board of Governors elected by its policyholders. Management services are provided to FIE by FGI, doing business as Farmers Underwriters Association, its Attorney-in-Fact. FGI is a wholly-owned subsidiary of Zurich Financial Services.

FIE is one of the Farmers’ companies, which is comprised of the following:

NOTES TO FINANCIAL STATEMENTS

Company Name	NAIC Company Code	State of Domicile
Farmers Insurance Exchange	21652	California
Fire Insurance Exchange	21709	California
Truck Insurance Exchange	21660	California
Civic Property And Casualty Company	10315	California
Exact Property And Casualty Company	10318	California
Farmers Insurance Company Of Arizona	21598	Arizona
Farmers Insurance Company Of Idaho	21601	Idaho
Farmers Insurance Company Of Oregon	21636	Oregon
Farmers Insurance Company Of Washington	21644	Washington
Farmers Insurance Company, Inc.	21628	Kansas
Farmers Insurance Of Columbus, Inc.	36889	Ohio
Farmers New Century Insurance Company	10806	Illinois
Farmers Texas County Mutual Insurance Company	24392	Texas
Illinois Farmers Insurance Company	21679	Illinois
Mid-Century Insurance Company	21687	California
Mid-Century Insurance Company Of Texas	28673	Texas
Neighborhood Spirit Property And Casualty Company	10317	California
Texas Farmers Insurance Company	21695	Texas
*Farmers Reinsurance Company	10873	California
Foremost Insurance Company Grand Rapids, Michigan	11185	Michigan
Foremost County Mutual Insurance Company	29254	Texas
Foremost Lloyds Of Texas	41688	Texas
Foremost Signature Insurance Company	41513	Michigan
Foremost Property And Casualty Insurance Company	11800	Michigan
Farmers Specialty Insurance Company	43699	Michigan
Coast National Insurance Company	25089	California
Security National Insurance Company	33120	Florida
Bristol West Insurance Company	19658	Ohio
Bristol West Casualty Insurance Company	11034	Ohio
Bristol West Preferred Insurance Company	12774	Michigan
21st Century North America Insurance Company	32220	New York
21st Century Advantage Insurance Company	25232	Minnesota
21st Century Auto Insurance Company Of New Jersey	10184	New Jersey
21st Century Casualty Company	36404	California
21st Century Centennial Insurance Company	34789	Pennsylvania
21st Century Indemnity Insurance Company	43974	Pennsylvania
21st Century Insurance Company	12963	California
21st Century Pacific Insurance Company	23795	Colorado
21st Century Pinnacle Insurance Company	10710	New Jersey
21st Century Premier Insurance Company	20796	Pennsylvania
American Federation Insurance Company	10245	Texas
American Pacific Insurance Company, Inc.	10805	Hawaii
Farmers Insurance Hawaii, Inc.	28487	Hawaii
Toggle Insurance Company	44245	Delaware
Farmers Property And Casualty Insurance Company	26298	Rhode Island
Economy Fire And Casualty Company	22926	Illinois
Economy Preferred Insurance Company	38067	Illinois
Economy Premier Assurance Company	40649	Illinois
Farmers Casualty Insurance Company	40169	Rhode Island
Farmers Direct Property And Casualty Insurance Company	25321	Rhode Island
Farmers Group Property And Casualty Insurance Company	34339	Rhode Island
Farmers Lloyds Insurance Company of Texas	13938	Texas

**Represents a reinsurance company within NAIC Code "0212", which assumes 100% of its business from Farmers Insurance Group entities, with NAIC Group Code: "0069" per terms of reinsurance agreements and combines its statutory results with the Farmers Exchanges.*

NOTES TO FINANCIAL STATEMENTS

For more details on ownership, see Schedule Y.

H. Amount Deducted for Investment in Upstream Company

FIE does not own shares of an upstream intermediate or ultimate parent, which are applicable under Section 4(B)(b)(x) of the NAIC Valuation of Securities manual.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

FIE's investment in, Mid-Century Insurance Company ("Mid-Century"), an affiliate, exceeded 10% of its total admitted assets at both December 31, 2021 and 2020. The following represents summarized information related to Mid-Century (in millions):

	2021	2020
Total assets	\$ <u>7,450</u>	\$ <u>6,941</u>
Total liabilities	3,245	2,829
Total capital and surplus	4,205	4,112
Total liabilities, capital, and surplus	\$ <u>7,450</u>	\$ <u>6,941</u>
Net income (Loss)	\$ <u>26</u>	\$ <u>47</u>

J. Write downs for Impairment of Investments in Affiliates

FIE did not recognize any impairment write down on investments in SCA's during the years ended December 31, 2021 and 2020.

K. Foreign Insurance Subsidiary Valued Using CARVM

FIE does not have any investments in foreign insurance companies.

L. Downstream Holding Company Valued Using Look-Through Method

FIE owns equity interest in FCOA, LLC and Bristol West Holdings, Inc., both non-insurance subsidiaries, as well as the various 21st Century non-insurance subsidiaries, which is carried based on audited US GAAP equity adjusted to a statutory basis of accounting.

M. All SCA Investments

FIE's direct and indirect ownership and equity interest in all non-insurance SCA's average is approximately 80%, with the remaining 20% held by Truck and Fire at about 10%, each. FIE's ownership share of the aggregate total admitted and non-admitted balance sheet amounts of all non-insurance SCA's were \$235.6 million. The aggregate total admitted and non-admitted non-insurance SCA's amounts are as follows:

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (except 8bi entities) - 2021

NOTES TO FINANCIAL STATEMENTS

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 Bristol West Holdings, Inc	42	\$ 235,588,423	\$ 235,588,423	\$ -
Total SSAP No. 97 8b(ii) Entities	XXX	\$ 235,588,423	\$ 235,588,423	\$ -
c. SSAP No. 97 8b(iii) Entities None		\$ -	\$ -	\$ -
Total SSAP No. 97 8b(iii) Entities	XXX	\$ -	\$ -	\$ -
d. SSAP No. 97 8b(iv) Entities None		\$ -	\$ -	\$ -
Total SSAP No. 97 8b(i) Entities	XXX	\$ -	\$ -	\$ -
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	XXX	\$ 235,588,423	\$ 235,588,423	\$ -
f. Aggregate Total (a+e)	XXX	\$ 235,588,423	\$ 235,588,423	\$ -

(2) NAIC Filing Response Information - 2020

SCA Entity (Should be same entities as shown in M(1) above.)	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method, Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities			\$ -			
Total SSAP No. 97 8a Entities	XXX	XXX	\$ -	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities Bristol West Holdings, Inc	S2	8/30/2021	\$ 234,914,672	Y	N	
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	\$ 234,914,672	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities			\$ -			
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities			\$ -			
Total SSAP No. 97 8b(i) Entities	XXX	XXX	\$ -	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (except 8bi entities) (b+c+d)	XXX	XXX	\$ 234,914,672	XXX	XXX	XXX
f. Aggregate Total (a+e)	XXX	XXX	\$ 234,914,672	XXX	XXX	XXX

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

** I – Immaterial or M – Material

N. Investment in Insurance SCAs

FIE does not have any SCA where its audited statutory equity departs from NAIC statutory equity.

O. SCA or SSAP 48 Entity Loss Tracking

Not applicable.

11. DEBT

A. Debt

Not applicable.

B. FHLB (Federal Home Loan Bank) Agreements

- (1) FIE is a member of the Federal Home Loan Bank (FHLB) of San Francisco. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company’s strategy to utilize these funds as backup liquidity. The company has determined the actual/estimated maximum borrowing capacity as \$709,203,594. The Company calculated this amount in accordance with the FHLB of San Francisco's total financing availability.

NOTES TO FINANCIAL STATEMENTS

(2) FHLB Capital Stock

a. Aggregate Totals

	1 Total 2+3	2 General Account	3 Protected Cell Accounts
1. Current Year			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	15,000,000	15,000,000	-
(c) Activity Stock	-	-	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c+d)	15,000,000	15,000,000	-
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	709,203,594	XXX	XXX
2. Prior Year-end			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	15,000,000	15,000,000	-
(c) Activity Stock	-	-	-
(d) Excess Stock	-	-	-
(e) Aggregate Total (a+b+c+d)	15,000,000	15,000,000	-
(f) Actual or Estimated Borrowing Capacity as Determined by the Insurer	617,229,350	XXX	XXX

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1 Current Year Total (2+3+4+5+6)	2 Not Eligible for Redemption	Eligible for Redemption			
			3 Less Than 6 Months	4 6 Months to Less than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	-	-	-	-	-	-
2. Class B	15,000,000	15,000,000	-	-	-	-

(3) Collateral Pledged to FHLB

a. Amount pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Protected Cell Accounts Total Collateral Pledged (Lines 2+3)	-	-	-
2. Current Year General Account Total Collateral Pledged	-	-	-
3. Current Year Protected Cell Accounts Total Collateral Pledged	-	-	-
4. Prior Year-end Total General and Protected Cell Accounts Total Collateral Pledged	-	-	-

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Max Collateral
1. Current Year Total General and Protected Cell Accounts Maximum Collateral Pledged (Lines 2+3)	-	-	-
2. Current Year General Account Maximum Collateral Pledged	-	-	-
3. Current Year Protected Cell Accounts Maximum Collateral Pledged	-	-	-
4. Prior Year-end Total General and Protected Cell Accounts Maximum Collateral Pledged	-	-	-

NOTES TO FINANCIAL STATEMENTS

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

	1 Total 2+3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
1. Current Year				
(a) Debt	-	-	-	XXX
(b) Funding Agreements	-	-	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total (a+b+c)	-	-	-	-
2. Prior Year-end				
(a) Debt	-	-	-	XXX
(b) Funding Agreements	-	-	-	-
(c) Other	-	-	-	XXX
(d) Aggregate Total (a+b+c)	-	-	-	-

b. Maximum Amount during Repoerting Period (Current Year)

	1 Total 2+3	2 General Account	3 Protected Cell Account
1. Debt	-	-	-
2. Funding Agreements	-	-	-
3. Other	-	-	-
4. Aggregate Total (Lines 1+2+3)	-	-	-

c. FHLB - Prepayment Obligations

	Does the company have prepayment obligations obligations under the following arrangements (YES/NO)?
1. Debt	NO
2. Funding Agreements	NO
3. Other	NO

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plans

Postretirement Benefits

FIE and certain members of Farmers provide certain postretirement benefits to retired employees. For retirees who retired before January 1, 2010, Farmers postretirement benefits plan provides a contributory defined dollar plan for pre-65 benefit and Premium Reimbursement Account (“PRA”) for post-65 benefit. The PRA is a contribution into an account established by Farmers to cover and help pay for the cost of retiree medical premiums of eligible and qualifying employees. Participants retiring on or after January 1, 2010 are eligible to participate in the Health Retirement Account (“HRA”) and the PRA. The HRA is an account also established by Farmers for eligible employees to help pay for health care premiums in a specified deductible plan until a certain age. Under current plan provisions, health benefits are available for all employees who participated in Farmers group medical benefits plan immediately prior to retirement at age 55 or later with at least 5 years of service. Farmers contributes to the plan only for those who retire with at least 10 years of service. The PRA is not available to those hired after December 31, 2010. The cost of such benefits is accrued over the service period of the employees based on the actuarially determined cost for the period. Employees who retired before January 1, 2010 are also eligible for a life insurance benefit. Obligations for the postretirement benefits plan are paid from Farmers assets. There were no assets separated and allocated to this plan.

A summary of assets, obligations and assumptions of the Postretirement Benefit Plans are as follows at December 31, 2021 and 2020:

(1) Change in benefit obligation

a. Pension Benefits

None.

b. Postretirement Benefits

NOTES TO FINANCIAL STATEMENTS

		Underfunded	
		2021	2020
1	Benefit obligation at beginning of year		
	Adoption of SSAP No. 92 (nonvested obligation)	195,613,830	172,671,903
2	Service cost	7,295,214	7,306,322
3	Interest cost	3,331,226	4,766,506
4	Contribution by plan participants	866,671	696,658
5	Actuarial gain /loss	(7,385,810)	15,447,365
6	Foreign currency exchange rate changes		
7	Benefits paid	(6,845,885)	(5,274,924)
8	Plan amendments		
9	Business combinations, divestitures, curtailments, settlements and special termination benefits	-	-
10	Benefit obligation at end of year	192,875,246	195,613,830

c. Postemployment & Compensated Absence Benefits

None

(2) Change in plan assets

		Postretirement Benefits	
		2021	2020
a.	Fair value of plan assets at beginning of year	-	-
b.	Actual return on plan assets	-	-
c.	Foreign currency exchange rate changes	-	-
d.	Reporting entity Employer contribution	5,979,214	4,578,266
e.	Plan participants' contributions	866,671	696,658
f.	Benefits paid	(6,845,885)	(5,274,924)
g.	Business combinations, divestitures and settlements	-	-
h.	Fair value of plan assets at end of year	-	-

(3) Funded Status

		Postretirement Benefits	
		2021	2020
Overfunded:			
a.	Assets (nonadmitted)		
1	Prepaid benefit costs	-	-
2	Overfunded plan assets	-	-
3	Total assets (nonadmitted)	-	-
Underfunded:			
b.	Liabilities recognized		
1	Accrued benefit costs	(192,875,246)	(195,613,830)
2	Liability for pension benefits	-	-
3	Total liabilities recognized	(192,875,246)	(195,613,830)
c.	Unrecognized liabilities	-	-

(4) Components of net periodic cost

		Postretirement Benefits	
		2021	2020
a.	Service cost	7,295,214	7,306,322
b.	Interest cost	3,331,226	4,766,506
c.	Expected return on plan assets		
d.	Transition asset or obligation		
e.	Gains and losses	-	(58,900)
f.	Prior service cost or credit	(332,551)	(332,551)
g.	Gain or loss recognized due to a settlement or curtailment	-	-
h.	Total net periodic benefit cost	10,293,889	11,681,377

(5) Other amounts recognized in unassigned funds/(surplus)

NOTES TO FINANCIAL STATEMENTS

		Postretirement Benefits	
		2021	2020
a.	Items not yet recognized as a component of net periodic cost – prior year	(385,517)	(16,224,333)
b.	Net transition asset or obligation recognized		
c.	Net prior service cost or credit arising during the period		
d.	Net prior service cost or credit recognized	332,551	332,551
e.	Net gain and loss arising during the period		-
f.	Net gain and loss recognized	(7,385,810)	15,506,265
g.	Items not yet recognized as a component of net periodic cost – current year	(7,438,776)	(385,517)

(6) Amounts in unassigned funds (surplus) not yet recognized in net periodic benefit cost.

		Postretirement Benefits	
		2021	2020
a.	Net transition asset or obligation	-	-
b.	Net prior service cost or credit	(1,354,599)	(1,687,150)
c.	Net recognized (gains) and losses	(6,084,177)	1,301,633

(7) Weighted-average assumptions used to determine net periodic benefit cost as of Dec. 31:

	2021	2020	
a.	Weighted-average discount rate	2.29%	3.15%
b.	Expected long-term rate of return on plan assets	N/A	N/A
c.	Rate of compensation increase	N/A	N/A
d.	Interest crediting rates	5.00%	5.00%

Weighted-average assumptions used to determine projected benefit obligations as of Dec 31:

	2021	2020	
e.	Weighted-average discount rate	2.72%	2.30%
f.	Rate of compensation increase	N/A	N/A
g.	Interest crediting rates	5.00%	5.00%

(8) The amount of the accumulated benefit obligation for the Postretirement Benefit Plans under statutory accounting was \$192.9 million for the current year and \$195.6 million for the prior year.

(9) The health care cost trend rate for participants who retired before January 1, 1991 is 6.25% in 2022, graded down to 5.0% in 2029.

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

	Year(s)	Amount
a.	2022	\$9,118,192
b.	2023	10,157,913
c.	2024	11,312,323
d.	2026	12,543,562
e.	2027	13,871,539
f.	2027 - 2031	74,728,177

(11) Farmers' companies currently plan to make contributions to the postretirement benefits plan of \$9.1 million in 2021. FIE's share of this postretirement benefit contribution is \$4.7 million.

Farmers' companies total benefit obligation under statutory accounting at the end of 2021 and 2020 was \$192.9 million and \$195.6 million, respectively. FIE's share of this postretirement benefit obligation was \$99.8 million and \$101.2 million at December 31, 2021 and 2020, respectively. The total funded status for Farmers' companies was (\$192.9)

NOTES TO FINANCIAL STATEMENTS

million and (\$195.6) million, respectively. FIE's share was (\$99.8) million and (\$101.2) million at December 31, 2021 and 2020, respectively.

- (12) Amounts and types of securities of Farmers and related parties included in plan assets

Not Applicable.

- (13) Alternative method used to amortize prior service amounts or net gains and losses

Not Applicable.

- (14) Substantive commitments

Not Applicable.

- (15) Cost of providing special or contractual termination benefits

Not Applicable.

- (16) Significant gains or losses and/or change in the plan obligation

The significant changes in the plan obligation during the year were driven by two main factors: First, the overall experience gain was primarily driven by the change in corporate bond yield curve from December 31, 2020 to December 31, 2021, illustrated by a 42 bp increase in single equivalent discount rate used to measure benefit obligations. Second, experience gain was partially offset by losses related to updating the trend assumption and the retirement assumptions related to the VSP opt-out population.

- (17) Fair value of plan assets

Not Applicable.

- (18) Election to apply transition guidance

Not Applicable.

B. Description of Investment Policies

Not applicable.

C. Fair Value of Plan Assets

Not applicable.

D. Rate of Return Assumptions

Not applicable.

E. Defined Contribution Plans

Not applicable.

F. Multi-employer Plans

Not applicable.

G. Consolidated/Holding Company Plans

Pension Plan

FIE and certain members of Farmers participate in noncontributory defined benefit pension plans consisting of the qualified Employees' Pension Plan and the non-qualified Employee Benefits Restoration Plan ("EBRP"), all sponsored by Farmers Group, Inc. ("FGI"). As a result, Farmers has no legal obligation for benefits under these Plans.

The Employees' Pension Plan covers substantially all employees of FGI (and Farmers Services, LLC ("FS") prior to 2017) and Farmers employees who were hired prior to January 1, 2018. Prior to January 1, 2009, the Plan provided defined benefits based on years of service and the employee's compensation during the last five years of employment. Effective January 1, 2009, the plan was amended to include cash balance provisions for certain employees, whereas the benefits for the balance of the employees were unchanged. The employees covered under the cash balance provisions are those who, as of December 31, 2008, were non-vested in their pension benefits, those who were under age 40 with

NOTES TO FINANCIAL STATEMENTS

less than 10 years of service and those employees hired on or after January 1, 2009. The plan was comprehensively amended effective December 31, 2015 to permit options for participants with a termination of employment on or after December 31, 2015. Such individuals may elect within 180 days of the participant's termination of employment to have his benefit paid in a single lump sum. Additionally, participants who experience a termination of employment on or after December 31, 2015 will have the opportunity to elect to have the actuarial equivalent of such participant's vested benefit at his or her Normal Retirement or Early Retirement Date, if greater, paid to him or her in the form of substantially equal installment payments over a 10-year certain term. On the making of such lump sum or final payment for the 10-year certain installments, neither the participant nor the participant's spouse or beneficiary shall have any further benefit under the Employees' Pension Plan.

Plans that allow lump sum distributions are required by the IRS to include restrictions based on the plan's funded status. In order to formally document such restrictions, an amendment was adopted by the plan on August 17, 2016 specifying that if the plan's funded status is below 80%, then the plan's ability to offer certain forms of payment will be restricted and if the Plan's funded status is below 60%, then the plan's payment options would be further restricted. The Employee's Pension Plan and the EBRP were amended on October 6, 2016, to modify the provisions to provide for the cessation of benefit accruals as of December 31, 2018. Participants will retain all accrued benefits, including any benefits accrued through December 31, 2018 and will earn only defined contribution retirement benefits starting January 1, 2019. The plan was amended on November 29, 2016, to remove FS as a participating employer of the Employees' Pension Plan effective January 1, 2017. The plan was amended on August 28, 2017, to implement a 1 year service requirement for participation in the Employee's Pension Plan for individuals hired on or after January 1, 2018.

As part of this change, beginning January 1, 2019, Farmers will automatically contribute an additional 4% of eligible base pay to the employees' 401(k) Plan, regardless of the amount contributed by each employee to the 401(k). This new base contribution is in addition to the 6% Farmers match now available.

FGI's funding policy for the Employees' Pension Plan is to contribute an amount at least equal to the minimum required contribution under ERISA/PPA. FGI's policy is to allocate to Farmers their share of the plan cost. Farmers has regularly contributed to the pension plan for their share of the pension cost and Farmers expects future contributions to fully satisfy Farmers portion of the pension liability.

Again no enhancements to existing the Employees' Pension Plan provisions were offered under the VSP program.

Effective January 1, 2019, a group of employees were transferred from Farmers to new divisions created under FGI. The corresponding \$6.8M APBO that was transferred to FGI was reflected in 2019 P&L as a prior service cost for FGI. The remaining employees were transferred in 2020. The corresponding \$0.5 million APBO transferred was reflected in 2020 P&L as a prior service cost for FGI.

For fiscal year 2021 and 2020 plan years, the minimum required pension contribution for FGI did not exceed the full funding limitation under the Internal Revenue Code. As a result, for the years ended December 31, 2021 and 2020, Farmers, FGI and its subsidiaries made no contributions. Farmers contributions to be made in 2022 to the Employees' Pension Plan are currently expected to be \$0.0 million, of which \$0.0 million is FIE's expected share.

Assets of the Employees' Pension Plan are held by an independent trustee primarily in fixed maturity and equity investments. The principal liability is for annuity benefit payments of current and future retirees. Assets of the EBRP are considered FGI's corporate assets and are held in a grantor trust.

The EBRP provides supplemental retirement benefits for employees whose salary is in excess of the maximum recognizable pay under IRS code 401(a)(17) and excess maximum benefit limitation under IRS code 415. FIE's share of the EBRP was \$113.5 thousand and \$153.1 thousand for the years ended December 2021 and 2020, respectively.

Short Term Incentive Program

Effective January 1, 2009, FIE and certain Farmers' companies, participate in a Short Term Incentive Program ("STIP") and a 401(k) Savings Plan approved by the board of governors.

The STIP is a performance-based plan that provides employees an annual incentive pay based on the achievement of certain goals and individual employee performance. FIE's share of expense under this plan was \$52.3 million and \$47.7 million as of December 31, 2021 and 2020, respectively.

401(k) Savings Plan

Effective January 1, 2009, FIE and certain members of Farmers, participate in a 401(k) Savings Program. Contributions are made by eligible employees up to the yearly maximums allowable as defined by the Internal Revenue Service. FIE

NOTES TO FINANCIAL STATEMENTS

and the Farmers companies match eligible employees' contributions up to 6.0% of earned base pay. All eligible employees are 100% vested in the 401(k) Savings Plan immediately.

Beginning January 1, 2019, Farmers automatically contributes an additional 4% of eligible base pay to the employees' 401(k) Plan, regardless of the amount contributed by each employee to the 401(k). This new base contribution is in addition to the 6% company match now available.

FIE's share of expense under this plan was \$41.6 million and \$40.7 million as of December 31, 2021 and 2020, respectively.

Executive Savings Plan ("ESP")

Effective January 1, 2019, FIE and certain Farmers' companies participate in an Executive Savings Plan ("ESP") approved by the Board of Governors. The Plan is a non-qualified deferred compensation program offered to certain executives in key roles. Contribution credits are made annually by Farmers into a notional account administered by a third party administrator. A participant must have 10 years of eligible service and be age 55 to be vested. Annual contribution credits will be made in December each year. There are no in-service withdrawals from this plan.

H. Postemployment Benefits and Compensated Absences

FIE accrued \$2.8 million and \$1.9 million in compensated absences on behalf of the Farmers companies as of December 31, 2021 and 2020, respectively.

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not applicable

13. CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

- A. FIE is a reciprocal exchange and, therefore, does not issue common or preferred stock.
- B. FIE is a reciprocal exchange and, therefore, dividend rate of preferred stock is not applicable.
- C. FIE is a reciprocal exchange and, therefore, dividend restrictions is not applicable.
- D. FIE is a reciprocal exchange and, therefore, dates and amounts of dividends paid is not applicable.
- E. FIE is a reciprocal exchange and, therefore, amount of ordinary dividends that may be paid is not applicable.
- F. No restrictions have been placed on unassigned funds.
- G. FIE does not have advances to surplus.
- H. FIE does not hold stock for special purposes.
- I. The surplus notes were issued at a \$4.0 million discount and reflected as a decrease to unassigned surplus with an offset credit to special surplus funds. This discount is amortized annually at \$100,000 over the term of the surplus notes. As of December 31, 2021, the amortized discount totaled \$400,000 (See Note 13 (11)).
- J. The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and (losses) were \$3,057.3 million and \$2,571.8 million at December 31, 2021 and 2020, respectively.

NOTES TO FINANCIAL STATEMENTS

K. Surplus Notes

FIE received cash contributions pursuant to which FIE issued surplus notes (the “notes”) to qualified institutional buyers, and certificates of contribution (the “certificates”) to ZAIC affiliates as follows:

1 Item Number	2 Date Issued	3 Interest Rate	4 Original Issue Amount of Note	5 Is Surplus Note Holder a Related Party (Y/N)	6 Carrying Value of Note Prior Year	7 Carrying Value of Note Current Year*	8 Unapproved Interest And/Or Principal
0001	05/11/94	8.625%	\$ 203,444,000	N	\$ 203,444,000	\$ 203,444,000	\$ -
0002	07/10/98	7.050%	\$ 373,077,923	N	\$ 279,776,923	\$ 279,776,923	\$ -
0003	07/10/98	7.200%	\$ 111,923,077	N	\$ 103,316,077	\$ 103,316,077	\$ -
0004	11/05/13	6.151%	\$ 312,000,000	N	\$ 312,000,000	\$ 312,000,000	\$ -
0005	10/07/14	5.454%	\$ 399,000,000	N	\$ 399,000,000	\$ 399,000,000	\$ -
0006	10/10/17	4.747%	\$ 400,000,000	N	\$ 396,300,000	\$ 396,400,000	\$ -
0007	12/20/17	3.758%	\$ 100,000,000	N	\$ 100,000,000	\$ 100,000,000	\$ -
Total	XXX	XXX	\$ 1,899,445,000	XXX	\$ 1,793,837,000	\$1,793,937,000	\$ -

* Total should agree with Page 3, Line 33.

1 Item Number	9 Current Year Interest Expense Recognized	10 Life-To-Date Interest Expense Recognized	11 Current Year Interest Offset Percentage (not including amounts paid to a 3rd party liquidity provider)	12 Current Year Principal Paid	13 Life-To-Date Principal Paid	14 Date of Maturity	15 Are Surplus Note Payments Contractually Linked? (Y/N)
0001	\$ 17,547,045	\$ 482,056,320	0.000%	\$ -	\$ -	05/01/24	N
0002	\$ 19,724,273	\$ 459,739,931	0.000%	\$ -	\$ -	07/15/28	N
0003	\$ 7,438,758	\$ 173,385,042	0.000%	\$ -	\$ -	07/15/48	N
0004	\$ 19,191,120	\$ 153,315,725	0.000%	\$ -	\$ -	11/01/53	N
0005	\$ 21,761,459	\$ 152,330,217	0.000%	\$ -	\$ -	10/15/54	N
0006	\$ 18,988,000	\$ 76,743,167	0.000%	\$ -	\$ -	11/01/57	N
0007	\$ 3,758,000	\$ 15,032,000	0.000%	\$ -	\$ -	12/20/27	N
Total	\$108,408,655	\$1,512,602,402	XXX	\$ -	\$ -	XXX	XXX

1 Item Number	16 Surplus Note Payments Subject to Admini- strative Offsetting Provisions? (Y/N)	17 Were Surplus Note Proceeds Used to Purchase an Asset Directly From the Holder of the Surplus Note? (Y/N)	18 Is Asset Issuer a Related Party (Y/N)	19 Type of Assets Received Upon Issuance	20 Principal Amount of Assets Received Upon Issuance	21 Book/Adjusted Carry Value of Assets	22 Is Liquidity Source a Related Party to the Surplus Note Issuer? (Y/N)
0001	N	N	N	Cash	\$ -	\$ -	N
0002	N	Y	Y	Cash	\$ 93,301,000	\$ 93,301,000	Y
0003	N	Y	Y	Cash	\$ 8,607,000	\$ 8,607,000	Y
0004	N	N	N	Cash	\$ -	\$ -	N
0005	N	N	N	Cash	\$ -	\$ -	N
0006	N	N	N	Cash	\$ -	\$ -	N
0007	N	N	N	Cash	\$ -	\$ -	N
Total	XXX	XXX	XXX	XXX	\$ 101,908,000	\$ 101,908,000	XXX

The surplus notes in the amount of \$203.4 million listed under 0001 above were issued to qualified institutional buyers in the open market on May 11, 1994 and are administered by JP Morgan Chase Bank. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. The notes mature May 1, 2024. The original issued amount of these notes was \$300 million, but, notes with a par value of \$96.6 million of these notes were redeemed in November 2013 by FIE for \$130.9 million, a premium of \$34.3 million. These surplus notes were redeemed with the approval of the California Insurance Commissioner and the liability for those notes has been extinguished.

NOTES TO FINANCIAL STATEMENTS

The trust surplus notes in the carrying value amount of \$279.8 million listed under 0002 above were issued to qualified institutional buyers in the open market on July 10, 1998 and are administered by JP Morgan Chase Bank. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. The notes mature July 15, 2028. The original issued amount of these notes was \$373.1 million, but, notes with a par value of \$93.3 million were repurchased in November 2013 by FIE for \$116.8 million, a premium of \$23.5 million. Under the terms of the note indentures, these notes could not be redeemed and the liabilities for the obligations cannot be extinguished until maturity. Therefore, FIE owns the trust notes and has reclassified the underlying surplus notes as notes payable (a liability) in the accompanying financial statements. The Trust Notes held as assets by FIE have been netted against the Notes Payable in the financial statements. In addition, the expense for implied future interest paid on the Notes Payable has been netted against the implied Interest income received on the Trust Notes. This accounting treatment complies with the requirements for offsetting and netting found in SSAP No. 64, paragraph 2. Because the principal amounts of the 2028 Trust Notes owned by FIE are equal to the obligations owed to it under the terms of the underlying surplus notes (Notes Payable), the valuation requirements of paragraph 11. of SSAP No. 41R are not deemed applicable and the Trust Notes are carried at par value.

The trust surplus notes in the carrying value amount of \$103.3 million listed under 0003 above were issued to qualified institutional buyers in the open market on July 10, 1998 and are administered by JP Morgan Chase Bank. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. The notes mature July 15, 2048. The original issued amount of these notes was \$111.9 million, but as also described above, notes with a par value of \$8.6 million were repurchased in November 2013 by FIE for \$10.0 million, a premium of \$1.4 million. Under the terms of the note indentures, these notes could not be redeemed and the liabilities for the obligations cannot be extinguished until maturity. Therefore, as described above, FIE owns the trust notes and has reclassified the underlying surplus notes as notes payable (a liability) in the accompanying financial statements. The Trust Notes held as assets by FIE have been netted against the Notes Payable in the financial statements. In addition, the expense for implied future interest paid on the Notes Payable has been netted against the implied Interest income received on the Trust Notes. Similar to the 2028 Trust Notes, this accounting treatment complies with the requirements for offsetting and netting found in SSAP No. 64, paragraph 2. Because the principal amounts of the 2048 Trust Notes owned by FIE are equal to the obligations owed to it under the terms of the underlying surplus notes (Notes Payable), the valuation requirements of paragraph 11. of SSAP No. 41R are also not deemed applicable and the Trust Notes are carried at par value.

The trust surplus notes in the amount of \$312 million listed under 0004 above were issued to qualified institutional buyers in the open market on November 5, 2013 and are administered by The Bank of New York Mellon Trust Company, NA. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal.

The trust surplus notes in the amount of \$399 million listed under 0005 above were issued to qualified institutional buyers in the open market on October 7, 2014 and are administered by The Bank of New York Mellon Trust Company, NA. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal.

The surplus notes in the carrying value amount of \$396 million listed under 0006 above were issued to private qualified institutional investors on October 16, 2017 at a fixed rate of 4.747% and are administered by The Bank of New York Mellon Trust Company, NA. The notes are unsecured and subordinated to all present and future senior indebtedness and policy claims. The notes mature November 1, 2057. The notes have restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. The surplus notes were issued at a \$4.0 million discount and reflected as a decrease to unassigned surplus with an offset credit to special surplus funds. The balances in the unassigned surplus and the special surplus funds are subsequently reduced as the discounts are amortized/accreted into the income statement with offset to the underlying surplus notes. This discount is amortized annually over the term of the surplus notes.

The surplus note in the amount of \$100 million of 10-year surplus note at 3.758% listed under 0007, was issued to the Farmers New World Life Insurance on December 20, 2017, which is owned by FGI, the Attorney-in-Fact of the Exchanges. The note is unsecured and subordinated to all present and future senior indebtedness and policy claims. The note has restrictions, which require the approval of the California Insurance Commissioner before payment of interest or repayment of principal. These surplus notes were approved by the California Insurance Commissioner.

(L-M) FIE has not undergone any quasi-reorganizations.

14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS

A. Contingent Commitments

As of December 31, 2021, the FIE had remaining commitments of \$705,491 related to Impact Community Capital, \$61,200 related to Impact Huntington Equity, and \$788,288 related to Impact Huntington Member Loan.

NOTES TO FINANCIAL STATEMENTS

B. Assessments

- (1) FIE receives periodic assessments from certain states to reimburse policyholders and claimants of insolvent carriers. Depending on the guidelines established by each state, the assessments are expensed, recouped from policyholders or utilized as credits against premium taxes. Premium Tax credits are realized between 3 To 10 years depending on the guidelines established by each state.

In 2021, FIE has accrued a liability for guaranty fund and related assets for premium tax credits or policy surcharges of (\$0.1) million as well as related premium tax benefit assets and policy surcharges assets of \$19,744 million. The amounts recorded represent management's best estimates based on assessment rate information received from the states in which the Company writes business and the direct premiums written in those states. The liability is included in the taxes, licenses and fees liability and will be paid in the next year.

- (2) Rollforward of related assets:

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	\$ (63,079)
b. Decreased current year:	
Premium tax offsets applied	135,617
Premium tax offsets charged off	
Policy surcharges collected	278,449
Policy surcharges charged off	
c. Increased current year:	
Premium tax offsets accrued	173,196
Policy surcharges accrued	323,693
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	\$ <u>19,744</u>

- (3) Not Applicable

C. Gain Contingencies

None.

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

FIE paid the following amounts during the reporting period in settlement of lawsuits alleging extra-contractual causes of action:

	Direct
Claims related ECO and bad faith losses paid	\$ 2,423,899

Number of lawsuits alleging extra-contractual causes of action 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	

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [X]

(g) Per Claimant []

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

NOTES TO FINANCIAL STATEMENTS

G. All Other Contingencies

Litigation

Certain of Farmers companies are defendants in certain lawsuits arising in the normal course of business, which are in various stages of development. Some of these matters seek punitive as well as compensatory damages. While it is not possible to predict the outcome of these matters with certainty, management believes that their ultimate disposition will not have a material effect on FIE's financial position or results of operations. In addition, certain of the Farmers companies are, from time to time, involved as parties in various governmental and administrative proceedings.

California Earthquake Authority

Fire is a participant in the California Earthquake Authority ("CEA") on behalf of the Farmers P&C Companies. The CEA was established by the California Legislature to provide earthquake insurance to the owners of residential property in the state of California. Insurers who elect to participate in the program are liable for a portion of aggregate losses up to \$1.7 billion, contingent on losses exceeding a specified limit. Effective March 10, 2021, the latest date for which information was available, the Farmers companies' residential earthquake insurance market share was 13.78%, and its respective share of this contingent liability was \$229.2 million at December 31, 2021. In the case of a triggering event, and based on its intercompany reinsurance participation of 51.75%, FIE's share of this contingent liability before external reinsurance would be \$118.6 million. As of December 31, 2020, a triggering event has not occurred, and, therefore, no provision has been made in the accompanying financial statements for any liability or loss that may result from a catastrophic earthquake event.

Surplus Loan Note Facility

Effective June 28, 2019, FIE renewed its \$500 million contingent surplus note facility with a range of bank and non-bank lenders. The facility, which was initially developed in 2007, provides FIE with the ability to issue 5-year surplus notes at any time during a three-year period in the event of a specified major catastrophe loss, at a pre-agreed price. This transaction aligns with the FIE focus on preserving their long-term capital strength, even after a major catastrophic event. FIE has not borrowed against the current or prior lines of credit on this facility. The majority of the fees associated with this program are typically front ended at the beginning of each renewal period, and as a result, the fees paid by FIE for the right to access this facility were \$1.6 million and \$3.3 million at December 31, 2021 and 2020, respectively.

This agreement expired on June 28, 2021, and was not renewed.

Revolving Credit Facility Framework Agreement

FIE and certain of the Farmers' companies entered into a Revolving Credit Facility Framework Agreement for the purposes of eliminating the need to maintain large cash balances or unnecessarily liquidating investments during the monthly reinsurance cash settlement process among participating affiliates. The revolving credit framework allows participating affiliates to make short term loans to each other to cover debt arising from the monthly reinsurance settlement process. The loans, executed on an as-needed basis, mature in ninety (90) days and cannot exceed in the cumulative aggregate three percent (3%) of a borrower's or lender's admitted assets. Loans may be collateralized with a pledge of securities at lender's option, and in any event, must be collateralized if the loan crosses from one calendar year into the next calendar year such that the loan is secured and perfected as of December 31 of the year the loan was made. Parties to the agreement will renegotiate the terms of the agreement at least once every three (3) years. The agreement has been non-disapproved by the California Department of Insurance as well as by the regulators of the domiciliary states of FIE affiliates outside of California. During the year, the FIE loaned funds to Fire and Truck under this agreement and subsequently received back, in cash, from Fire and Truck Insurance Company, the full repayment of the principal balance during the same year, with interest, per terms of the agreement. At December 31, 2021 there was no outstanding loan balance on this revolving credit facility.

Federal Home Loan Bank Revolving Facility

In 2019, the "Exchanges applied and subsequently gained membership into the Federal Home Loan Bank of San Francisco ("FHLB"), allowing qualifying participants to purchase stock in and do business with the bank. In addition, membership in this bank allows the Exchanges to gain access to FHLB financing. Membership of the Exchanges in the FHLB will allow the Exchanges to borrow up to \$500 million in the aggregate from FHLB, with up to \$400 million of that amount available to FIE. Each of the Exchanges will secure any FHLB advances with its own assets and each expects to remain an FHLB member for so long as it sees value in the membership.

The Exchanges have not borrowed against the current or prior lines of credit on the facility.

Structured Settlements

FIE is contingently liable for losses settled via structured settlements of approximately \$9,991,589 (See Note 27 for additional disclosure).

Agent Loan Relief Program

As part of the response to the COVID-19 pandemic, in April 2020, Farmers worked with the Farmers Insurance Group

NOTES TO FINANCIAL STATEMENTS

Federal Credit Union (“FIGFCU”) to develop and offer a loan assistance program to qualifying Farmers agents. Under the terms of the program, Farmers will guarantee loans issued to certain of its agents, up to a maximum of \$15 million. In addition, Farmers agreed to pay a maximum of \$150 thousand servicing fee to FIGFCU. Management has established a provision, as appropriate, based on applicable accounting procedures.

15. LEASES

A. Lessee Operating Leases

- (1) FIE leases certain computer equipment under various non-cancelable operating lease agreements. The leases are entered into for three-year periods and are generally renewed as they expire. Rental expense for 2021 and 2020 was \$5.1 million and \$7.3 million, respectively.

FIE leases office space in various locations across the country under various non-cancelable operating lease agreements which expire through the year 2034. Rental expense for 2021 and 2020 was \$42.8 million and \$51.9 million, respectively.

In addition, FIE leases fleet vehicles through LeasePlan under open-ended leases. The leases are entered into for a minimum of 12 month periods and generally maintain a life cycle to replace every 3 years. FIE’s total rent expense for the year ended December 31, 2021 and 2020 was \$11.3 million and \$16.7, respectively.

There were certain operating leased space and computer equipment lease agreements that were terminated early throughout the course of the year. As a result, FIE recognized an expense for cost to terminate leases before the end of their term as permitted in the cancellations options included in the lease. Through December 31, 2021, FIE incurred \$6.4 million for the early termination of operating leased space and \$0.0 million for the early termination of leased computer equipment.

- (2) Leases having initial or remaining noncancelable lease terms in excess of one year

(A) As of December 31, 2021, the minimum aggregate rental commitments for the above obligations are as follows:

Year Ending December 31:	Total Operating Lease
2022	\$ 37,305,058
2023	\$ 34,669,488
2024	\$ 26,505,689
2025	\$ 19,858,577
2026	\$ 17,343,559
Total	\$ 135,682,370

NOTES TO FINANCIAL STATEMENTS

(B) As of December 31, 2021, the minimum rentals to be received in the future under subleases that were included as gross operating leases above are as follows:

Year Ending December 31:	Rentals To Be Received
2022	\$ 7,184,201
2023	\$ 7,045,825
2024	\$ 6,886,418
2025	\$ 6,914,975
2026	\$ 7,013,002
Total	\$ 35,044,421

(3) On August 27th, 2019, Foremost Insurance Company Grand Rapids a downstream subsidiary of FIE, sold four of its properties located in Caledonia and Michigan for \$145.0 million. The sale created a sale-leaseback transaction over the lease term of 15 years. As a result, the after tax capital gain amount of \$59.5 million was reported in the Aggregate write-ins for the Special Surplus Funds, and will be amortized to Unassigned Surplus Funds in relation to the gross rental charges over the lease term.

B. Lessor 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

A. Transfers of Receivables Reported as Sales

Not applicable.

B. Transfer and Servicing of Financial Assets

Not applicable.

C. Wash Sales

FIE had no wash sale transactions in the periods presented that require disclosure.

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

A. ASO Plans

Not applicable.

B. ASC Plans

Not applicable.

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

Not applicable.

NOTES TO FINANCIAL STATEMENTS

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Not applicable.

20. FAIR VALUE MEASUREMENTS

A. Inputs Used For Assets Measured At Fair Value

1. Fair Value Measurements by Levels 1, 2 and 3

FIE has categorized its assets that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. (in thousands)

Level 1 - are liquid investments traded in active markets and valued based on unadjusted quoted prices. Assets in this category are preferred and common stock securities.

Level 2 - The securities that fall into this category are bonds, preferred stocks, common stocks and call options which are not exchange traded. These securities are valued based upon models with observable inputs - for example market interest rates, credit spreads etc. They may have been determined by independent pricing services using observable inputs.

Level 3 - are investments valued based upon models with "significant" non-observable inputs (assumptions). Such assumptions can be about loss severities, prepayment speed, interest rate volatilities, earnings forecast, comparables sales etc.

(1)	(2)	(3)	(4)	(5)	(6)
Description for each class of asset or liability	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV)
a. Assets at Fair Value					
Perpetual Preferred stock					
Industrial and Misc	-	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Perpetual Preferred Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Bonds					
U.S. Governments	-	-	-	-	-
Industrial and Misc	-	37,585,473	-	37,585,473	-
Hybrid Securities	-	-	-	-	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Bonds	\$ -	\$ 37,585,473	\$ -	\$ 37,585,473	\$ -
Common Stock					
Industrial and Misc	485,256,311	15,000,000	-	500,256,311	-
Parent, Subsidiaries and Affiliates	-	-	-	-	-
Total Common Stocks	\$ 485,256,311	\$ 15,000,000	\$ -	\$ 500,256,311	\$ -
Derivatives					
Warrants	-	-	-	-	-
Total Derivatives	\$ -	\$ -	\$ -	\$ -	\$ -
Joint Venture Interest Other	-	-	-	-	-
Total Assets at Fair Value	\$ 485,256,311	\$ 52,585,473	\$ -	\$ 537,841,784	\$ -

2. Rollforward of Level 3

None.

3. Policy on Transfers In and Out of Level 3

At the end of each reporting period, FIE evaluates whether or not any event has occurred or circumstances have changed that would cause an investment to be transferred in or out of Level 3.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted markets prices for similar instruments in an active market were utilized. This was accomplished by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with

NOTES TO FINANCIAL STATEMENTS

similar features that are inputs into the analysis included duration, credit quality, tax status and call and sinking fund features.

Common stocks carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations because quoted markets prices for identical instruments trading in an inactive market were utilized. When an equity instrument is illiquid due to limited trading activity, the use of quoted markets prices for identical instruments was determined by FIE to be the most reliable method to determine fair value.

5. Derivative Fair Values

None.

B. Other Fair Value Disclosures

None.

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

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A:

All Investment Assets at Fair Value as of December 31, 2021:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
a. Assets at Fair Value							
Bonds	\$ 4,669,356,172	\$ 4,513,532,940	\$ -	\$ 4,590,391,303	\$ 78,964,869	\$ -	\$ -
Preferred Stock	-	-	-	-	-	-	-
Common Stock	500,256,311	500,256,314	485,256,311	15,000,000	-	-	-
Real Estate	-	-	-	-	-	-	-
Cash, Cash Equivalents and Short-Term	544,587,300	544,587,611	539,591,873	4,995,426	-	-	-
Receivable for Securities	9,280,103	9,280,103	9,280,103	-	-	-	-
Derivative Instruments	-	-	-	-	-	-	-
Securities Lending	-	-	-	-	-	-	-
Mortgage Loans - Unaffiliated	-	-	-	-	-	-	-
Mortgage Loan Joint Venture Interest-Unaffiliated	-	-	-	-	-	-	-
Joint Venture Loans and Interest	12,940,620	12,889,513	-	-	12,940,620	-	-
Surplus Debentures, etc - Affiliated	207,981,444	200,000,000	-	-	207,981,444	-	-
Other Class Unaffiliated	-	-	-	-	-	-	-
Fixed or Variable Rate - Bonds - Unaffiliated	-	-	-	-	-	-	-
Total Assets at Fair Value	\$ 5,944,401,950	\$ 5,780,546,481	\$ 1,034,128,287	\$ 4,610,386,730	\$ 299,886,933	\$ -	\$ -
b. Liabilities at Fair Value							
Payable for securities	22,437,726	22,437,726	22,437,726	-	-	-	-
Total Liabilities at Fair Value	\$ 22,437,726	\$ 22,437,726	\$ 22,437,726	\$ -	\$ -	\$ -	\$ -

D. Reasons Not Practical to Estimate Fair Values

None.

E. Investments Measured at Net Asset Value ("NAV")

None.

21. OTHER ITEMS

A. Unusual or Infrequent Items

Coronavirus Pandemic ("COVID-19") and Farmers Business Resumption Plan

In March 2020, the US government, working in conjunction and in collaboration with state and other international bodies such as the World Health Organization (which declared the novel strain of coronavirus disease ("COVID-19") as a pandemic on March 11, 2020), directed for the use of federal resources to contain, maintain, stop, and prevent the spread of this virus to society. In response to this pandemic, in April 2020, some Farmers P&C Companies ("Farmers") reduced personal auto premiums to policyholders for the months of April and May, 2020, as well as providing credits to the Farmers Business Insurance customers in the restaurant, office, retail and service sectors across the country.

Farmers reflected the \$311.2 million in voluntary return of premium to policyholders in response to the COVID-19 pandemic as an adjustment to premiums in the accompanying Annual, 2020 financial statements. Farmers continues to monitor the impact of the ongoing COVID-19 pandemic on the global business and operating environment and to comply with state specific mandates. FIE does not anticipate a material impact on its capital or ability to service its customers.

There were no other COVID-19 related credits and refunds in 2021.

NOTES TO FINANCIAL STATEMENTS

B. Troubled Debt Restructuring: Debtors

Not applicable.

C. Other Disclosures

All Lines Quota Share Reinsurance Agreement

Farmers began participating in an All Lines Quota Share reinsurance agreement (“ALQS”) with Farmers Re and Zurich in 2002, which has been amended over the years with the aggregate participation ratio at 33% effective April 1, 2021. Prior to this amendment, the prevailing 2020 participation ratio was 26%.

Following are the participating reinsurers in the ALQS for 2020 through 2021:

<u>Reinsurers</u>	<u>2021</u>	<u>2020</u>
Swiss Reinsurance Company Limited (“Swiss Zurich”)	8.00%	7.00%
Hannover Rück SE (“Hannover Re”)	8.00%	7.00%
Munich Reinsurance America, Inc., (“Munich Re”)	8.00%	3.75%
Transatlantic Reinsurance Company (“Trans Re”)	3.50%	3.50%
Catlin Reinsurance Switzerland Limited (“Catlin Re”)	4.50%	4.50%
Farmers Reinsurance Company (“Farmers Re”)	1.00%	0.25%
Total	<u>33.00%</u>	<u>26.00%</u>

Effective December 31, 2021, the ALQS agreement was amended with substantially the same terms as the prior agreement but with the participation ratio decreased by 2.0% to 31.0%. In addition to this change, the participation ratios of Swiss Re, Hannover Re, Munich Re, and Farmers Re were increased by 1.0%, 1.0%, 1.0%, and 0.75%, respectively, while those of Catline Re, was reduced by 2.25%. In addition, Transatlantic Re was removed as a participant to the treaty. Unearned premiums totaling \$101.4 million, \$101.4 million, \$101.4 million and \$77.7 million, were transferred from Farmers to Swiss Re, Hannover Re, Munich Re, and Farmers Re, respectively, as a result of their increased participation in the ALQS agreement effective December 31, 2021. In return, these four participating reinsurers each remitted \$27.1 million, \$27.1 million, \$27.1 million and \$20.7 million, respectively, of reinsurance commissions to Farmers, for acquisition expenses due to their increased participation in the All Lines agreement. Swiss Re, Hannover Re, and Munich Re are all on a fund withheld basis and therefore no additional net funds refunds nor deposits were required as a result of their increased participation in the ALQS agreement. Cash settlements related to the change in the Farmers Re participation ratio were made in January 2022. On the other hand, unearned premiums totaling \$365.1 million and \$235.5 million were transferred from Transatlantic Re and Catline Re, respectively, to Farmers as a result of their decreased participation in the ALQS. In return, Farmers remitted \$97.5 million and \$64.9 million to Transatlantic Re and Catlin Re, respectively, for acquisition expenses due to their decreased participation in the ALQS agreement. There were no unearned premiums that were transferred in 2020.

Following are the participating reinsurers in the ALQS effective December 31, 2021, as discussed above:

<u>Reinsurers</u>	<u>Participation %</u>	<u>*Change</u>
Swiss Reinsurance Company Limited (“Swiss Zurich”)	9.00%	1.00%
Hannover Rück SE (“Hannover Re”)	9.00%	1.00%
Munich Reinsurance America, Inc., (“Munich Re”)	9.00%	1.00%
Transatlantic Reinsurance Company (“Trans Re”)	0.00%	-3.50%
Catlin Reinsurance Switzerland Limited (“Catlin Re”)	2.25%	-2.25%
Farmers Reinsurance Company (“Farmers Re”)	1.75%	0.75%
Total	<u>31.00%</u>	<u>-2.00%</u>

*Reflects the change in the ALQS participation ratios on a before and after basis by reinsurer effective December 31, 2021

Additionally, the catastrophe losses subject to this reinsurance agreement are limited to a provision maximum of \$1.928 billion annually, adjusted and limited to a pro rata share of 7.88% of the subject net earned premiums. Prior to that the provisional maximum catastrophe losses subject to this reinsurance agreement was \$1.370 billion, with a subject net earned premiums at 6.75%. This agreement, which can be terminated after 90 days’ notice by any of the parties, also provides for a ceding commission for acquisition expenses of 26.7%, a ceding commission for unallocated loss adjustment expenses of 6.24% (8.1% in 2020), and a provisional ceding commission for other expenses ranging between 4.20% and 6.20%, based on a loss experience.

Based on the results for 2021 and 2020, FIE's share of recoveries were \$2,609.4 million and \$1,666.6 million, respectively. For the years ended December 31, 2021 and 2020, FIE's share of ceded premiums earned were \$3,700.4

NOTES TO FINANCIAL STATEMENTS

million and \$2,579.6 million, respectively. FIE's share of ceding commissions were \$1,335.6 million and \$828.4 million for the years ended December 31, 2021 and 2020, respectively.

Ride Share Services (“Uber Business”)

Effective March 1, 2021, FIE amended and expanded its insurance program agreement with Raiser, LLC (“Uber”) into the states of Arizona and Nevada, thus bringing the total of its Uber related operating territories to seventeen states, including Hawaii. This revised agreement, which has been amended several since its inception, provides commercial auto insurance protection for Uber and their independent contractor drivers while engaging in official company ridesharing activities. Insurance coverage provided by FIE includes commercial automobile liability, commercial automobile physical damage and related coverages for Uber, its affiliates and independent contractors utilizing digital networks operated by Uber. The annual premium written for Uber totaled \$338.4 million and \$89.5 million for the years ended December 31, 2021 and December 2020, respectively. This agreement also provides for Uber to maintain a Notional Funds Withheld Account deposit with FIE.

Concurrent with this amended Uber insurance program agreement, also effective March 1, 2021, FIE amended the Quota Share agreement with Aleka Insurance, Inc. (“Aleka”), a subsidiary of Uber, to cede 30% of the underwritten policies issued to Uber. Under this amended agreement, a few and relatively small segment of the policies written within a defined period were ceded 100% to Uber. Ceding commission under this Uber business ceded to Aleka ranged from 9.20% to 15.96%, except Hawaii with a rate up to 18.50%.

Based on results for 2021 and 2020, FIE’s share of ceded premiums earned, recoveries, and ceding commissions were \$51.5 million and \$31.7 million, \$61.7 million and \$35.9 million, \$7.3 million and \$2.5 million, respectively.

Commercial Automobile Quota Share Reinsurance Agreement

Effective April 2, 2021, the 21st Century Premier Insurance Company (“21st Century Premier”), a downstream insurance subsidiary of FIE, extended the Commercial Automobile Quota Share reinsurance agreement with certain reinsurers, in place since October 15, 2019. This agreement provided for 21st Century Premier to cede to Hannover Rück SE and Farmers Reinsurance Company, 65.0% and 15.0%, respectively, of the quota share of the premiums written and the ultimate net losses sustained in all of the commercial automobile liability business written by 21st Century Premier for the cannabis-related industry, before the All Lines quota share agreement has been applied. The remaining 20% of this commercial automobile liability business written by 21st Century Premier is retained by FIE and excluded from the All lines quota share agreement. This agreement, which can be terminated upon prompt notice by the company to the reinsurer, also provides for 21st Century Premier to receive a provisional ceding commission of 38.0%, with additional experience commissions potentially receivable/payable depending on loss experience.

After applying Farmers intercompany reinsurance participation, FIE’s 2021 share of ceded premiums earned, recoveries, and ceding commissions were \$3.1 million, \$1.7 million, and \$1.1 million, respectively. FIE’s 2020 share of ceded premiums earned, recoveries, and ceding commissions were \$1.4 million, \$0.7 million, and \$1.1 million, respectively.

Odyssey Homeowners and Specialty Line Quota Share Reinsurance Agreement

Effective December 31, 2021, Farmers entered into a one-year quota share reinsurance agreement with Odyssey Reinsurance Company (“Odyssey Re”), a third party reinsurer based in Stamford, Connecticut. This agreement provides for Farmers to cede 5.0% of homeowners business written or assumed by Farmers through the Farmers Brand Personal Lines and Farmers Workplace Solutions business units and 5.0% of the Foremost Specialty business, to Odyssey Re. The agreement includes a ceding commission and an aggregate limitation on catastrophe losses. After applying Farmers intercompany reinsurance participation, FIE’s share of ceded premiums written and ceding commission for acquisition expenses were \$143.9 million and \$38.4 million, respectively.

Catastrophe Bond

On December 21, 2021, Farmers announced that it and its subsidiaries and affiliates comprising the Farmers Insurance Group® (“Farmers”), have successfully closed a \$160 million 144A catastrophe bond completed through Topanga Re Ltd. (“Topanga Re”). Farmers entered into a multi-year reinsurance arrangement with Topanga Re, a newly established special purpose insurer in Bermuda which provides Farmers with indemnity-based coverage. The catastrophe bond was designed to integrate into Farmers’ existing traditional catastrophe reinsurance program by providing additional protection against damages from U.S. named storms, earthquakes, severe weather and fire.

Litigation

Certain of Farmers companies are defendants in certain lawsuits arising in the normal course of business, which are in various stages of development. Some of these matters seek punitive as well as compensatory damages. While it is not possible to predict the outcome of these matters with certainty, management believes that their ultimate disposition will not have a material effect on the Company’s financial position or results of operations. In addition, certain of the

NOTES TO FINANCIAL STATEMENTS

Farmers companies are, from time to time, involved as parties in various governmental and administrative proceedings.

Farmers Agency Force Deferred Compensation Plan

FIE and certain of the Farmers' companies have established tax-deferred savings plan for their agents and district managers which allowed eligible participants to defer up to 50% of their auto commissions into a deferred compensation program. The program was expanded in recent years to include other agent related initiatives such as agents profitability growth plan ("PGB") as well as to other books of business such as homeowners, small business insurance, Bristol West auto, Foremost specialty, among others, all at varying deferral rates. To be eligible to participate in the plan, a full-time agent must have completed six months of service and qualifying participants are vested 100% on their accrued benefit at all times. This Plan is not subject to ERISA and is not intended to be a qualified plan.

The program is administered by TBG Financial, a third party administrator, and the maximum qualifying deferred amount allowed in any plan year per each participating Sponsor is \$5.0 million. Fund balances are monitored monthly and investment earnings in the deferred compensation liability account are credited (or debited) to the account balances. At December 31, 2021, the investment loss was \$10.2 million. At December 31, 2020, the investment loss was \$5.9 million.

Business Owned Life Insurance

In conjunction with the Farmers Agency Force Deferred Compensation Plan, FIE and certain of Farmers' companies purchased a Variable Group Life insurance policy for certain employees, with FIE named as beneficiary. The policy provides a life insurance benefit of \$50,000 at no cost to those qualifying officers and employees who voluntarily chose to become insured. There are no cash surrender values for the participating employees. The cash surrender value of the policy was reported as an asset on the balance sheet of FIE. At December 31, 2021, the investment earnings and insurance expenses were \$9.2 million and \$0.6 million, respectively. At December 31, 2020, the investment earnings and insurance expenses were \$5.5 million and \$0.5 million, respectively.

There are no policyholders' funds allocated to the premiums of this group insurance policy.

Insurance-Company Owned Life Insurance

FIE has purchased a Flexible Premium Group Variable Life Insurance policy for certain employees, with FIE named as beneficiary. The program is administered by Metropolitan Life Insurance Company, a third party administrator, and also provides a pre-retirement life insurance benefit of \$25,000 at no cost to those qualifying officers and employees, who voluntarily chose to become insured. There are no cash surrender values for the participating employees. The cash surrender value of the policy was reported as an asset on the balance sheet of FIE. At December 31, 2021, the investment earnings and insurance expenses were \$18.3 million and \$2.5 million, respectively. At December 31, 2020, the investment earnings and insurance expenses were \$35.1 million and \$2.1 million, respectively.

There are no policyholders' funds allocated to the premiums of this group insurance policy.

Affiliates Repurchase of Surplus Notes

Civic, Exact and Neighborhood Spirit Property and Casualty Companies, wholly owned subsidiaries of Truck and Fire, collectively acquired a small portion of FIE Surplus Notes 1 and 3 with a face value of \$21.3 million for \$14.6 million as an investment, of which \$15.6 million was subsequently repurchased by FIE. The remaining amortized cost carrying value of these notes of \$4.0 million is recognized on the respective affiliated financial statements.

Agents Subsidy Program

FIE provides a variety of incentive programs to the agency force, especially new agents, including loans, to support the initial stages of their operations, some of which are subsequently recouped back based on future business production over a specified period of time. FIE accounts for the subsidy recoverable as a non-admitted prepaid expense with an offset to surplus.

NOTES TO FINANCIAL STATEMENTS

Additional Schedule P Data

The following summary, as reported in columns 13 through 24 in FIE’s 2021 Schedule P- Part I, presents net unpaid losses, defense and cost containment expense (“DCC”) and adjusting and other expense (“AO”) reserves for accident years 2011, 2010, 2009, 2008, 2007, 2006 and prior for each line of business reported (in thousands):

Schedule P Part 1 - Summary						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 51,507	\$ 162,476	\$ 43	\$ 161,081	\$ 34,690	\$ 409,797
2007	\$ 4,930	\$ 22,492	\$ 5	\$ 2,317	\$ 5,963	35,707
2008	\$ 4,505	\$ 11,836	\$ 17	\$ 2,047	\$ 1,618	20,022
2009	\$ 8,352	\$ 14,741	\$ 47	\$ 2,380	\$ 2,176	27,696
2010	\$ 6,684	\$ 15,668	\$ 87	\$ 3,055	\$ 2,192	27,686
2011	\$ 11,419	\$ 18,656	\$ 153	\$ 4,957	\$ 2,907	<u>38,092</u>
Total	<u>\$ 87,396</u>	<u>\$ 245,868</u>	<u>\$ 351</u>	<u>\$ 175,838</u>	<u>\$ 49,547</u>	<u>\$ 559,000</u>

Schedule P Part 1A - Homeowners/Farmowners						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 2,235	\$ 0	\$ 0	\$ (138)	\$ 0	\$ 2,098
2007	1,113	0	0	0	0	1,114
2008	146	10	0	0	3	158
2009	1,395	12	0	3	94	1,504
2010	73	23	0	12	4	112
2011	<u>601</u>	<u>101</u>	<u>1</u>	<u>45</u>	<u>21</u>	<u>769</u>
Total	<u>\$ 5,562</u>	<u>\$ 146</u>	<u>\$ 1</u>	<u>\$ (77)</u>	<u>\$ 122</u>	<u>\$ 5,755</u>

Schedule P Part 1B - Private Passenger Auto Liability/Medical						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$(11,116)	\$ (10)	\$ 0	\$ 0	\$ 0	\$ (11,126)
2007	447	15,171	0	1,300	2,876	19,794
2008	311	887	0	80	161	1,438
2009	357	686	0	81	223	1,346
2010	796	897	0	119	266	2,079
2011	<u>838</u>	<u>1,436</u>	<u>0</u>	<u>284</u>	<u>531</u>	<u>3,089</u>
Total	<u>\$ (8,368)</u>	<u>\$ 19,067</u>	<u>\$ 0</u>	<u>\$ 1,865</u>	<u>\$ 4,057</u>	<u>\$ 16,621</u>

NOTES TO FINANCIAL STATEMENTS

Schedule P Part 1C - Commercial Auto/Truck Liability/Medical						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 304	\$ 1	\$ (0)	\$ (21)	\$ 11	\$ 295
2007		(0)		(0)	0	0
2008	0	306	0	20	26	352
2009	(119)	3	(12)	10	1	(117)
2010	(1)	1	(0)	11	3	14
2011	91	16	14	18	4	143
Total	<u>\$ 274</u>	<u>\$ 328</u>	<u>\$ 2</u>	<u>\$ 39</u>	<u>\$ 45</u>	<u>\$ 687</u>

Schedule P Part 1D - Workers' Compensation						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 24,793	\$ 55,499	\$ 43	\$ 3,585	\$ 8,666	\$ 92,585
2007	3,338	6,515	5	442	1,079	11,379
2008	3,943	8,628	17	796	1,219	14,603
2009	5,906	12,302	53	1,290	1,651	21,202
2010	5,138	12,840	69	1,919	1,690	21,657
2011	9,432	14,587	124	3,104	2,049	29,296
Total	<u>\$ 52,550</u>	<u>\$ 110,371</u>	<u>\$ 312</u>	<u>\$ 11,136</u>	<u>\$ 16,354</u>	<u>\$ 190,722</u>

Schedule P Part 1E - Commercial Multiple Peril						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 3,450	\$ 3,188	\$ 0	\$ 3,531	\$ 336	\$ 10,505
2007	26	767		551	86	1,430
2008	102	1,970	(0)	1,121	193	3,386
2009	760	1,700	5	946	186	3,597
2010	313	1,801	18	944	203	3,279
2011	381	2,404	13	1,413	260	4,471
Total	<u>\$ 5,032</u>	<u>\$ 11,830</u>	<u>\$ 36</u>	<u>\$ 8,507</u>	<u>\$ 1,264</u>	<u>\$ 26,668</u>

NOTES TO FINANCIAL STATEMENTS

Schedule P Part 1F - Section 1 - Medical Malpractice - Occurrence						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 237	\$ 450	\$ 0	\$ 126	\$ 38	\$ 851
2007					0	0
2008					(0)	(0)
2009					(0)	(0)
2010						
2011						
Total	<u>\$ 237</u>	<u>\$ 450</u>	<u>\$ 0</u>	<u>\$ 126</u>	<u>\$ 38</u>	<u>\$ 851</u>

Schedule P Part 1F - Section 2 - Medical Malpractice - Claims Made						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 224	\$ 1,249	\$ 0	\$ 415	\$ 19	\$ 1,907
2007					(0)	(0)
2008						
2009					(0)	(0)
2010						
2011						
Total	<u>\$ 224</u>	<u>\$ 1,249</u>	<u>\$ 0</u>	<u>\$ 415</u>	<u>\$ 19</u>	<u>\$ 1,907</u>

Schedule P Part G - Special Liability						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 6,672	\$ 1	\$ 0	\$ 0	\$ 0	\$ 6,674
2007		0		0	0	1
2008		1		0	0	1
2009		1		0	0	1
2010		1		0	0	2
2011	(0)	1		0	0	1
Total	<u>\$ 6,672</u>	<u>\$ 6</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 2</u>	<u>\$ 6,679</u>

NOTES TO FINANCIAL STATEMENTS

Schedule P Part 1H - Section 1 - Other Liability - Occurrence						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 16,643	\$ 102,079	\$ 0	\$ 153,579	\$ 25,618	\$ 297,919
2007	6	27	0	22	4	59
2008	1	23	0	17	3	45
2009	22	77	0	5	13	118
2010	366	125		(23)	14	483
2011	73	179	0	(45)	23	<u>231</u>
Total	<u>\$ 17,112</u>	<u>\$ 102,512</u>	<u>\$ 1</u>	<u>\$ 153,556</u>	<u>\$ 25,675</u>	<u>\$ 298,856</u>

Schedule P Part 1H - Section 2 - Other Liability - Claims-Made						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 0	\$ 2	\$ 0	\$ 3	\$ 0	\$ 5
2007						
2008		(0)		0	(0)	(0)
2009		(53)		18	(1)	(36)
2010		(28)		56	(2)	26
2011		(64)		103	(2)	<u>38</u>
Total	<u>\$ 0</u>	<u>\$ (143)</u>	<u>\$ 0</u>	<u>\$ 180</u>	<u>\$ (5)</u>	<u>\$ 32</u>

Schedule P Part 1I - Special Property						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 8,059	\$ 3	\$ 0	\$ 1	\$ 2	\$ 8,066
2007	0	1		0	0	1
2008	1	1		1	0	4
2009	(0)	1	(0)	0	0	1
2010	(1)	2	0	(1)	0	(0)
2011	<u>0</u>	<u>(1)</u>	<u>(0)</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total	<u>\$ 8,059</u>	<u>\$ 6</u>	<u>\$ (0)</u>	<u>\$ 1</u>	<u>\$ 4</u>	<u>\$ 8,071</u>

NOTES TO FINANCIAL STATEMENTS

Schedule P - Part 1J - Auto Physical Damage						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 6	\$ 8	\$ 0	\$ (3)	\$ 0	\$ 11
2007		8		(0)	1,918	1,925
2008	0	9		9	12	30
2009	31	7	(0)	23	9	71
2010	0	(0)	0	15	12	27
2011	3	(11)	0	31	19	43
Total	<u>\$ 41</u>	<u>\$ 21</u>	<u>\$ 0</u>	<u>\$ 76</u>	<u>\$ 1,970</u>	<u>\$ 2,108</u>

Schedule P - Part 1K - Section 1 - Fidelity/Surety						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 0	\$ 2	\$ 0	\$ 1	\$ 0	\$ 3
2007		0		0	0	1
2008		1		1	0	2
2009	(0)	2	0	1	0	3
2010		2		1	0	4
2011		3	(0)	2	0	6
Total	<u>\$ (0)</u>	<u>\$ 11</u>	<u>\$ 0</u>	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 19</u>

Schedule P - Part 1R - Section 1 - Products Liability - Occurrence						
Accident Year	Net Losses Unpaid		Net DCC Unpaid		AO Unpaid	Total Net Losses, DCC & AO Unpaid
	Case	Bulk & IBNR	Case	Bulk & IBNR		
2006 & prior	\$ 0	\$ 3	\$ 0	\$ 1	\$ 0	\$ 4
2007		2		1	0	4
2008		2		1	0	3
2009		3		1	0	4
2010		3		1	0	4
2011		3		1	0	5
Total	<u>\$ 0</u>	<u>\$ 15</u>	<u>\$ 0</u>	<u>\$ 7</u>	<u>\$ 1</u>	<u>\$ 24</u>

NOTES TO FINANCIAL STATEMENTS

D. Business Interruption Insurance Recoveries

None.

E. State Transferable and Non-Transferable Tax Credits

None.

F. Subprime Mortgage Related Risk Exposure

- (1) Generally, direct and indirect subprime exposures were identified based upon consideration of the following types of features: 1) Interest rate above prime to borrowers that did not qualify for prime rate loans. 2) Borrowers with low credit ratings (FICO scores). 3) Interest only or negative amortizing loans. 4) Unconventionally high initial loan-to-value ratios. 5) Unusually low initial payments based on a fixed introductory rate that expires after a short initial period and then adjusts to an unusually high rate based upon a variable index rate plus a margin. 6) Borrowers with less than conventional documentation of their income and/or net assets. 7) Very high or no limits on how much the payment amount or the interest rate may increase or reset periods. 8) Include substantial prepayment penalties and or prepayment penalties that extend beyond the initial interest rate adjustment.
- (2) FIE does not have direct exposure through investments in subprime mortgage loans.
- (3) FIE has the following direct exposure through other investments as of December 31, 2021:

	Actual Cost	Book Adjusted Carrying Value	Fair Value	Other-than- temporary impairment
a. Residential mortgage backed securities	\$ 5,607	\$ 5,610	\$ 5,752	\$
b. Commercial mortgage backed securities				
c. Collateralized debt obligations				
d. Structured securities				
e. Equity investments in SCAs				
f. Other assets				
g. Total	\$ 5,607	\$ 5,610	\$ 5,752	\$

- (4) FIE does not have underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage.

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 or Has Otherwise Obtained Rights to Control the Policy

FIE is the owner and beneficiary of life insurance policies included in the Aggregate write-ins for other than invested assets line at their cash surrender values pursuant to SSAP No. 21, paragraph 6. At December 31, 2021, the cash surrender value in an investment vehicle is \$527,882,269 and is allocated into the following categories based on primary underlying investment characteristics: 100% bonds and 0.0% cash and short-investments (See Note 21C Insurance-Company Owned Life Insurance).

(1) Amount of admitted balance that could be realized from an investment vehicle	\$ 527,882,269
(2) Percentage Bonds	100.00%
(3) Percentage Stocks	0.00%
(4) Percentage Mortgage Loans	0.00%
(5) Percentage Real Estate	0.00%
(6) percentage Cash and Short-Term Investments	0.00%
(7) Percentage Derivatives	0.00%
(8) Percentage Other Invested Assets	0.00%
Total	100.00%

22. EVENTS SUBSEQUENT

Subsequent events have been considered through February 18, 2022 for these statutory financial statements, which were issued on February 18, 2022.

On January 3, 2022, Mid-Century Insurance Company, a subsidiary of the Exchanges, sold 100% of its ownership interest in 21st Century Pacific Insurance Company to Everspan Insurance Company, an Arizona domiciled company,

NOTES TO FINANCIAL STATEMENTS

with an effective date of January 1, 2022, for approximately \$11.5M. The sale was approved by the Colorado Department of Insurance.

On January 3, 2022, 21st Century Centennial Insurance Company, a wholly owned subsidiary of Mid-Century Insurance Company, sold 100% of its ownership interest in 21st Century Auto Insurance Company New Jersey to Everspan Insurance Company, an Arizona domiciled company, with an effective date of January 1, 2022, for approximately \$6.8M. The sale was approved by the New Jersey Department of Insurance.

On January 3, 2022, 21st Century Premier Insurance Company, a wholly owned subsidiary of 21st Century Centennial Insurance Company, sold 100% of its ownership interest in 21st Century Indemnity Insurance Company to Everspan Insurance Company, an Arizona domiciled company, with an effective date of January 1, 2022, for approximately \$11.6M. The sale was approved by the Pennsylvania Department of Insurance.

Michigan Catastrophic Claims Association (“MCCA”) Refund of Surplus to its Members for return to Policyholders

On February 2, 2022, the Michigan Catastrophic Claims Association (“MCCA”) issued a bulletin informing members of a November 3, 2021 decision made by the MCCA board of directors to refund approximately \$3.0 billion of its estimated surplus to its member insurance companies on all policies in-force as of October 31, 2021. This estimated refund of surplus resulted primarily from the realized and expected savings and benefits from the reforms to Michigan’s no-fault law and higher than projected investment returns. Guidance accompanying this bulletin instructed all member companies to report this pass through refund to policyholders as an asset and a liability in their 2021 financial statements. In addition, it requires all refunds to policyholders to be completed within 60 days after the MCCA refunds the surplus to its members. All refunds to policyholders are required to be in the form of check or ACH deposit. The company’s share of this type 1 subsequent event disclosure is \$26.3 million and is reflected in the aggregate write-in sections of the assets and liabilities pages of the accompanying financial statement.

NOTES TO FINANCIAL STATEMENTS

23. REINSURANCE

A. Unsecured Reinsurance Recoverables

FIE had unsecured aggregate recoverables for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with the following reinsurers, authorized or unauthorized, that exceeded 3% of FIE's policyholder surplus at December 31, 2021 (in thousands):

Individual Reinsurers Who Are Not Members of a Group

FEIN	Reinsurer Name	Unsecured Amount
AA-1460018	CATLIN RE SWITZERLAND LTD	709,404
AA-1340125	HANNOVER RUECK SE	1,836,991
AA-9991159	MICHIGAN CATASTROPHIC CLAIMS ASSN	552,342
AA-1460146	SWISS REINS CO	1,822,016

Individual Reinsurers Who Are Members of a Group

Group Code	FEIN	Reinsurer Name	Unsecured Amount
0212	95-4650862	FARMERS REINS CO	298,435
0069	95-2575892	TRUCK INS EXCH	4,782,185
0069	95-6235715	FIRE INS EXCH	4,629,472
0069	95-6016640	MID CENTURY INS CO	2,852,555
0069	94-1663548	TEXAS FARMERS INS CO	182,630
0069	95-2655893	FARMERS INS CO OF OR	1,265,309
0069	95-2655894	FARMERS INS CO OF WA	355,886
0069	31-0956373	FARMERS INS OF COLUMBUS INC	177,863
0069	95-4528269	CIVIC PROP & CAS CO	177,863
0069	95-4528266	EXACT PROP & CAS CO INC	177,863
0069	95-4528264	NEIGHBORHOOD SPIRIT PROP & CAS CO	177,863
0000	46-5173660	ALEKA INS INC	158,280
0031	13-2673100	GENERAL REINS CORP	170,715
0361	13-4924125	MUNICH REINS AMER INC	1,579,766
0158	47-0698507	ODYSSEY REINS CO	278,347
0501	13-5616275	TRANSATLANTIC REINS CO	398,380

All Members of the Groups Shown above with Unsecured Reinsurance Recoverables

Group Code	FEIN	Reinsurer Name	Unsecured Amount
0212	95-4650862	FARMERS REINS CO	298,435
Total 0212			298,435
0069	95-2575892	TRUCK INS EXCH	4,782,185
0069	95-6235715	FIRE INS EXCH	4,629,472
0069	95-6016640	MID CENTURY INS CO	2,852,555
0069	94-1663548	TEXAS FARMERS INS CO	182,630
0069	95-2655893	FARMERS INS CO OF OR	1,265,309
0069	95-2655894	FARMERS INS CO OF WA	355,886
0069	31-0956373	FARMERS INS OF COLUMBUS INC	177,863
0069	95-4528269	CIVIC PROP & CAS CO	177,863
0069	95-4528266	EXACT PROP & CAS CO INC	177,863
0069	95-4528264	NEIGHBORHOOD SPIRIT PROP & CAS CO	177,863
Total 0069			14,779,489
0000	46-5173660	ALEKA INS INC	158,280
Total 0000			158,280
0031	13-2673100	GENERAL REINS CORP	170,715
Total 0031			170,715
0361	13-4924125	MUNICH REINS AMER INC	1,579,766
Total 0361			1,579,766
0158	47-0698507	ODYSSEY REINS CO	278,347
Total 0158			278,347
0501	13-5616275	TRANSATLANTIC REINS CO	398,380
Total 0501			398,380

NOTES TO FINANCIAL STATEMENTS

B. Reinsurance Recoverable in Dispute

There is no reinsurance recoverable in dispute from any one company that exceeds 5% of policyholders' surplus, or from all companies in the aggregate that exceeds 10% of policyholders' surplus.

C. Reinsurance Assumed and Ceded

- (1) The maximum amount of return commission which would have been due reinsurers if they, or FIE, or a receiver, had canceled all insurance assumed as of the end of the periods covered by this annual statement with the return of the unearned premiums is as follows:

2021	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$ 10,698,243,449	\$ 3,164,112,483	\$ 5,889,456,684	\$ 1,754,704,724	\$ 4,808,786,766	\$ 1,409,407,758
All other	<u>227,357</u>	<u>67,243</u>	<u>3,370,984,833</u>	<u>1,004,351,221</u>	<u>(3,370,757,476)</u>	<u>(1,004,283,978)</u>
Total	<u>\$ 10,698,470,806</u>	<u>\$ 3,164,179,726</u>	<u>\$ 9,260,441,517</u>	<u>\$ 2,759,055,946</u>	<u>\$ 1,438,029,289</u>	<u>\$ 405,123,780</u>
Direct unearned premium reserve			<u>\$ 2,150,294,158</u>			
2020	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$ 8,429,043,136	\$ 2,749,553,871	\$ 5,124,188,747	\$ 1,639,330,464	\$ 3,304,854,390	\$ 1,110,223,407
All other	<u>227,357</u>	<u>74,164</u>	<u>2,156,725,652</u>	<u>689,979,671</u>	<u>(2,156,498,295)</u>	<u>(689,905,507)</u>
Total	<u>\$ 8,429,270,493</u>	<u>\$ 2,749,628,035</u>	<u>\$ 7,280,914,399</u>	<u>\$ 2,329,310,135</u>	<u>\$ 1,148,356,094</u>	<u>\$ 420,317,900</u>
Direct unearned premium reserve			<u>\$ 1,987,327,883</u>			

- (2) FIE had no additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements as a result of existing contractual arrangements.

- (3) FIE does not have protected cells.

D. Uncollectible Reinsurance

None.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

None.

G. Reinsurance Accounted for as a Deposit

None.

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

None.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not applicable.

NOTES TO FINANCIAL STATEMENTS

24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

- A. Mid Century Insurance Company ("Mid Century"), one of the Farmers companies, has one workers' compensation policy with Farmers Group Inc. ("FGI"), which is subject to retrospective rating features. Mid Century estimates the accrued retrospective premium adjustment through the review of the individual retrospectively rated risk and by comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium. The total accrued retrospective premiums receivable was recorded at \$1.0 million and \$1.1 million for the years ended December 31, 2020 and 2019, respectively. FIE's share of the accrued retrospective premiums receivable totaled \$0.5 million and \$0.5 million for the years ended December 31, 2021 and 2020, respectively. This policy was cancelled effective January 1, 2011 and is in run-off.
- B. FIE records accrued retrospective premium as an adjustment to written premium.
- C. The amount of net premiums written subject to retrospective rating features for the years ended December 31, 2021 and 2020 for Mid Century was (\$0.7) million and (\$0.5) million, respectively. As of December 31, 2021, FIE's share of the premiums written subject to retrospective rating features was (\$0.4) million, which was 0.2% of the Farmers' companies' total net workers' compensation premiums written of \$166.4 million. As of December 31, 2020, FIE's share of the premiums written subject to retrospective rating features was (\$0.3) million, which was (0.2%) of the Farmers' companies' total net workers' compensation premiums written of \$152.9 million.
- D. FIE had no medical loss ratio rebates at both December 31, 2021 and 2020.
- E. FIE had no non-admitted retrospective premiums at both December 31, 2021 and 2020.
- F. Not applicable

25. CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

- A. Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years have decreased by \$90.9 million as of December 31, 2021, as a result of re-estimation of unpaid losses and loss adjustment expenses principally on the private passenger auto, commercial multiple peril and workers compensation lines of insurance. This was partially offset by an increase in special property, homeowners and other liability - claims-made lines of insurance. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased and decreased as additional information becomes known regarding individual claims.
- B. Farmers made no significant changes in methodology or assumptions used in calculating liabilities for unpaid losses and loss adjustment expenses in 2021.

26. INTERCOMPANY POOLING ARRANGEMENTS

Certain members of Farmers participate in an intercompany reinsurance program (the "Intercompany Program"), with FIE as the lead company, pursuant to which each participant assumes a proportionate share of the Farmers Companies' results from FIE based on their respective participation percentages (see table below). FIE is also a participant in various other reinsurance contracts with affiliates, which occur prior to the Intercompany Program.

First, FIE under 100% quota share reinsurance agreements assumes the business written, net of non-affiliated reinsurance, by all of the Farmers companies, excluding Farmers Re. Next, FIE cedes 33% of all lines of business to Farmers Re and seven other reinsurers under the All Lines agreement. Finally, FIE retrocedes the remaining business of the Farmers companies to the insurers participating in the Intercompany Program according to their respective participation percentages.

The reinsurance participants and their respective pooling participation percentages are as follows:

NOTES TO FINANCIAL STATEMENTS

Participant	NAIC Company Code	State of Domicile	Participation Percentage	
			2021	2020
Farmers Insurance Exchange	21652	California	51.75%	51.75%
Fire Insurance Exchange	21660	California	7.50%	7.50%
Mid-Century Insurance Company	21687	California	16.00%	16.00%
Truck Insurance Exchange	21709	California	7.75%	7.75%
Farmers New Century Insurance Company	10806	Illinois	0.75%	0.75%
Texas Farmers Insurance Company	21695	Texas	1.00%	1.00%
Illinois Farmers Insurance Company	21679	Illinois	0.75%	0.75%
Farmers Insurance Company, Inc.	21628	Kansas	0.75%	0.75%
Farmers Insurance Company of Idaho	21601	Idaho	0.75%	0.75%
Farmers Insurance Company of Oregon	21636	Oregon	7.00%	7.00%
Farmers Insurance Company of Washington	21644	Washington	2.00%	2.00%
Farmers Insurance of Columbus, Inc.	36889	Ohio	1.00%	1.00%
Civic Property and Casualty Company	10315	California	1.00%	1.00%
Exact Property and Casualty Company	10318	California	1.00%	1.00%
Neighborhood Spirit Property and Casualty Company	10317	California	1.00%	1.00%

The following companies either cede their business directly or indirectly to FIE and are not participants in the Intercompany Program:

NOTES TO FINANCIAL STATEMENTS

Company Name	NAIC Company Code	State of Domicile
21St Century Advantage Insurance Company	25232	Minnesota
21St Century Auto Insurance Company Of New Jersey	10184	New Jersey
21St Century Casualty Company	36404	California
21St Century Centennial Insurance Company	34789	Pennsylvania
21St Century Indemnity Insurance Company	43974	Pennsylvania
21St Century Insurance Company	12963	California
21st Century North America Insurance Company	32220	New York
21St Century Pacific Insurance Company	23795	Colorado
21St Century Pinnacle Insurance Company	10710	New Jersey
21St Century Premier Insurance Company	20796	Pennsylvania
American Federation Insurance Company	10245	Texas
American Pacific Insurance Company, Inc.	10805	Hawaii
Bristol West Casualty Insurance Company	11034	Ohio
Bristol West Insurance Company	19658	Ohio
Bristol West Preferred Insurance Company	12774	Michigan
Coast National Insurance Company	25089	California
Farmers Insurance Company Of Arizona	21598	Arizona
Farmers Insurance Hawaii, Inc.	28487	Hawaii
Farmers Specialty Insurance Company	43699	Michigan
Farmers Texas County Mutual Insurance Company	24392	Texas
Foremost County Mutual Insurance Company	29254	Texas
Foremost Insurance Company, Grand Rapids	11185	Michigan
Foremost Lloyds Of Texas	41688	Texas
Foremost Property And Casualty Insurance Company	11800	Michigan
Foremost Signature Insurance Company	41513	Michigan
Mid-Century Insurance Company Of Texas	28673	Texas
Security National Insurance Company	33120	Florida
Toggle Insurance Company	44245	Delaware
Farmers Property And Casualty Insurance Company	26298	Rhode Island
Farmers Group Property And Casualty Insurance Company	34339	Rhode Island
Farmers Casualty Insurance Company	40169	Rhode Island
Farmers Direct Property And Casualty Insurance Company	25321	Rhode Island
Farmers Lloyds Insurance Company of Texas	13938	Texas
Economy Fire And Casualty Company	22926	Illinois
Economy Preferred Insurance Company	38067	Illinois
Economy Premier Assurance Company	40649	Illinois

FIE reported \$130.2 million and \$257.6 million due from affiliates at December 31, 2021 and 2020, respectively, resulting from its participation in the intercompany reinsurance pooling agreement.

27. STRUCTURED SETTLEMENTS

A. Reserves Released Due to Purchase of Annuities

FIE has purchased annuities from life insurers under which the claimants are payees (see note 14G). These annuities have been used to reduce the unpaid losses of \$9,991,589 as of December 31, 2021. FIE has a contingent liability of \$9,991,589 should the issuers of these annuities fail to perform under the terms of the annuities.

Loss Reserves Eliminated by Annuities
\$ 9,991,589

Unrecorded Loss Contingencies
\$ 9,991,589

NOTES TO FINANCIAL STATEMENTS

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

Life Insurance Company and Location
None

Licensed in Company's State of Domicile	Statement Value (i.e. Present Value) of Annuities
None	\$0

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

FIE utilizes anticipated investment income in the calculation of premium deficiency reserves, in accordance with SSAP No. 53, Property-Casualty Contracts - Premiums. FIE evaluates the need for a premium deficiency reserve on a line of business level for all books. FIE evaluated the need to record a premium deficiency reserve as of the end of the current year and determined that no additional reserve was required. This evaluation was completed on February 14, 2022. As of December 31, 2021 and 2020, FIE had not established any premium deficiency reserves based on this calculation.

- 1. Liability carried for premium deficiency reserves
- 2. Date of the most recent evaluation of this liability

2021	2020
\$ <u>0</u>	\$ <u>0</u>
<u>02/14/2022</u>	<u>02/5/2021</u>

- 3. Was anticipated investment income utilized in the calculation?

Yes No

31. HIGH DEDUCTIBLES

Not applicable.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

Liabilities for unpaid losses and loss adjustment expenses are not discounted.

NOTES TO FINANCIAL STATEMENTS

33. ASBESTOS/ENVIRONMENTAL RESERVES

- A. Does FIE have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? Yes (X) No ()

FIE has exposure to environmental, asbestos, and other toxic claims that losses arises from the sale of general liability insurance. FIE estimates the full impact of the asbestos exposures by establishing full case reserves on all known losses and computing incurred but not reported (“IBNR”) losses based on previous experience.

FIE’s asbestos-related losses (including coverage dispute costs) for each of the five most recent years were as follows:

(1) Direct:

	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 248,758,801	\$ 278,292,421	\$ 276,521,617	\$ 270,186,193	\$ 246,613,258
b. Incurred losses and loss adjustment expenses:	\$ 31,812,175	\$ 29,993,441	\$ 11,798,654	\$ 1,423,986	\$ 30,273,259
c. Calendar year payments for losses and loss adjustment expenses:	<u>\$ 2,278,556</u>	<u>\$ 31,764,244</u>	<u>\$ 18,134,078</u>	<u>\$ 24,996,922</u>	<u>\$ 22,540,726</u>
d. Ending reserves:	<u>\$ 278,292,421</u>	<u>\$ 276,521,617</u>	<u>\$ 270,186,193</u>	<u>\$ 246,613,258</u>	<u>\$ 254,345,791</u>

Amounts represent FIE's pooled share of the total Farmers P&C Companies' exposure as per the terms of the intercompany reinsurance program.

(2) Assumed Reinsurance:

FIE has no asbestos-related exposure resulting from the assumption of unaffiliated reinsurance.

(3) Net of Ceded Reinsurance:

	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 243,630,995	\$ 274,895,510	\$ 273,981,437	\$ 269,057,662	\$ 245,653,931
b. Incurred losses and loss adjustment expenses:	\$ 31,370,793	\$ 21,126,611	\$ 20,672,637	\$ (677,704)	\$ 29,652,810
c. Calendar year payments for losses and loss adjustment expenses:	<u>\$ 106,278</u>	<u>\$ 22,040,684</u>	<u>\$ 25,596,412</u>	<u>\$ 22,726,027</u>	<u>\$ 21,279,369</u>
d. Ending reserves:	<u>\$ 274,895,510</u>	<u>\$ 273,981,437</u>	<u>\$ 269,057,662</u>	<u>\$ 245,653,931</u>	<u>\$ 254,027,372</u>

- B. FIE recorded the following amounts for IBNR and/or bulk reserves related to asbestos claims at December 31, 2021:

	2021	2020
(1) Direct:	\$ 238,511,901	\$ 234,074,597
(2) Assumed Reinsurance:	None	None
(3) Net of Ceded Reinsurance:	\$ 238,251,345	\$ 233,115,270

- C. FIE recorded the following amounts for loss adjustment expenses for case, IBNR and/or bulk reserves related to asbestos claims at December 31, 2021:

NOTES TO FINANCIAL STATEMENTS

	2021	2020
(1) Direct:	\$ 143,651,279	\$ 82,478,242
(2) Assumed Reinsurance:	None	None
(3) Net of Ceded Reinsurance:	\$ 143,682,206	\$ 82,478,242

- D. Does FIE have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses? Yes (X) No ()

FIE's environmental-related losses (including coverage dispute costs) for each of the five most recent years were as follows:

(1) Direct:

	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 60,426,671	\$ 53,588,932	\$ 45,487,583	\$ 37,155,894	\$ 36,296,179
b. Incurred losses and loss adjustment expenses:	\$ 3,650,558	\$ (5,343,327)	\$ (6,212,499)	\$ 3,940,446	\$ (2,258,015)
c. Calendar year payments for losses and loss adjustment expenses:	<u>\$ 10,488,298</u>	<u>\$ 2,758,022</u>	<u>\$ 2,119,189</u>	<u>\$ 4,800,161</u>	<u>\$ 3,093,122</u>
d. Ending reserves:	<u>\$ 53,588,932</u>	<u>\$ 45,487,583</u>	<u>\$ 37,155,894</u>	<u>\$ 36,296,179</u>	<u>\$ 30,945,042</u>

Amounts represent FIE's pooled share of the total Farmers P&C Companies' exposure as per the terms of the intercompany reinsurance program.

(2) Assumed Reinsurance:

FIE has no environmental-related exposure resulting from the assumption of unaffiliated reinsurance.

(3) Net of Ceded Reinsurance:

	2017	2018	2019	2020	2021
a. Beginning reserves:	\$ 60,128,713	\$ 53,302,695	\$ 45,349,608	\$ 37,016,333	\$ 36,138,715
b. Incurred losses and loss adjustment expenses:	\$ 2,726,132	\$ (5,669,254)	\$ (6,211,230)	\$ 2,690,624	\$ (3,900,727)
c. Calendar year payments for losses and loss adjustment expenses:	<u>\$ 9,552,150</u>	<u>\$ 2,283,833</u>	<u>\$ 2,122,046</u>	<u>\$ 3,568,242</u>	<u>\$ 1,428,926</u>
d. Ending reserves:	<u>\$ 53,302,695</u>	<u>\$ 45,349,608</u>	<u>\$ 37,016,333</u>	<u>\$ 36,138,715</u>	<u>\$ 30,809,062</u>

- E. FIE recorded the following amounts for IBNR and/or bulk reserves related to environmental claims at December 31, 2021:

NOTES TO FINANCIAL STATEMENTS

	2021	2020
(1) Direct:	\$ 24,617,437	\$ 33,280,994
(2) Assumed Reinsurance:	None	None
(3) Net of Ceded Reinsurance:	\$ 24,617,437	\$ 33,280,994

F. FIE recorded the following amounts for loss adjustment expenses for case, IBNR and/or bulk reserves related to environmental claims at December 31, 2021:

	2021	2020
(1) Direct:	\$ 13,176,884	\$ 19,676,913
(2) Assumed Reinsurance:	None	None
(3) Net of Ceded Reinsurance:	\$ 13,176,884	\$ 19,676,913

34. SUBSCRIBER SAVINGS ACCOUNTS

None.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

Not applicable.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

GENERAL INTERROGATORIES

**PART 1 - COMMON INTERROGATORIES
GENERAL**

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1, 1A, 2 and 3.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [] N/A []
- 1.3 State Regulating? CALIFORNIA
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2021
- 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. 12/31/2017
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/28/2019
- 3.4 By what department or departments?
California Department of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [] No [] N/A [X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.11 sales of new business? Yes [] No [X]
4.12 renewals? Yes [] No [X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
4.21 sales of new business? Yes [] No [X]
4.22 renewals? Yes [] No [X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [X] 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
Farmers Property and Casualty Insurance Company	26298	RI

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

1 Nationality	2 Type of Entity
.....

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a depository institution holding company (DIHC) or a DIHC itself, regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If the response to 8.1 is yes, please identify the name of the DIHC.
.....
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [X] 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
BFP Securities, LLC	St. Louis, Missouri				YES
Farmers Financial Solutions, LLC	Westlake Village, California				YES

- 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 [X] N/A []
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Ernst & Young LLP
725 S. Figueroa Street, Suite 500
Los Angeles, CA 90017
- 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?
James Nutting, FCAS, MAAA
6301 Owensmouth Ave.
Woodland Hills, CA 91367
Actuary of Farmers Insurance Group
- 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
- 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?
N/A
- 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? Yes [X] No []
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- c. Compliance with applicable governmental laws, rules and regulations;
- d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is No, please explain:
.....
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
.....
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

**ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
GENERAL INTERROGATORIES**

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

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- | | |
|---|----------|
| 20.11 To directors or other officers..... | \$ |
| 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 [X]
- 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 [X]
- 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 [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$
- 24.1 Does the insurer utilize third parties to pay agent commissions in which the amounts advanced by the third parties are not settled in full within 90 days? Yes [] No [X]
- 24.2 If the response to 24.1 is yes, identify the third-party that pays the agents and whether they are a related party.

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

INVESTMENT

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

**ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
GENERAL INTERROGATORIES**

- 25.02 If no, give full and complete information relating thereto
N/A
- 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)
N/A
- 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. \$
- 25.05 For the reporting entity's securities lending program, report amount of collateral for other programs. \$
- 25.06 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 25.07 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 25.08 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]
- 25.09 For the reporting entity's securities lending program state the amount of the following as of December 31 of the current year:
- 25.091 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$
- 25.092 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$
- 25.093 Total payable for securities lending reported on the liability page. \$

- 26.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 25.03). Yes [X] No []
- 26.2 If yes, state the amount thereof at December 31 of the current year:
- 26.21 Subject to repurchase agreements \$
- 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 \$ 15,000,000
- 26.28 On deposit with states \$ 637,038,873
- 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 [X]
- 27.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

LINES 27.3 through 27.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:

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

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

1 Name of Custodian(s)	2 Custodian's Address
JP Morgan Bank & Trust Company, N.A.	560 Mission ST, San Francisco, CA 94105

**ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
GENERAL INTERROGATORIES**

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

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

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

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

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

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

1 Name of Firm or Individual	2 Affiliation
DWS Investment Management Americas, Inc.	U.....
Prudential Private Placement Investors, LP	U.....
Wells Capital Management	U.....
Clarion Partners	U.....
Barings LLC	U.....

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 [X] 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 [X]

29.06 For those firms or individuals listed in the table for 29.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104518	DWS Investment Management Americas, Inc.	CZ83K4EEE8QVCT3B128	U.S. Securities and Exchange Commission	NO.....
106442	Prudential Private Placement Investors LP.		U.S. Securities and Exchange Commission	NO.....
104973	Wells Capital Management	549300B3H21002L85190	U.S. Securities and Exchange Commission	NO.....
108803	Clarion Partners		U.S. Securities and Exchange Commission	NO.....
106006	Barings LLC	ANDKRHQKPRRG402KLR05	U.S. Securities and Exchange Commission	NO.....

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

30.2 If yes, complete the following schedule:

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
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	4,518,528,677	4,674,351,599	155,822,921
31.2 Preferred stocks		6,412,677	6,412,677
31.3 Totals	4,518,528,677	4,680,764,276	162,235,598

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

For the majority of securities, in determining fair market value, quotes were obtained from third party sources. If quotes from these sources were not available, a broker estimate was utilized. Any few instances where a broker estimate was not available, the market value was analytically determined.

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 [X] 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 [X] No []

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

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

33.2 If no, list exceptions:

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
GENERAL INTERROGATORIES

OTHER

38.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$5,195,461

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

39.1 Amount of payments for legal expenses, if any?\$1,658,177

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]

1.2 If yes, indicate premium earned on U. S. business only \$ _____

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ _____
 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. \$ _____

1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ _____

1.6 Individual policies:

	Most current three years:	
1.61 Total premium earned		\$
1.62 Total incurred claims		\$
1.63 Number of covered lives .....		.....
All years prior to most current three years		
1.64 Total premium earned		\$
1.65 Total incurred claims		\$
1.66 Number of covered lives .....		.....

1.7 Group policies:

	Most current three years:	
1.71 Total premium earned		\$
1.72 Total incurred claims		\$
1.73 Number of covered lives .....		.....
All years prior to most current three years		
1.74 Total premium earned		\$
1.75 Total incurred claims		\$
1.76 Number of covered lives .....		.....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator		
2.2 Premium Denominator	8,056,067,860	7,347,285,673
2.3 Premium Ratio (2.1/2.2)	0.000	0.000
2.4 Reserve Numerator		
2.5 Reserve Denominator	10,078,277,001	8,816,962,285
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	\$
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 [X]

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

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

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

5. For Reciprocal Exchanges Only:

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

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation.....	Yes [] No [X] N/A []
5.22 As a direct expense of the exchange.....	Yes [X] No [] N/A []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? Losses, loss adjustment expenses, agents' commissions, taxes, licenses and fees.

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 AND CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
We purchase reinsurance to protect our workers compensation exposure.
- 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 licenses catastrophe modeling software from outside vendors specializing in these products. Based on these models, California Earthquake and Texas Hurricane have been identified as having the most significant potential for large 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?
Through various catastrophe mitigation actions including but not limited to joining the California Earthquake Authority (CEA) and the company buys catastrophe reinsurance protection.
- 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 [X] 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 this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)? Yes [X] 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 [X]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [] No [X]
- 8.2 If yes, give full information
.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes [] No [X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 36 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or, Yes [] No [X]
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [] No [X]
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [] N/A []

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]
- 11.2 If yes, give full information
.....
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses\$ 452,306
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses)\$ 12,439
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds\$ _____
- 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 the 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):\$ 3,881,250
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] No [X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.3
- 14.1 Is the company 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 AND CASUALTY INTERROGATORIES

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

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 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 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 []

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

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
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	10,093,944,672	7,671,330,879	8,375,282,553	8,171,623,129	7,915,757,788
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	6,755,473,253	5,115,110,228	5,380,310,787	5,342,813,588	5,177,348,605
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	13,275,013,252	11,061,091,201	11,025,290,296	10,739,857,845	10,723,468,146
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	28,765,684	6,310,354	817,458	888,908	934,545
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	30,153,196,861	23,853,842,663	24,781,701,094	24,255,183,470	23,817,509,084
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	3,191,654,261	2,712,849,838	2,755,144,227	2,659,176,172	2,823,316,101
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	2,208,992,622	1,854,516,043	1,893,396,813	1,858,391,427	1,914,945,419
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	3,100,548,155	2,808,386,640	2,780,171,692	2,643,036,146	2,601,974,517
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	7,512,294	3,159,640	296,198	322,070	366,693
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	8,508,707,331	7,378,912,160	7,429,008,930	7,160,925,814	7,340,602,729
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(354,372,536)	(186,998,324)	(101,292,901)	(109,252,076)	(221,277,133)
14. Net investment gain or (loss) (Line 11)	44,414,990	78,355,832	118,499,900	45,729,708	53,308,207
15. Total other income (Line 15)	(129,587,284)	(65,984,253)	(2,844,565)	(55,020,372)	(5,096,268)
16. Dividends to policyholders (Line 17)	549,112	396,076	792,459	371,232	347,996
17. Federal and foreign income taxes incurred (Line 19)	(73,277,859)	(58,664,261)	(41,703,653)	(48,438,070)	(107,999,063)
18. Net income (Line 20)	(366,816,082)	(116,358,560)	55,273,627	(70,475,902)	(65,414,126)
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	21,740,696,280	17,853,262,522	17,456,500,242	17,016,311,531	16,164,767,721
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	267,048,552	223,506,249	223,576,163	223,126,225	218,711,951
20.2 Deferred and not yet due (Line 15.2)	3,754,766,993	3,495,399,724	3,297,308,290	3,082,447,475	3,002,377,162
20.3 Accrued retrospective premiums (Line 15.3)	535,270	545,731	613,707	632,973	569,240
21. Total liabilities excluding protected cell business (Page 3, Line 26)	16,908,421,686	13,185,881,113	12,962,783,801	12,919,967,248	11,961,662,716
22. Losses (Page 3, Line 1)	4,223,162,949	3,778,135,649	3,658,425,810	3,614,271,736	3,647,098,366
23. Loss adjustment expenses (Page 3, Line 3)	1,224,523,647	1,082,773,735	1,080,203,754	1,059,029,772	1,069,435,044
24. Unearned premiums (Page 3, Line 9)	3,588,323,448	3,135,683,977	3,104,057,489	2,913,193,242	2,855,212,508
25. Capital paid up (Page 3, Lines 30 & 31)					
26. Surplus as regards policyholders (Page 3, Line 37)	4,832,274,595	4,667,381,410	4,493,716,442	4,096,344,283	4,203,105,006
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	1,139,626,877	111,320,393	134,174,457	21,685,795	(510,442,646)
Risk-Based Capital Analysis					
28. Total adjusted capital	4,832,274,595	4,667,381,410	4,493,716,442	4,096,344,283	4,203,105,006
29. Authorized control level risk-based capital	1,033,676,397	946,034,522	870,425,668	889,688,981	999,280,106
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	34.0	39.6	37.7	38.1	39.5
31. Stocks (Lines 2.1 & 2.2)	58.2	50.7	52.2	52.5	51.9
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)	2.0	2.3	2.6	3.4	3.6
34. Cash, cash equivalents and short-term investments (Line 5)	4.1	5.5	5.6	3.8	2.8
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)	1.7	1.9	2.0	2.1	2.2
38. Receivables for securities (Line 9)	0.1	0.0	0.0	0.1	
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)	7,230,925,263	5,596,921,600	5,406,232,802	5,125,595,068	4,956,396,052
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47	7,230,925,263	5,596,921,600	5,406,232,802	5,125,595,068	4,956,396,052
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	149.6	119.9	120.3	125.1	117.9

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2021	2 2020	3 2019	4 2018	5 2017
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	485,490,175	231,465,711	325,242,868	125,369,793	142,666,812
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	164,893,185	173,664,968	397,372,159	(106,760,723)	(15,734,814)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	4,575,564,832	4,598,143,462	4,785,682,794	4,729,666,616	4,674,774,395
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	3,856,515,615	2,659,682,104	2,987,994,071	2,916,042,857	3,198,133,299
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	7,432,069,056	6,867,804,149	5,556,256,286	6,498,818,731	6,238,530,393
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	4,920,442	156,866	92,117	765,954	83,269
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	15,869,069,945	14,125,786,581	13,330,025,268	14,145,294,157	14,111,521,355
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	1,483,810,499	1,541,086,016	1,673,707,289	1,717,762,087	1,800,767,993
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,294,269,525	964,527,864	1,066,227,421	997,042,346	1,204,497,874
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,923,861,297	1,751,751,182	1,448,472,434	1,451,509,818	1,686,521,881
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	1,584,247	63,501	31,720	298,538	32,110
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	4,703,525,567	4,257,428,564	4,188,438,865	4,166,612,788	4,691,819,859
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	63.9	59.6	58.5	58.2	59.8
68. Loss expenses incurred (Line 3)	9.7	9.5	10.5	10.0	10.2
69. Other underwriting expenses incurred (Line 4)	30.8	33.5	32.6	33.4	33.0
70. Net underwriting gain (loss) (Line 8)	(4.4)	(2.5)	(1.4)	(1.5)	(2.9)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	30.7	34.2	31.6	33.8	33.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	73.6	69.1	69.0	68.2	70.0
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)	176.1	158.1	165.3	174.8	174.6
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	26,168	43,055	54,220	50,880	21,166
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)	0.6	1.0	1.3	1.2	0.5
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	118,251	26,579	93,349	77,712	226,239
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)	2.6	0.6	2.2	1.8	5.4

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

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4	5	6	7	8	9			
1. Prior	XXX	XXX	XXX	51,599	20,886	20,195	2,914	1,978	0	1,632	49,971	XXX
2. 2012	9,663,511	2,587,835	7,075,676	5,715,912	1,430,421	237,729	49,444	836,413	211,349	356,347	5,098,841	XXX
3. 2013	9,678,053	2,575,631	7,102,422	5,409,627	1,361,769	205,175	43,079	770,972	212,031	312,579	4,768,894	XXX
4. 2014	9,588,056	2,558,971	7,029,086	5,172,519	1,303,926	197,198	40,736	741,154	199,739	317,322	4,566,470	XXX
5. 2015	9,765,171	1,907,764	7,857,407	5,514,724	1,009,934	200,266	30,226	798,621	144,243	357,662	5,329,209	XXX
6. 2016	10,100,404	2,269,341	7,831,063	5,980,130	1,307,747	202,158	47,606	788,301	162,081	390,189	5,453,155	XXX
7. 2017	10,264,782	2,750,202	7,514,580	6,852,361	2,491,068	199,214	90,141	806,798	197,206	387,805	5,079,958	XXX
8. 2018	10,435,009	3,332,064	7,102,945	6,132,425	2,215,682	166,112	90,947	789,114	235,766	455,769	4,545,256	XXX
9. 2019	10,572,105	3,333,960	7,238,145	5,607,432	1,732,527	118,973	35,028	759,647	243,139	379,375	4,475,358	XXX
10. 2020	10,399,135	3,051,849	7,347,286	5,025,665	1,555,164	62,920	14,612	651,689	210,490	318,915	3,960,008	XXX
11. 2021	12,197,226	4,141,158	8,056,068	4,466,520	1,409,528	25,214	12,253	573,088	301,131	237,585	3,341,910	XXX
12. Totals	XXX	XXX	XXX	55,928,914	15,838,651	1,635,154	456,986	7,517,775	2,117,173	3,515,179	46,669,032	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior	112,171	24,775	376,672	130,804	351	175,934	96	49,548	1	1,461	559,000	XXX	
2. 2012	10,036	2,617	36,381	17,682	107	6,249	1,254	3,659	2	429	34,856	XXX	
3. 2013	10,561	2,350	36,669	17,804	131	6,817	1,382	3,809		403	36,425	XXX	
4. 2014	12,928	2,821	43,920	19,677	9	7,638	1,629	5,945		624	46,311	XXX	
5. 2015	25,314	3,972	49,765	18,517	33	10,819	1,543	7,272		1,047	69,167	XXX	
6. 2016	43,634	9,886	63,393	29,575	35	16,786	4,087	10,120	4	1,678	90,399	XXX	
7. 2017	80,535	21,828	132,254	68,210	110	22,784	6,799	16,215	14	3,597	155,021	XXX	
8. 2018	182,749	58,556	216,432	128,094	148	41,032	14,433	29,596	2	7,364	268,830	XXX	
9. 2019	314,337	105,494	328,818	128,790	286	76,172	23,166	55,401	7	12,693	517,475	XXX	
10. 2020	514,484	143,051	731,204	297,146	663	123,142	39,142	103,025	1	27,047	993,030	XXX	
11. 2021	1,093,551	366,542	2,491,737	1,086,192	13,814	4,477	189,729	58,859	88	182,372	2,677,172	XXX	
12. Totals	2,400,300	741,892	4,507,245	1,942,491	15,688	4,849	677,102	152,389	117	238,716	5,447,687	XXX	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred / Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	333,264	225,736
2. 2012	6,846,486	1,712,789	5,133,697	70.8	66.2	72.6			51.8	26,117	8,739
3. 2013	6,443,761	1,638,441	4,805,320	66.6	63.6	67.7			51.8	27,076	9,350
4. 2014	6,181,311	1,568,530	4,612,781	64.5	61.3	65.6			51.8	34,350	11,961
5. 2015	6,606,815	1,208,439	5,398,376	67.7	63.3	68.7			51.8	52,591	16,576
6. 2016	7,104,557	1,561,003	5,543,554	70.3	68.8	70.8			51.8	67,566	22,833
7. 2017	8,110,269	2,875,291	5,234,979	79.0	104.5	69.7			51.8	122,751	32,270
8. 2018	7,557,609	2,743,523	4,814,086	72.4	82.3	67.8			51.8	212,532	56,299
9. 2019	7,261,067	2,268,233	4,992,834	68.7	68.0	69.0			51.8	408,872	108,604
10. 2020	7,212,792	2,259,754	4,953,038	69.4	74.0	67.4			51.8	805,491	187,539
11. 2021	9,258,152	3,239,070	6,019,082	75.9	78.2	74.7			51.8	2,132,554	544,618
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	4,223,163	1,224,524

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 2021 OF THE FARMERS INSURANCE EXCHANGE

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 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021	11 One Year	12 Two Year
1. Prior.....	2,300,952	2,293,760	2,303,791	2,364,290	2,477,242	2,495,533	2,506,423	2,509,514	2,499,618	2,516,535	16,917	7,021
2. 2012.....	4,463,259	4,465,736	4,496,110	4,503,264	4,515,963	4,515,083	4,505,078	4,505,568	4,503,908	4,504,974	1,066	(594)
3. 2013.....	XXX	4,184,449	4,185,460	4,223,985	4,238,040	4,240,295	4,238,032	4,240,285	4,239,163	4,242,569	3,407	2,284
4. 2014.....	XXX	XXX	4,014,941	4,026,307	4,047,301	4,062,892	4,062,091	4,067,025	4,064,141	4,065,421	1,280	(1,604)
5. 2015.....	XXX	XXX	XXX	4,686,993	4,698,712	4,717,275	4,740,331	4,742,638	4,736,214	4,736,727	512	(5,912)
6. 2016.....	XXX	XXX	XXX	XXX	4,873,136	4,840,481	4,876,150	4,876,507	4,874,153	4,907,218	33,065	30,711
7. 2017.....	XXX	XXX	XXX	XXX	XXX	4,581,751	4,576,086	4,605,121	4,597,657	4,609,185	11,528	4,064
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	4,208,942	4,220,694	4,224,858	4,231,144	6,286	10,450
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,349,100	4,419,796	4,420,931	1,134	71,831
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,457,843	4,408,815	(49,028)	XXX
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,342,714	XXX	XXX
12. Totals											26,168	118,251

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021		
1. Prior.....	.000	874,935	1,290,931	1,495,201	1,665,442	1,758,322	1,834,882	1,904,468	1,959,088	2,007,082	XXX	XXX
2. 2012.....	2,585,945	3,631,557	4,018,522	4,247,004	4,363,909	4,419,803	4,440,195	4,457,549	4,466,276	4,473,776	XXX	XXX
3. 2013.....	XXX	2,478,015	3,426,446	3,799,767	4,000,266	4,117,288	4,162,500	4,185,334	4,196,983	4,209,953	XXX	XXX
4. 2014.....	XXX	XXX	2,353,968	3,294,613	3,637,872	3,841,569	3,943,403	3,990,544	4,011,045	4,025,055	XXX	XXX
5. 2015.....	XXX	XXX	XXX	2,723,137	3,834,468	4,235,171	4,485,151	4,604,516	4,650,589	4,674,831	XXX	XXX
6. 2016.....	XXX	XXX	XXX	XXX	2,937,417	4,036,401	4,427,320	4,645,135	4,745,989	4,826,935	XXX	XXX
7. 2017.....	XXX	XXX	XXX	XXX	XXX	2,890,718	3,797,704	4,184,165	4,351,202	4,470,366	XXX	XXX
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	2,518,272	3,506,434	3,820,970	3,991,908	XXX	XXX
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,491,842	3,582,125	3,958,850	XXX	XXX
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,599,492	3,518,809	XXX	XXX
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,069,953	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 2012	2 2013	3 2014	4 2015	5 2016	6 2017	7 2018	8 2019	9 2020	10 2021
1. Prior.....	1,400,221	920,135	682,349	615,226	621,168	583,138	547,306	505,263	445,253	421,706
2. 2012.....	1,187,165	414,916	253,400	128,340	86,569	61,393	42,173	33,101	28,009	23,694
3. 2013.....	XXX	1,055,572	382,449	216,937	127,433	70,026	47,698	36,761	29,531	24,300
4. 2014.....	XXX	XXX	1,137,037	399,113	217,942	116,299	72,362	51,250	38,117	30,252
5. 2015.....	XXX	XXX	XXX	1,350,813	464,876	251,233	135,009	82,668	54,237	40,524
6. 2016.....	XXX	XXX	XXX	XXX	1,345,962	424,964	240,015	123,430	70,907	46,517
7. 2017.....	XXX	XXX	XXX	XXX	XXX	981,668	363,828	215,816	125,434	80,029
8. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	1,077,884	342,302	187,727	114,936
9. 2019.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,305,328	465,972	253,035
10. 2020.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,244,727	518,058
11. 2021.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,536,415

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	L	56,255,888	56,263,262		31,117,754	28,729,919	21,480,200	172,348
2. Alaska	AK	N							
3. Arizona	AZ	L	170,844,461	168,023,370		108,610,888	125,142,965	82,203,368	308,667
4. Arkansas	AR	L	46,760,444	43,556,528		23,750,007	26,246,104	12,878,055	77,487
5. California	CA	L	2,776,464,860	2,688,004,607		1,547,110,233	1,765,615,895	1,600,842,514	15,721,666
6. Colorado	CO	L	445,251,554	444,460,531	947,953	186,794,634	300,366,065	351,740,145	989,198
7. Connecticut	CT	L	595,899	309,765		52,559	145,116	92,557	1,527
8. Delaware	DE	L	1,259,572	1,215,931		318,116	1,354,710	1,886,579	
9. District of Columbia	DC	L							
10. Florida	FL	L	70,575,292	60,193,805		33,066,906	70,265,362	52,272,384	169,635
11. Georgia	GA	L	260,143,907	238,994,101		229,312,696	267,372,553	213,491,391	277,924
12. Hawaii	HI	N							
13. Idaho	ID	L	36,716,658	34,980,436		20,865,481	23,573,036	13,122,538	85,487
14. Illinois	IL	L	169,652,561	173,317,774		131,227,056	123,820,456	72,356,506	282,765
15. Indiana	IN	L	41,023,907	40,333,114		24,333,024	31,212,968	22,917,068	66,433
16. Iowa	IA	L	19,259,900	18,992,997		12,550,898	9,209,090	10,248,954	27,041
17. Kansas	KS	L	74,986,487	74,265,334		26,139,998	32,574,702	22,404,684	107,160
18. Kentucky	KY	L	2,379,592	1,781,320		914,259	1,809,658	1,017,154	8,682
19. Louisiana	LA	L	910,350	457,084		333,665	1,135,196	802,197	809
20. Maine	ME	L	880,591	929,159		668,005	658,081	174,114	
21. Maryland	MD	L	66,694,937	65,799,582		42,212,815	71,414,390	61,191,993	225
22. Massachusetts	MA	L							
23. Michigan	MI	L	150,975,812	152,264,909		107,148,227	114,507,405	668,657,815	453,274
24. Minnesota	MN	L	126,455,462	126,392,786		65,142,127	70,673,896	59,944,954	872,661
25. Mississippi	MS	L	413,891	255,842		72,745	219,983	150,627	955
26. Missouri	MO	L	148,859,660	146,295,875		66,382,534	82,050,198	57,161,086	231,113
27. Montana	MT	L	35,602,142	33,977,309		17,508,379	18,585,759	12,388,860	57,811
28. Nebraska	NE	L	34,888,600	33,603,449		14,708,055	16,482,821	12,432,708	43,768
29. Nevada	NV	L	255,470,427	245,608,944		103,048,108	143,154,671	130,679,660	578,504
30. New Hampshire	NH	L	11,795	11,831		12,122	8,687	2,998	
31. New Jersey	NJ	L	49,494,483	51,139,113		30,448,108	33,684,904	64,237,547	213,025
32. New Mexico	NM	L	75,804,969	73,524,146		49,691,183	56,207,860	33,288,893	149,640
33. New York	NY	L	816,433	804,405		127,525	168,436	437,011	5,512
34. North Carolina	NC	L	419	378		(409)	(1,538)	4,991	
35. North Dakota	ND	L	8,285,983	7,810,560		3,185,904	3,693,359	2,436,333	10,598
36. Ohio	OH	L	51,885,806	52,159,243		27,833,068	26,385,194	16,326,227	146,366
37. Oklahoma	OK	L	13,577,264	12,845,613		4,230,601	4,747,436	10,952,805	55,433
38. Oregon	OR	L	96,889,860	94,488,382		66,851,507	64,441,026	101,219,427	270,911
39. Pennsylvania	PA	L	57,035,192	48,701,467		41,931,764	57,744,201	97,975,371	36,004
40. Rhode Island	RI	L							
41. South Carolina	SC	L							
42. South Dakota	SD	L	18,400,034	17,527,463		14,337,012	9,641,371	6,308,750	24,283
43. Tennessee	TN	L	67,088,208	66,466,371		34,141,672	40,964,286	28,142,793	245,867
44. Texas	TX	L	84,414,314	83,641,913		53,572,895	58,703,975	70,673,299	324,770
45. Utah	UT	L	68,295,209	65,709,433		37,914,351	36,016,626	24,167,611	138,684
46. Vermont	VT	L							
47. Virginia	VA	L	41,561,855	40,202,843		12,946,869	41,509,017	47,712,083	81,002
48. Washington	WA	L	38,057,936	37,591,978		20,914,468	26,225,649	43,021,067	222,272
49. West Virginia	WV	L	300,759	284,715		196,289	315,879	341,405	
50. Wisconsin	WI	L	17,701,116	18,290,287	10,466	6,572,567	8,881,099	10,831,733	73,387
51. Wyoming	WY	L	33,125,342	31,625,601		18,900,817	16,499,245	9,940,957	51,260
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	XXX							
59. Totals	XXX		5,716,069,830	5,553,103,555	958,419	3,217,197,485	3,812,157,711	4,050,559,412	22,584,154
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

(a) Active Status Counts:

- L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....49
- E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI).....
- D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....
- R - Registered - Non-domiciled RRGs.....
- Q - Qualified - Qualified or accredited reinsurer.....
- N - None of the above - Not allowed to write business in the state.....8

(b) Explanation of basis of allocation of premiums by states, etc.
 Premiums are assigned to the states in which the risk is located.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
10433 Ella Blvd, LLC	83-0877980	N/A	DE	Mid-Century Insurance Company	100.00000
11930 Narcoossee Road, LLC	82-3606914	N/A	DE	Mid-Century Insurance Company	100.00000
12225 NE 60th Way, LLC	86-3957205	N/A	DE	Truck Insurance Exchange	100.00000
14001 Rosencrans Avenue, LLC	84-2794277	N/A	DE	Farmers Insurance Exchange	100.00000
145 Great Road, LLC	81-4674724	N/A	DE	Mid-Century Insurance Company	100.00000
17885 Von Karman, LLC	47-3820947	N/A	CA	Farmers Insurance Exchange	100.00000
201 Railroad Ave, LLC	82-2860816	N/A	DE	Farmers Insurance Exchange	100.00000
21st Century Advantage Insurance Company	22-3398993	25232	MN	21st Century North America Insurance Company	100.00000
21st Century Auto Insurance Company of New Jersey	22-3337475	10184	NJ	21st Century Centennial Insurance Company	100.00000
21st Century Casualty Company	95-4136306	36404	CA	21st Century Insurance Group	100.00000
21st Century Centennial Insurance Company	23-2044095	34789	PA	Mid-Century Insurance Company	100.00000
21st Century Indemnity Insurance Company	13-1967524	43974	PA	21st Century Premier Insurance Company	100.00000
21st Century Insurance and Financial Services, Inc.	51-0283170	N/A	DE	Mid-Century Insurance Company	100.00000
21st Century Insurance Company	95-2565072	12963	CA	21st Century Insurance Group	100.00000
21st Century Insurance Group	95-1935264	N/A	DE	Mid-Century Insurance Company	100.00000
21st Century North America Insurance Company	13-3333609	32220	NY	Mid-Century Insurance Company	100.00000
21st Century Pacific Insurance Company	02-0226203	23795	CO	Mid-Century Insurance Company	100.00000
21st Century Pinnacle Insurance Company	13-3922232	10710	NJ	21st Century North America Insurance Company	100.00000
21st Century Premier Insurance Company	22-1721971	20796	PA	21st Century Centennial Insurance Company	100.00000
2501 East Valley Road, LLC	82-2666461	N/A	DE	Fire Insurance Exchange	100.00000
384 Santa Trinita Ave LLC	81-0741455	N/A	DE	Fire Insurance Exchange	100.00000
3900 Indian Avenue, LLC	81-2487862	N/A	DE	Farmers Insurance Exchange	100.00000
460 Gibraltar Drive, LLC	81-4365602	N/A	DE	Truck Insurance Exchange	100.00000
5401 Wiles Road LLC	47-2591947	N/A	FL	Mid-Century Insurance Company	100.00000
600 Riverside Parkway, LLC	81-1746692	N/A	DE	Farmers Insurance Exchange	100.00000
6671-6675 North Macarthur Blvd, LLC	82-4386531	N/A	DE	Mid-Century Insurance Company	100.00000
American Federation Insurance Company	86-0812982	10245	TX	21st Century Insurance Group	100.00000
American Pacific Insurance Company, Inc.	13-3953213	10805	HI	Farmers Insurance Hawaii, Inc.	100.00000
Bristol West Casualty Insurance Company	34-1893500	11034	OH	Coast National Insurance Company	100.00000
Bristol West Holdings, Inc.	13-3994449	N/A	DE	Farmers Insurance Exchange	42.00000
Bristol West Holdings, Inc.	13-3994449	N/A	DE	Fire Insurance Exchange	3.75000
Bristol West Holdings, Inc.	13-3994449	N/A	DE	Truck Insurance Exchange	6.75000
Bristol West Holdings, Inc.	13-3994449	N/A	DE	Mid-Century Insurance Company	47.50000
Bristol West Insurance Company	38-1865162	19658	OH	Coast National Insurance Company	100.00000
Bristol West Insurance Services of California, Inc.	65-0880876	N/A	CA	Bristol West Holdings, Inc.	100.00000
Bristol West Insurance Services, Inc. of Florida	65-0616769	N/A	FL	Bristol West Holdings, Inc.	100.00000
Bristol West Preferred Insurance Company	86-1174452	12774	MI	Bristol West Holdings, Inc.	100.00000
BWIS of Nevada, Inc.	65-0919338	N/A	NV	Bristol West Holdings, Inc.	100.00000
Civic Property and Casualty Company	95-4528269	10315	CA	Fire Insurance Exchange	80.00000
Civic Property and Casualty Company	95-4528269	10315	CA	Truck Insurance Exchange	20.00000
Coast National General Agency, Inc.	76-0543593	N/A	TX	Bristol West Holdings, Inc.	100.00000
Coast National Holding Company	33-0246699	N/A	CA	Bristol West Holdings, Inc.	100.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Coast National Insurance Company	33-0246701	25089	CA	Coast National Holding Company	100.00000
Economy Fire & Casualty Company	36-1022580	22926	IL	Farmers Property and Casualty Insurance Company	100.00000
Economy Preferred Insurance Company	36-3027848	38067	IL	Economy Fire & Casualty Company	100.00000
Economy Premier Assurance Company	36-3105737	40649	IL	Economy Fire & Casualty Company	100.00000
Exact Property and Casualty Company	95-4528266	10318	CA	Fire Insurance Exchange	80.00000
Exact Property and Casualty Company	95-4528266	10318	CA	Truck Insurance Exchange	20.00000
Farmers Casualty Insurance Company	05-0393243	40169	RI	Farmers Property and Casualty Insurance Company	100.00000
Farmers Direct Property and Casualty Insurance Company	23-1903575	25321	RI	Farmers Property and Casualty Insurance Company	100.00000
Farmers Financial Solutions, LLC	77-0530616	N/A	NV	FFS Holding, LLC	100.00000
Farmers General Insurance Agency, Inc.	95-3003951	N/A	RI	Farmers Property and Casualty Insurance Company	100.00000
Farmers Group Property and Casualty Insurance Company	13-2915260	34339	RI	Farmers Property and Casualty Insurance Company	100.00000
Farmers Insurance Company of Arizona	95-2626387	21598	AZ	Farmers Insurance Exchange	70.00000
Farmers Insurance Company of Arizona	95-2626387	21598	AZ	Truck Insurance Exchange	20.00000
Farmers Insurance Company of Arizona	95-2626387	21598	AZ	Fire Insurance Exchange	10.00000
Farmers Insurance Company of Idaho	95-2626385	21601	ID	Farmers Insurance Exchange	80.00000
Farmers Insurance Company of Idaho	95-2626385	21601	ID	Fire Insurance Exchange	6.70000
Farmers Insurance Company of Idaho	95-2626385	21601	ID	Truck Insurance Exchange	13.30000
Farmers Insurance Company of Oregon	95-2655893	21636	OR	Farmers Insurance Exchange	80.00000
Farmers Insurance Company of Oregon	95-2655893	21636	OR	Truck Insurance Exchange	20.00000
Farmers Insurance Company of Washington	95-2655894	21644	WA	Fire Insurance Exchange	80.00000
Farmers Insurance Company of Washington	95-2655894	21644	WA	Truck Insurance Exchange	20.00000
Farmers Insurance Company, Inc.	48-0609012	21628	KS	Farmers Insurance Exchange	90.00000
Farmers Insurance Company, Inc.	48-0609012	21628	KS	Fire Insurance Exchange	10.00000
Farmers Insurance Exchange	95-2575893	21652	CA	Interinsurance Exchange (See Note 1)	
Farmers Insurance Hawaii, Inc.	22-2640040	28487	HI	Mid-Century Insurance Company	100.00000
Farmers Insurance of Columbus, Inc.	31-0956373	36889	OH	Farmers Insurance Exchange	100.00000
Farmers Lloyds, Inc.	05-0476998	N/A	TX	Farmers Property and Casualty Insurance Company	100.00000
Farmers Lloyds Insurance Company of Texas	75-2483187	13938	TX	Farmers Lloyds, Inc. (see Note 10)	
Farmers New Century Insurance Company	36-4165395	10806	IL	Illinois Farmers Insurance Company	100.00000
Farmers Property and Casualty Insurance Company	13-2725441	26298	RI	Farmers Insurance Exchange	80.00000
Farmers Property and Casualty Insurance Company	13-2725441	26298	RI	Truck Insurance Exchange	10.00000
Farmers Property and Casualty Insurance Company	13-2725441	26298	RI	Fire Insurance Exchange	10.00000
Farmers Services Insurance Agency	95-6048990	N/A	CA	Truck Insurance Exchange	100.00000
Farmers Specialty Insurance Company	59-2326047	43699	MI	Foremost Insurance Company Grand Rapids, Michigan	100.00000
Farmers Texas County Mutual Insurance Company	74-1067657	24392	TX	County Mutual Company (See Note 2)	
FCOA, LLC	27-0342907	N/A	DE	Foremost Insurance Company Grand Rapids, Michigan	100.00000
FFS Holding, LLC	77-0530617	N/A	NV	Mid-Century Insurance Company	100.00000
Fire Insurance Exchange	95-6235715	21660	CA	Interinsurance Exchange (See Note 3)	
Foremost County Mutual Insurance Company	38-1721730	29254	TX	County Mutual Company (See Note 4)	
Foremost Express Insurance Agency, Inc.	38-2505922	N/A	MI	FCOA, LLC	100.00000
Foremost Insurance Company Grand Rapids, Michigan	38-1407533	11185	MI	Farmers Insurance Exchange	80.00000
Foremost Insurance Company Grand Rapids, Michigan	38-1407533	11185	MI	Fire Insurance Exchange	10.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF FARMERS INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Foremost Insurance Company Grand Rapids, Michigan	38-1407533	11185	MI	Truck Insurance Exchange	10.00000
Foremost Lloyds of Texas	75-1779175	41688	TX	Lloyds Company (See Note 5)	
Foremost Property and Casualty Insurance Company	35-1604635	11800	MI	Foremost Insurance Company Grand Rapids, Michigan	100.00000
Foremost Signature Insurance Company GP, LLC	38-2430150	41513	MI	Foremost Insurance Company Grand Rapids, Michigan	100.00000
Hawaii Insurance Consultants, Ltd.	65-1142050	N/A	DE	Bristol West Holdings, Inc.	100.00000
Illinois Farmers Insurance Company	99-0083322	N/A	HI	Mid-Century Insurance Company	100.00000
Insurance Data Systems, G.P.	36-2661515	21679	IL	Farmers Insurance Exchange	100.00000
Insurance Data Systems, G.P.	65-0881673	N/A	FL	Bristol West Holdings, Inc.	99.90000
Insurance Data Systems, G.P.	65-0881673	N/A	FL	GP, LLC	0.10000
Kraft Lake Insurance Agency, Inc.	38-2336672	N/A	MI	FCOA, LLC	100.00000
MC Maple Tree, LLC	85-2377860	N/A	DE	Mid-Century Insurance Company	100.00000
Mid-Century Insurance Company	95-6016640	21687	CA	Farmers Insurance Exchange	80.00000
Mid-Century Insurance Company	95-6016640	21687	CA	Fire Insurance Exchange	10.00000
Mid-Century Insurance Company	95-6016640	21687	CA	Truck Insurance Exchange	10.00000
Mid-Century Insurance Company of Texas	74-2448744	28673	TX	Farmers Insurance Exchange	100.00000
Neighborhood Spirit Property and Casualty Company	95-4528264	10317	CA	Fire Insurance Exchange	80.00000
Neighborhood Spirit Property and Casualty Company	95-4528264	10317	CA	Truck Insurance Exchange	20.00000
Security National Insurance Company	65-0109120	33120	FL	Bristol West Holdings, Inc.	100.00000
Texas Farmers Insurance Company	94-1663548	21695	TX	Farmers Insurance Exchange	86.28000
Texas Farmers Insurance Company	94-1663548	21695	TX	Mid Century Insurance Company	13.72000
Toggle Insurance Company	13-3551577	44245	DE	Mid-Century Insurance Company	100.00000
Toggle Services, LLC	83-3256280	N/A	DE	Toggle Insurance Company	100.00000
Truck Insurance Exchange	95-2575892	21709	CA	Interinsurance Exchange (See Note 6)	
Western Star Insurance Services, Inc.	74-1593853	N/A	TX	FCOA, LLC	100.00000

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The following are Zurich Insurance Group entities within NAIC Group Code "0212" and are not included in Farmers Insurance Group within NAIC Group Code "0069"

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
Access Franchise Management Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
ACN 000 141 051 Ltd.		N/A	AUS	Zurich Financial Services Australia Limited	100.00000
Afterland Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
AG Haus der Wirtschaft		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	8.16327
Allied Dunbar Assurance plc		N/A	GBR	Zurich Financial Services (UKISA) Nominees Limited	100.00000
Allied Dunbar Financial Services Limited		N/A	GBR	Allied Dunbar Assurance plc	100.00000
Allied Dunbar Provident plc		N/A	GBR	Allied Dunbar Assurance plc	100.00000
Allied Zurich Holdings Limited		N/A	JEY	Zurich Versicherungs-Gesellschaft AG	100.00000
Allied Zurich Limited		N/A	GBR	Zurich Insurance Group Ltd.	100.00000
American Guarantee and Liability Insurance Company	36-6071400	26247	NY	Zurich American Insurance Company	100.00000
American Zurich Insurance Company	36-3141762	40142	IL	Steadfast Insurance Company	100.00000
Applyhere Pty Ltd		N/A	AUS	Davidson Trahaire Holding Pty Ltd	100.00000
Ashdale Land and Property Company Limited		N/A	GBR	Zurich Insurance plc	100.00000
Asistbras S/A Assistência ao Viajante		N/A	BRA	Travel Ace Internacional de Servicios S.A.	65.00000
Assistance Online (China) Co Ltd		N/A	CHN	Assistancee Online Pte. Ltd	100.00000
Assistancee Online HK Ltd		N/A	HKG	Assistancee Online HK Ltd	0.00000
Assistancee Online HK Ltd		N/A	HKG	Assistancee Online Pte. Ltd	100.00000
Assistancee Online Pte. Ltd		N/A	SGP	Customer Care Assistance Pty Ltd	100.00000
ASTIS Holdings Limited		N/A	AUS	Cover-More Finance Pty Limited	100.00000
Aust Office 1, LLC	36-4851720	N/A	DE	Zurich American Insurance Company	100.00000
autoSense AG		N/A	CHE	Zürich Versicherungs-Gesellschaft AG	33.33000
Ballykilliane Holdings Limited		N/A	IRL	Zurich Insurance plc	100.00000
Bansabadell Pensiones, E.G.F.P, S.A.		N/A	ESP	Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied	50.00000
Bansabadell Seguros Generales, S.A. de Seguros y Reaseguros		N/A	ESP	Zurich Versicherungs-Gesellschaft AG	50.00000
Bansabadell Servicios Auxiliares De Seguros, S.L.		N/A	ESP	Bansabadell Seguros Generales, S.A. de Seguros y Reaseguros	100.00000
Bansabadell Vida S.A. de Seguros y Reaseguros		N/A	ESP	Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied	50.00000
Benefit Finance Partners, L.L.C.		N/A	DE	Zurich Benefit Finance LLC	50.00000
BFP Securities LLC	13-4097988	N/A	DE	Benefit Finance Partners, L.L.C.	100.00000
Bloomington Office LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Bloomington Office MGP Manager, Inc		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Bloomington Office MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
Bloomington Office MGP, LLC		N/A	DE	Bloomington Office MGP Manager, Inc	99.00000
Blue Insurance Australia Pty Ltd		N/A	AUS	Blue Insurance Limited	100.00000
Blue Insurance Limited		N/A	IRL	Cover-More Australia Pty Ltd	97.61000
Blue Marble Capital L.P.		N/A	BMU	Blue Marble Micro Limited	100.00000
Blue Marble Micro Limited		N/A	GBR	Zürich Versicherungs-Gesellschaft AG	100.00000
Blue Marble Microinsurance, Inc.		N/A	DE	Blue Marble Micro Limited	100.00000
Bonus Pensionskassen Aktiengesellschaft		N/A	AUT	Zurich Versicherungs-Aktiengesellschaft	87.50000
BONUS Vorsorgekasse AG		N/A	AUT	Zurich Versicherungs-Aktiengesellschaft	50.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
BOS Apt 1, LLC	47-2289489	N/A	DE	Zurich American Insurance Company	100.00000
BOS Apt 2, LLC	47-2445859	N/A	DE	Zurich American Insurance Company	100.00000
BOS Office 2 LLC	47-1046245	N/A	DE	Zurich American Insurance Company	100.00000
BOS Office 3, LLC	47-2483669	N/A	DE	Farmers New World Life Insurance Company	100.00000
BOS Office 4, LLC	37-1849541	N/A	DE	Zurich American Insurance Company	100.00000
BOS Retail 1, LLC	47-4684158	N/A	DE	Zurich American Insurance Company	100.00000
Boxx Insurance Inc.		N/A	CAN	Zürich Versicherungs-Gesellschaft AG	33.33333
Bright Box Europe S.A.		N/A	CHE	Bright Box HK Limited	100.00000
Bright Box HK Limited		N/A	CHN	Zürich Versicherungs-Gesellschaft AG	100.00000
Bright Box Hungary KFT		N/A	HUN	Bright Box HK Limited	100.00000
Bright Box Middle East FZCO		N/A	ARE	Bright Box HK Limited	100.00000
Brinker Retail MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Bristlecourt Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
brokerbusiness.ch AG		N/A	CHE	Zürich Versicherungs-Gesellschaft AG	25.00000
Cayley Aviation Ltd.		N/A	BMU	Zurich Insurance Company Ltd, Bermuda Branch	100.00000
Celta Assistance SL		N/A	ESP	Universal Assistance S.A.	100.00000
Centre Group Holdings (U.S.) Limited	13-4038482	N/A	DE	Zurich Finance Company Ltd	100.00000
Centre Insurance Company	13-2653231	34649	DE	Centre Solutions (U.S.) Limited	100.00000
Centre Life Insurance Company	04-1589940	80896	MA	Centre Solutions (U.S.) Limited	100.00000
Centre Reinsurance (U.S.) Limited	AA-3190673	N/A	BMU	Centre Group Holdings (U.S.) Limited	100.00000
Centre Solutions (Bermuda) Limited		N/A	BMU	Zurich Finance Company Ltd	100.00000
Centre Solutions (U.S.) Limited	AA-3190822	N/A	BMU	Centre Group Holdings (U.S.) Limited	100.00000
Charlotte Apt. 1, LLC		N/A	DE	American Zurich Insurance Company	100.00000
Charlotte Industrial 2, LLC	32-0616217	N/A	DE	Farmers New World Life Insurance Company	100.00000
Charlotte Office 1, LLC	30-1113235	N/A	DE	Zurich American Insurance Company	100.00000
CHI APT 1, LLC	38-3988749	N/A	DE	Zurich American Insurance Company	100.00000
CHI IND 1, LLC	47-4429730	N/A	DE	Farmers New World Life Insurance Company	100.00000
CHI IND 6, LLC	87-2430690	N/A	DE	Farmers New World Life Insurance Company	100.00000
Chilena Consolidada Seguros de Vida S.A.		N/A	CHL	Inversiones Suizo Chilena S.A.	98.97703
Chilena Consolidada Seguros Generales S.A.	AA-2280100	N/A	CHL	Chilena Consolidada Seguros de Vida S.A.	7.40525
Chilena Consolidada Seguros Generales S.A.	AA-2280100	N/A	CHL	Inversiones Suizo Chilena S.A.	82.73165
COFITEM-COFIMUR		N/A	FRA	Zurich Versicherungs-Gesellschaft AG	12.40521
Colonial American Casualty and Surety Company	52-1096670	34347	IL	Fidelity and Deposit Company of Maryland	100.00000
Concisa Vorsorgeberatung und Management AG		N/A	AUT	Bonus Pensionskassen Aktiengesellschaft	100.00000
Concourse Skelmersdale Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	100.00000
Cover-More (NZ) Limited		N/A	NZL	Cover-More Australia Pty Ltd	100.00000
Cover-More Asia Pte. Ltd		N/A	SGP	Travel Assist Pty Limited	100.00000
Cover-More Australia Pty Ltd		N/A	AUS	Cover-More Holdings Pty Ltd	100.00000
Cover-More Finance Pty Limited		N/A	AUS	Cover-More Group Limited	100.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Cover-More Group Limited		N/A	AUS	Zurich Travel Solutions Pty Limited	100.00000
Cover-More Holdings Pty Ltd		N/A	AUS	Travel Assist Pty Limited	100.00000
Cover-More Holdings USA Inc.		N/A	DE	Travel Assist Pty Limited	100.00000
Cover-More Inc.		N/A	DE	Cover-More Holdings USA Inc.	100.00000
Cover-More Insurance Services Limited		N/A	GBR	Cover-More Australia Pty Ltd	100.00000
Cover-More Insurance Services Pty Ltd		N/A	AUS	Travel Assist Pty Limited	100.00000
CREC (Bloomington) Lender, LLC		N/A	DE	Zurich American Insurance Company	0.00000
CREC (Durham), LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Hagerstown) Lender, LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Hagerstown) Owner, LLC		N/A	MD	Zurich Structured Finance, Inc.	0.00000
CREC (Las Vegas), LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Sacramento), LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Sioux Falls) Lender, LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Sioux Falls) Owner, LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
CREC (Sioux Falls), LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Cursud N.V.		N/A	ANT	Zurich Versicherungs-Gesellschaft AG	100.00000
Customer Care Assistance Pty Ltd		N/A	AUS	Customer Care Holdings Pty Ltd	100.00000
Customer Care Holdings Pty Ltd		N/A	AUS	Travel Assist Pty Limited	100.00000
Customer Care Pty Ltd		N/A	AUS	Customer Care Holdings Pty Ltd	100.00000
DA Deutsche Allgemeine Versicherung Aktiengesellschaft		N/A	DEU	Zürich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Dallas Office MGP Manager, Inc.		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Dallas Office MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
Dallas Office MGP, LLC		N/A	DE	Dallas Office MGP Manager, Inc.	99.00000
Dallas Tower LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Davidson Trahaire Corpsych (Singapore) Pte. Limited		N/A	SGP	DTC Bidco Pty Ltd	100.00000
Davidson Trahaire Corpsych Pty Ltd		N/A	AUS	Davidson Trahaire Holding Pty Ltd	35.00000
Davidson Trahaire Corpsych Pty Ltd		N/A	AUS	Applyhere Pty Ltd	65.00000
Davidson Trahaire Holding Pty Ltd		N/A	AUS	DTC Australia Pty Ltd	100.00000
DB Vita S.A.		N/A	LUX	Deutscher Herold Aktiengesellschaft	25.00000
DC Apt 1, LLC	47-4654837	N/A	DE	Zurich American Insurance Company	100.00000
DC Retail 1, LLC	82-2833981	N/A	DE	Farmers New World Life Insurance Company	100.00000
DEN Industrial 1, LLC	84-3610066	N/A	DE	Farmers New World Life Insurance Company	100.00000
DEN Industrial 2, LLC		N/A	DE	Zurich American Insurance Company	100.00000
DEN Retail 1 LLC	47-1387852	N/A	DE	Farmers New World Life Insurance Company	100.00000
Dentolo Deutschland GmbH		N/A	DEU	Zürich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Derimed S.A.		N/A	ARG	Zürich Versicherungs-Gesellschaft AG	100.00000
Deutsche Zurich Pensiones, Entidad Gestora de Fondos de Pens		N/A	ESP	Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied	50.00000
Deutscher Herold Aktiengesellschaft		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	79.82639
Deutscher Pensionsfonds Aktiengesellschaft		N/A	DEU	Deutscher Herold Aktiengesellschaft	74.90000

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
Deutsches Institut fur Altersvorsorge GmbH		N/A	DEU	Deutscher Herold Aktiengesellschaft	22.00000
DIG GmbH		N/A	DEU	Digital Insurance Group B.V.	100.00000
Digital Insurance Group B.V.		N/A	NLD	Zürich Versicherungs-Gesellschaft AG	10.00000
DTC Australia Pty Ltd		N/A	AUS	DTC Bidco Pty Ltd	100.00000
DTC Bidco Pty Ltd		N/A	AUS	DTC Holdco Pty Ltd	100.00000
DTC Holdco Pty Ltd		N/A	AUS	ASTIS Holdings Limited	100.00000
DTC NZ Bidco Limited		N/A	NZL	DTC Bidco Pty Ltd	100.00000
Dunbar Assets Ireland		N/A	IRL	Zurich Finance Company Ltd	0.00000
Dunbar Assets Ireland		N/A	IRL	ZCMC II Holdings Limited	0.03664
Dunbar Assets plc		N/A	GBR	Dunbar Assets Ireland	100.00000
Dusfal S.A.		N/A	URY	Zürich Versicherungs-Gesellschaft AG	100.00000
Eagle Star (Leasing) Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Eagle Star European Life Assurance Company Limited		N/A	IRL	Zurich Life Assurance plc	100.00000
Eagle Star Group Services Limited		N/A	GBR	Eagle Star Holdings Limited	100.00000
Eagle Star Holding Company of Ireland		N/A	IRL	Zurich Assurance Ltd	0.00100
Eagle Star Holding Company of Ireland		N/A	IRL	Zurich Assurance Ltd	99.99900
Eagle Star Holdings Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	100.00000
Eagle Star Securities Limited		N/A	GBR	Zurich Insurance plc	100.00000
Edilspettacolo SRL		N/A	ITA	Zurich Insurance Company Ltd - Rappresentanza Generale per I	35.71233
Empire Fire and Marine Insurance Company	47-6022701	21326	IL	Zurich American Insurance Company	100.00000
Empire Indemnity Insurance Company	73-6091717	21334	OK	Zurich American Insurance Company	100.00000
Employee Services Limited		N/A	GBR	Allied Dunbar Financial Services Limited	100.00000
Endsleigh Financial Services Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Endsleigh Pension Trustee Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
ES Plympton Nominee 1 Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
ES Plympton Nominee 2 Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Euclid KY Annex, LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Euclid Office LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Euclid Warehouses LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Euroamérica Administradora General de Fondos S.A		N/A	CHL	Chilena Consolidada Seguros de Vida S.A.	100.00000
Extremus Versicherung-Aktiengesellschaft		N/A	DEU	Zurich Insurance plc Niederlassung fur Deutschland	5.00000
Farmers Family Fund	45-3561769	N/A	CA	Farmers Group, Inc.	100.00000
Farmers Group, Inc.	95-0725935	N/A	NV	Zurich Versicherungs-Gesellschaft AG	12.10000
Farmers Group, Inc.	95-0725935	N/A	NV	Zurich Insurance Group Ltd.	87.90000
Farmers Life Insurance Company of New York	46-4261000	N/A	NY	Farmers New World Life Insurance Company	100.00000
Farmers New World Life Insurance Company	91-0335750	63177	WA	Farmers Group, Inc.	100.00000
Farmers Reinsurance Company	95-4650862	10873	CA	Farmers Group, Inc.	100.00000
Farmers Services Corporation		N/A	NV	Farmers Group, Inc.	100.00000
Farmers Underwriters Association		N/A	CA	Farmers Group, Inc.	100.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Fidelity and Deposit Company of Maryland	13-3046577	39306	IL	Zurich American Insurance Company	100.00000
FIG Holding Company		N/A	CA	Farmers Group, Inc.	100.00000
FIG Leasing Co., Inc.		N/A	CA	Farmers Group, Inc.	100.00000
Fire Underwriters Association	95-2670247	N/A	CA	Farmers Group, Inc.	100.00000
Fitsense Insurance Services Pty Ltd		N/A	AUS	Travel Assist Pty Limited	100.00000
Futuro de Bolivia S.A. Administradora de Fondos de Pensiones		N/A	BOL	Zurich Boliviana Seguros Personales S.A.	8.42193
Futuro de Bolivia S.A. Administradora de Fondos de Pensiones		N/A	BOL	Zurich South America Invest AB	71.57801
FX Insurance Agency Hawaii, LLC	83-1572480	N/A	HI	FIG Leasing Co., Inc.	100.00000
FX Insurance Agency, LLC	35-2281892	N/A	DE	FIG Leasing Co., Inc.	100.00000
General Surety & Guarantee Co Limited		N/A	GBR	Zurich Insurance Company (U.K.) Limited	100.00000
Groveswood Property Holdings Limited		N/A	GBR	Eagle Star Holdings Limited	100.00000
H4B Humboldthafen Einheitsgesellschaft GmbH&Co.KG		N/A	DEU	REX-ZDHL S.C.S. SICAV-SIF	94.90000
Halo Holdco Limited		N/A	GBR	Cover-More Australia Pty Ltd	100.00000
Halo Holdco Limited		N/A	GBR	Zürich Versicherungs-Gesellschaft AG	0.00000
Halo Insurance Services Limited		N/A	GBR	Halo Holdco Limited	100.00000
Halo Insurance Services Pty Ltd		N/A	AUS	Halo Insurance Services Limited	100.00000
Hawkcentral Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Healthinsite Proprietary Limited		N/A	ZAF	Zürich Versicherungs-Gesellschaft AG	100.00000
Healthlogix Pty Ltd		N/A	AUS	Insite Holdings Pty Ltd	100.00000
Healthlogix Tecnologia Eireli		N/A	BRA	Healthlogix Pty Ltd	100.00000
Herengracht Investments B.V		N/A	DEU	RE Curve Holding B.V.	100.00000
Hoplite Reinsurance Company of Vermont, Inc.	32-0478525	N/A	VT	Zurich Holding Company of America, Inc.	100.00000
HOU IND 1, LLC	46-2975161	N/A	DE	Zurich American Insurance Company	100.00000
HOU IND 2, LLC	46-2984834	N/A	DE	Zurich American Insurance Company	100.00000
HOU IND 3, LLC		N/A	DE	Zurich American Insurance Company	100.00000
Independence Center Realty L.P.		N/A	DE	Philadelphia Investor, LLC	89.00000
INNATE, Inc.		N/A	DC	Cover-More Holdings USA Inc.	100.00000
Insite Holdings Pty Ltd		N/A	AUS	Zürich Versicherungs-Gesellschaft AG	100.00000
INTEGRA Versicherungsdienst GmbH		N/A	AUT	Zurich Versicherungs-Aktiengesellschaft	100.00000
Intelligent Technologies OÜ		N/A	EST	Zürich Versicherungs-Gesellschaft AG	100.00000
International Travel Assistance S.A.		N/A	PAN	Zürich Versicherungs-Gesellschaft AG	55.00000
Inversiones Suizo Chilena S.A.		N/A	CHL	Inversiones Suizo-Argentina S.A.	0.00100
Inversiones Suizo Chilena S.A.		N/A	CHL	Zurich Versicherungs-Gesellschaft AG	99.99900
Inversiones Suizo-Argentina S.A.		N/A	ARG	Zurich Lebensversicherungs-Gesellschaft AG	5.00400
Inversiones Suizo-Argentina S.A.		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	94.99600
Inversiones ZS America Dos Limitada		N/A	CHL	Inversiones ZS America SpA	100.00000
Inversiones ZS America SpA		N/A	CHL	Zurich Santander Insurance America, S.L.	100.00000
Inversiones ZS America Tres SpA		N/A	CHL	Zurich Santander Insurance America, S.L.	100.00000
Irish National Insurance Company p.l.c.		N/A	IRL	Zurich Insurance plc	99.99999

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Isis S.A.		N/A	ARG	Inversiones Suizo-Argentina S.A.	60.50140
Isis S.A.		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	39.49860
JFS/ZSF 1997 L.P.		N/A	VA	Zurich Structured Finance, Inc.	99.00000
JFS/ZSF 1998, L.P.		N/A	VA	Zurich Structured Finance, Inc.	99.00000
Kansas City Office LP		N/A	DE	Zurich Structured Finance, Inc.	99.00000
Kansas Office MGP Manager, Inc.		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Kansas Office MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
Kansas Office MGP, LLC		N/A	DE	Kansas Office MGP Manager, Inc.	99.00000
Karvat Cover-More Assist. Pvt Ltd.		N/A	IND	Cover-More Asia Pte. Ltd	100.00000
Kennet Road 1 UK Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Kennet Road 2 UK Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Klare Corredora de Seguros S.A.		N/A	CHL	Zurich Insurance Mobile Solutions AG	49.90000
Knip (Deutschland) GmbH		N/A	DEU	Knip AG	100.00000
Knip AG		N/A	CHE	Digital Insurance Group B.V.	98.88000
Komparu B.V.		N/A	NLD	Digital Insurance Group B.V.	100.00000
Kono Insurance Limited		N/A	HKG	Zurich Versicherungs-Gesellschaft AG	100.00000
LA Industrial 1, LLC	36-4877375	N/A	DE	Zurich American Insurance Company	100.00000
La Industrial 2, LLC	85-3842785	N/A	DE	Farmers New World Life Insurance Company	100.00000
LA Retail 1 LLC	47-1325180	N/A	DE	Zurich American Insurance Company	100.00000
Limited Liability Company "BRIGHT BOX"		N/A	RUS	Bright Box HK Limited	100.00000
Limited Liability Company "REMOTO"		N/A	RUS	Bright Box HK Limited	100.00000
Manon Vision Co., Ltd.		N/A	THA	Centre Solutions (Bermuda) Limited	0.00057
Manon Vision Co., Ltd.		N/A	THA	Zurich Finance Company Ltd	0.00066
Manon Vision Co., Ltd.		N/A	THA	Zurich Versicherungs-Gesellschaft AG	99.99877
MEATPACKING B.V.		N/A	NLD	Rock Inne Vastgoed B.V.	100.00000
Medidata AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	8.85180
MI Administrators, LLC		N/A	DE	FIG Leasing Co., Inc.	100.00000
MIAMI INDUSTRIAL 1, LLC	30-0947450	N/A	DE	Zurich American Insurance Company	100.00000
Miami Industrial 2, LLC	81-3346909	N/A	DE	Farmers New World Life Insurance Company	100.00000
Miami Office 2, LLC	38-4002060	N/A	DE	Zurich American Insurance Company	100.00000
MIAMI OFFICE 3, LLC	35-2567170	N/A	DE	Zurich American Insurance Company	100.00000
Miami Retail 1, LLC	61-1852255	N/A	DE	Zurich American Insurance Company	100.00000
Minas Brasil Promotora de Servicos S/A		N/A	BRA	Zurich Minas Brasil Seguros S.A,	100.00000
Minerva Science Limited		N/A	GBR	Project Policy Bidco Limited	100.00000
MSHQ, LLC		N/A	DE	JFS/ZSF 1998, L.P.	100.00000
MSP APT 1, LLC	30-1003542	N/A	DE	Zurich American Insurance Company	100.00000
My Policy Limited		N/A	GBR	Project Policy Bidco Limited	100.00000
Nashville Apt. 1, LLC		N/A	DE	American Zurich Insurance Company	100.00000
Nashville Office 1, LLC	30-1004249	N/A	DE	Zurich American Insurance Company	100.00000

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Navigators and General Insurance Company Limited		N/A	GBR	Zurich Insurance plc	100.00000
Nearheath Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
NY Industrial 1, LLC	30-1071415	N/A	DE	Zurich American Insurance Company	100.00000
Oak Underwriting plc		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
OnePath General Insurance Pty Limited		N/A	AUS	Zurich Financial Services Australia Limited	100.00000
OnePath Life Australia Holdings Pty Ltd		N/A	AUS	Zurich Financial Services Australia Limited	100.00000
OnePath Life Limited		N/A	AUS	OnePath Life Australia Holdings Pty Ltd	100.00000
Orange Stone Company		N/A	IRL	Zurich Finance Company AG	100.00000
Orion Rechtsschutz-Versicherung AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	78.00000
Parcelgate Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Perils AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	11.11111
Perunsel S.A.		N/A	URY	Zürich Versicherungs-Gesellschaft AG	60.00000
PFS Pension Fund Services AG		N/A	CHE	Zürich Versicherungs-Gesellschaft AG	18.43333
Philly Office 1, LLC	35-2553880	N/A	DE	Zurich American Insurance Company	100.00000
Philly Office Land, LLC		N/A	DE	American Zurich Insurance Company	100.00000
POR Apt 1, LLC	47-1392591	N/A	DE	Zurich American Insurance Company	100.00000
POR Apt 2, LLC	47-4067157	N/A	DE	Zurich American Insurance Company	100.00000
POR Office 1, LLC	47-4054154	N/A	DE	Farmers New World Life Insurance Company	100.00000
Prime Corporate Psychology Pty Ltd		N/A	AUS	DTC Bidco Pty Ltd	100.00000
Project Policy Bidco Limited		N/A	GBR	Zürich Versicherungs-Gesellschaft AG	20.00000
Protektor Lebensversicherungs-AG		N/A	DEU	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	5.15838
PT Asuransi Adira Dinamika Tbk		N/A	IDN	Zürich Versicherungs-Gesellschaft AG	98.48794
PT Zurich Insurance Indonesia	AA-5360007	N/A	IDN	Zurich International (Bermuda) Ltd.	1.56878
PT Zurich Insurance Indonesia	AA-5360007	N/A	IDN	Zurich Versicherungs-Gesellschaft AG	97.09134
PT Zurich Topas Life		N/A	IDN	Zurich Versicherungs-Gesellschaft AG	80.00000
R3 FL Holdings, LLC		N/A	FL	Fidelity and Deposit Company of Maryland	100.00000
Raleigh/Durham Offices, L.P.		N/A	DE	Zurich Structured Finance, Inc.	99.00000
RE Curve Holding B.V.		N/A	DEU	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	100.00000
Real Garant Espana S.L.		N/A	ESP	Real Garant GmbH Garantiesysteme	100.00000
Real Garant GmbH Garantiesysteme		N/A	DEU	Real Garant Versicherung Aktiengesellschaft	100.00000
Real Garant Versicherung Aktiengesellschaft		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Research Triangle MGP Manager, Inc.		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Research Triangle Office MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
Research Triangle Office MGP, LLC		N/A	DE	Research Triangle MGP Manager, Inc.	99.00000
REX Baume S.C.I		N/A	FRA	REX Holding France	100.00000
REX Holding France		N/A	FRA	REX OPPCI Fonds	100.00000
REX Holding S.a.r.l.		N/A	LUX	REX-ZDHL S.C.S. SICAV-SIF	100.00000
REX Mauchamps		N/A	FRA	REX Holding France	100.00000
REX Vilette		N/A	FRA	REX Holding France	0.00000

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
REX-Aurea-ZDHL S.C.S.		N/A	LUX	REX-ZDHL GP S.à r.l.	100.00000
REX-De Baak B.V.		N/A	NLD	REX Holding S.à r.l.	100.00000
REX-Germany-ZDHL S.C.S		N/A	LUX	REX-ZDHL S.C.S. SICAV-SIF	95.24000
REX-Humboldthafen Verwaltungs GmbH		N/A	DEU	REX-ZDHL S.C.S. SICAV-SIF	100.00000
Rex-Spain-ZDHL S.L.		N/A	ESP	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	100.00000
REX-The East S.à.r.l.		N/A	LUX	REX-ZDHL S.C.S. SICAV-SIF	94.80000
REX-ZDHL GP S.a.r.l.		N/A	LUX	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	100.00000
REX-ZDHL S.C.S. SICAV-SIF		N/A	LUX	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	100.00000
Rock Inne Vastgoed B.V.		N/A	NLD	REX Holding S.à.r.l.	100.00000
Rokin 21 B.V.		N/A	NLD	Roxana Vastgoed B.V.	100.00000
Rokin 49 B.V.		N/A	NLD	Rock Inne Vastgoed B.V.	100.00000
Roxana Vastgoed B.V.		N/A	NLD	REX Holding S.à.r.l.	100.00000
Rural Community Insurance Company	41-1375004	39039	MN	Zurich American Insurance Company	100.00000
Sacramento Office MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
San Diego Retail 1, LLC	61-1791237	N/A	DE	Zurich American Insurance Company	100.00000
Santander Rio Seguros S.A.		N/A	ARG	Inversiones ZS America SpA	4.00000
Santander Rio Seguros S.A.		N/A	ARG	Zurich Santander Insurance America, S.L.	96.00000
Santander Seguros Sociedad Anónima		N/A	URY	Zurich Santander Insurance America, S.L.	100.00000
Saudi National Insurance Company		N/A	BHR	Zurich Insurance Company Ltd (Bahrain Branch)	5.00000
SEA APARTMENT 2, LLC	46-3060914	N/A	DE	Zurich American Insurance Company	100.00000
Serviaide Assistencia e Servicos, Lda.		N/A	PRT	AIDE Assistencia Seguros y Reaseguros, S.A. - Sociedad Uniper	95.00001
Serviaide Assistencia e Servicos, Lda.		N/A	PRT	Serviaide, S.A. - Sociedad Unipersonal	4.99999
Serviaide, S.A. - Sociedad Unipersonal		N/A	ESP	AIDE Assistencia Seguros y Reaseguros, S.A. - Sociedad Uniper	100.00000
Servizurich S.A. - Sociedad Unipersonal		N/A	ESP	Zurich Insurance plc, Sucursal en Espana	100.00000
SF Apt 1, LLC	47-1153493	N/A	DE	Zurich American Insurance Company	100.00000
Shire Park Limited		N/A	GBR	Zurich Assurance Ltd	12.41935
Speigelhof Vastgoed B.V.		N/A	DEU	RE Curve Holding B.V.	100.00000
Springboard Health and Performance Pty Ltd		N/A	AUS	DTC Bidco Pty Ltd	100.00000
Springworks International AB		N/A	SWE	autoSense AG	50.00000
Steadfast Insurance Company	52-0981481	26387	IL	Zurich American Insurance Company	100.00000
Steadfast Santa Clarita Holdings LLC		N/A	DE	Steadfast Insurance Company	100.00000
Stratos Limited		N/A	NZL	DTC NZ Bidco Limited	100.00000
Swiss Insurance Management (Hong Kong) Limited		N/A	HKG	Zurich Services (Hong Kong) Limited	0.49505
Swiss Insurance Management (Hong Kong) Limited		N/A	HKG	Zurich Insurance Holdings (Hong Kong) Limited	99.50495
TDG Tele Dienste GmbH		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Tennyson Insurance Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
The Liverpool Reversionary Company Limited		N/A	GBR	Zurich Legacy Solutions Services (UK) Limited	100.00000
The Zurich Services Corporation	36-3839542	N/A	IL	Zurich Holding Company of America, Inc.	100.00000
TopReport Schadenbesichtigungs GmbH		N/A	AUT	Zurich Versicherungs-Aktiengesellschaft	14.28571

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Travel Ace Chile S.A.		N/A	CHL	Travel Ace Internacional de Servicios S.A.	1.00000
Travel Ace Chile S.A.		N/A	CHL	Zürich Versicherungs-Gesellschaft AG	99.00000
Travel Ace Internacional de Servicios S.A.		N/A	URY	Zürich Versicherungs-Gesellschaft AG	100.00000
Travel Assist Pty Limited		N/A	AUS	ASTIS Holdings Limited	100.00000
Travel Insurance Partners Pty Ltd		N/A	AUS	Travel Assist Pty Limited	100.00000
Travelex Insurance Services Limited		N/A	DE	Cover-More Holdings USA Inc.	100.00000
Truck Underwriters Association	95-2670330	N/A	CA	Farmers Group, Inc.	100.00000
Turegum Immobilien AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
UA Assistance S.A. de C.V.		N/A	MEX	Travel Ace Internacional de Servicios S.A.	0.00000
UA Assistance S.A. de C.V.		N/A	MEX	Zürich Versicherungs-Gesellschaft AG	100.00000
Universal Assistance Assistencia Ao Viajante Ltda		N/A	BRA	Perunsel S.A.	0.00000
Universal Assistance Chile S.A.		N/A	CHL	Travel Ace Internacional de Servicios S.A.	99.98000
Universal Assistance Chile S.A.		N/A	CHL	Travel Ace Chile S.A.	0.02000
Universal Assistance S.A.		N/A	ARG	World Wide Assistance S.A.	92.71000
Universal Assistance S.A.		N/A	ARG	Zürich Versicherungs-Gesellschaft AG	7.29000
Universal Assistance S.A.		N/A	URY	Zürich Versicherungs-Gesellschaft AG	100.00000
Universal Travel Assistance S.A.S.		N/A	COL	Zürich Versicherungs-Gesellschaft AG	100.00000
Universal Underwriters Insurance Company	43-1249228	41181	IL	Zurich American Insurance Company	100.00000
Universal Underwriters of Texas Insurance Company	36-3139101	40843	IL	Universal Underwriters Insurance Company	100.00000
Universal Underwriters Service Corporation	43-1269296	N/A	MO	Zurich Holding Company of America, Inc.	100.00000
Unviversal Assistance Inc.		N/A	FL	Universal Assistance S.A.	0.00000
Vehicle Dealer Solutions, Inc.	26-1282208	N/A	FL	Zurich Holding Company of America, Inc.	100.00000
Winchester Land, LLC		N/A	FL	R3 FL Holdings, LLC	100.00000
Winn-Dixie MGP Manager, Inc.		N/A	DE	Zurich Structured Finance, Inc.	100.00000
Wohnen H3B Humboldthafen GmbH&Co.KG		N/A	DEU	REX-ZDHL S.C.S. SICAV-SIF	94.90000
World Travel Protection Canada Inc.		N/A	CAN	Zurich Canadian Holdings Limited	100.00000
World Wide Assistance S.A.		N/A	ARG	Zürich Versicherungs-Gesellschaft AG	100.00000
Wrightway Underwriting Limited		N/A	IRL	Ballykilliane Holdings Limited	100.00000
Z flex Gesellschaft für Personaldienstleistungen mbH		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
ZCM (U.S.) Limited		N/A	DE	Zurich Finance Company Ltd	100.00000
ZCM Asset Holding Company (Bermuda) Limited		N/A	BMU	Zurich Finance Company Ltd	100.00000
ZCM Matched Funding Corp.		N/A	CYM	Zurich Capital Markets Inc.	100.00000
ZFUS Services, LLC	20-5900744	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
ZGEE14 Limited		N/A	GBR	Zurich Legacy Solutions Services (UK) Limited	100.00000
ZLS Aseguradora de Colombia S.A		N/A	COL	Zürich Versicherungs-Gesellschaft AG	4.43000
ZLS Aseguradora de Colombia S.A		N/A	COL	Zürich Lebensversicherungs-Gesellschaft AG	95.00000
ZNA Services, LLC	02-0802795	N/A	DE	ZFUS Services, LLC	100.00000
ZPC Capital Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
ZSF / Office KY, LLC		N/A	DE	Euclid Office LP	100.00000

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**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
ZSF / Office NV, LLC		N/A	DE	Euclid Office LP	100.00000
ZSF / Office NY, LLC		N/A	DE	Euclid Office LP	100.00000
ZSF KY Annex, LLC		N/A	DE	Euclid KY Annex, LP	100.00000
ZSF/Bloomington, LLC		N/A	DE	Bloomington Office LP	100.00000
ZSF/C1 MGP Manager, Inc		N/A	DE	Zurich Structured Finance, Inc.	100.00000
ZSF/C1 MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
ZSF/C1 MGP, LLC		N/A	DE	ZSF/C1 MGP Manager, Inc	99.00000
ZSF/C2 MGP Manager, Inc		N/A	DE	Zurich Structured Finance, Inc.	100.00000
ZSF/C2 MGP, LLC		N/A	DE	Zurich Structured Finance, Inc.	1.00000
ZSF/C2 MGP, LLC		N/A	DE	ZSF/CF2 MGP Manager, Inc.	99.00000
ZSF/Dallas Tower, LLC		N/A	DE	Dallas Tower LP	100.00000
ZSF/Kansas, LLC		N/A	DE	Kansas City Office LP	100.00000
ZSF/Land Parcels LLC		N/A	DE	Zurich Structured Finance, Inc.	100.00000
ZSF/Research Gateway, LLC		N/A	DE	Raleigh/Durham Offices, L.P.	100.00000
ZSF/WD Fitzgerald, LLC		N/A	DE	Euclid Warehouses LP	100.00000
ZSF/WD Hammond, LLC		N/A	DE	Euclid Warehouses LP	100.00000
ZSF/WD Jacksonville, LLC		N/A	DE	Euclid Warehouses LP	100.00000
ZSF/WD Opa Locka, LLC		N/A	DE	Euclid Warehouses LP	100.00000
ZSFH LLC	36-3096373	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
ZSG Kfz-ZulassungsservicegesmbH		N/A	AUT	Zurich Versicherungs-Aktiengesellschaft	33.33333
Zurich - Companhia de Seguros Vida S.A.		N/A	PRT	Zurich Finanz-Gesellschaft AG	0.00100
Zurich - Companhia de Seguros Vida S.A.		N/A	PRT	Zurich Investments Life S.p.A.	0.00100
Zurich - Companhia de Seguros Vida S.A.		N/A	PRT	Zurich Lebensversicherungs-Gesellschaft AG	99.99600
Zurich - Companhia de Seguros Vida S.A.		N/A	PRT	Zurich Versicherungs-Gesellschaft AG	0.00100
Zurich - Companhia de Seguros Vida S.A.		N/A	PRT	Zurich Vida, Compania de Seguros y Reaseguros, S.A. - Socied	0.00100
Zurich (Scotland) Limited Partnership		N/A	GBR	Zurich General Partner (Scotland) Ltd	100.00000
Zurich Advice Network Limited		N/A	GBR	Allied Dunbar Assurance plc	100.00000
Zurich AFIN Mexico, S.A. DE C.V.		N/A	MEX	Zurich Compania de Sefuros, S.A.	0.00200
Zurich AFIN Mexico, S.A. DE C.V.		N/A	MEX	Zurich Versicherungs-Gesellschaft AG	99.99800
Zurich Agency Services Inc.	04-3126497	N/A	MA	Zurich Holding Company of America, Inc.	100.00000
Zurich Alternative Asset Management, LLC	86-1164252	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
Zurich America Latina Serviços Brasil Ltda.		N/A	BRA	Zurich Lebensversicherungs-Gesellschaft AG	0.01000
Zurich America Latina Serviços Brasil Ltda.		N/A	BRA	Zurich Versicherungs-Gesellschaft AG	99.99000
Zurich American Company, LLC	36-6169781	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
Zurich American Insurance Company	36-4233459	16535	NY	Zurich Holding Company of America, Inc.	100.00000
Zurich American Insurance Company of Illinois	36-2781080	27855	IL	American Zurich Insurance Company	100.00000
Zurich American Life Insurance Company	36-3050975	90557	IL	Zurich American Corporation	100.00000
Zurich American Life Insurance Company of New York	27-4746162	14178	NY	Zurich American Life Insurance Company.	100.00000
Zurich Argentina Cia. de Seguros S.A.		N/A	ARG	Inversiones Suizo-Argentina S.A.	55.46140

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Argentina Cia. de Seguros S.A.	AA-2130022	N/A	ARG	Zurich Versicherungs-Gesellschaft AG	44.53611
Zurich Argentina Compañía de Seguros de Retiro S.A.	AA-2130022	N/A	ARG	Zurich Argentina Cia. de Seguros S.A.	46.64193
Zurich Argentina Compañía de Seguros de Retiro S.A.		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	53.35807
Zurich Aseguradora Argentina S.A.		N/A	ARG	Zürich Versicherungs-Gesellschaft AG	99.90000
Zurich Aseguradora Mexicana, S.A. de C.V.		N/A	MEX	Zürich Versicherungs-Gesellschaft AG	0.00000
Zurich Aseguradora Mexicana, S.A. de C.V.		N/A	MEX	Zürich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich Asset Management Gerente de Fondos Comunes de Inversi		N/A	ARG	Inversiones Suizo-Argentina S.A.	89.99990
Zurich Asset Management Gerente de Fondos Comunes de Inversi		N/A	ARG	Isis S.A.	10.00010
Zurich Assurance Ltd		N/A	GBR	Eagle Star Holdings Limited	100.00000
Zurich Australia Limited		N/A	AUS	Zurich Financial Services Australia Limited	100.00000
Zurich Australian Insurance Limited	AA-1930995	N/A	AUS	Zurich Financial Services Australia Limited	100.00000
Zurich Australian Insurance Properties Pty Limited		N/A	AUS	Zurich Australia Limited	40.00000
Zurich Australian Insurance Properties Pty Limited		N/A	AUS	Zurich Australian Insurance Limited	60.00000
Zurich Australian Property Holdings Pty Ltd		N/A	AUS	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Bank International Limited		N/A	GBR	Dunbar Assets Ireland	100.00000
Zurich Benefit Finance LLC	13-4186554	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
Zurich Beteiligungs-Aktiengesellschaft (Deutschland)		N/A	DEU	Zurich IT Service AG Niederlassung fur Deutschland	82.61672
Zurich Beteiligungs-Aktiengesellschaft (Deutschland)		N/A	DEU	Zurich Leben Service AG Niederlassung fur Deutschland	17.38328
Zurich Brasil Capitalizacao S.A		N/A	BRA	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Brasil Companhia de Seguros		N/A	BRA	Zurich Minas Brasil Seguros S.A.	100.00000
Zurich Building Control Services Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Canadian Holdings Limited		N/A	CAN	Zurich Insurance Company Ltd, Canadian Branch	68.81942
Zurich Canadian Holdings Limited		N/A	CAN	Zurich Versicherungs-Gesellschaft AG	31.18058
Zurich Capital Markets Inc.		N/A	DE	ZCM (U.S.) Limited	100.00000
Zurich Capital Markets Securities Inc.		N/A	DE	Zurich Capital Markets Inc.	100.00000
Zurich Commercial Services (Europe) GmbH		N/A	DEU	Zürich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Zurich Community Trust (UK) Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	50.00000
Zurich Community Trust (UK) Limited		N/A	GBR	Zurich Financial Services (UKISA) Nominees Limited	50.00000
Zurich Compania de Reaseguros Argentina S.A.		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	95.00000
Zurich Compania de Reaseguros Argentina S.A.		N/A	ARG	Inversiones Suizo-Argentina S.A.	5.00000
Zurich Compañía de Seguros, S.A.		N/A	MEX	Zurich Versicherungs-Gesellschaft AG	99.88280
Zurich Corredora de Bolsa S.A.		N/A	CHL	Inversiones Suizo Chilena S.A.	99.00030
Zurich Corredora de Bolsa S.A.		N/A	CHL	Zurich Investments Chile S.A.	0.99970
Zurich Customer Active Management, d.o.o.		N/A	SVN	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich CZI Management Holding Ltd.	36-4412924	N/A	DE	Zurich Global Investment Management Inc.	100.00000
Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft		N/A	DEU	Deutscher Herold Aktiengesellschaft	67.54030
Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	32.45970
Zurich E&S Insurance Brokerage, Inc.	95-4773780	N/A	CA	Zurich American Insurance Company	100.00000
Zurich Employment Services Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	100.00000

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Engineering Inspection Services Ireland Limited		N/A	IRL	Zurich Insurance plc	100.00000
Zurich Eurolife S.A.		N/A	LUX	Zurich Lebensversicherungs-Gesellschaft AG	90.00000
Zurich Eurolife S.A.		N/A	LUX	Zurich Versicherungs-Gesellschaft AG	10.00000
Zurich F&I Reinsurance T&C Limited	AA-0053640	N/A	TCA	Zurich Agency Services Inc.	99.99950
Zurich F&I Reinsurance T&C Limited	AA-0053640	N/A	TCA	Universal Underwriters Service Corporation	0.00050
Zurich Fianzas Mexico, S.A.DE C.V.		N/A	MEX	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Finance (Australia) Limited		N/A	AUS	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Finance (Bermuda) Ltd.		N/A	BMU	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Finance (Ireland) DAC		N/A	IRL	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Finance (UK) plc		N/A	GBR	Zurich Financial Services (UKISA) Limited	99.99800
Zurich Finance (UK) plc		N/A	GBR	Zurich Financial Services (UKISA) Nominees Limited	0.00200
Zurich Finance Company Ltd		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Financial Services (Isle of Man) Group Services Limit		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Financial Services (Isle of Man) Holdings Limited		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Financial Services (Isle of Man) Insurance Manager Lt		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Financial Services (UKISA) Limited		N/A	GBR	Allied Zurich Holdings Limited	90.31559
Zurich Financial Services (UKISA) Limited		N/A	GBR	Zurich Insurance plc	9.68441
Zurich Financial Services (UKISA) Nominees Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	100.00000
Zurich Financial Services Australia Limited	AA-1930995	N/A	AUS	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Financial Services EUB Holdings Limited		N/A	IRL	Zurich Ins Group	0.08333
Zurich Financial Services EUB Holdings Limited		N/A	IRL	Zurich Insurance Group Ltd.	99.91667
Zurich Financial Services UK Pension Trustee Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	99.00000
Zurich Finanz-Gesellschaft AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich General Insurance Company (China) Limited		N/A	CHN	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich General Insurance (Hong Kong) Limited		N/A	HKG	Zurich Insurance Company Ltd, Hong Kong Branch	100.00000
Zurich General Insurance Malaysia Berhad		N/A	MYS	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich General Partner (Scotland) Ltd		N/A	GBR	Allied Zurich Holdings Limited	100.00000
Zurich GL Servicios Mexico, S.A. de C.V.		N/A	MEX	Zurich Vida, Compañía de Seguros, S.A.	5.00000
Zurich GL Servicios Mexico, S.A. de C.V.		N/A	MEX	Zurich Compania de Seguros, S.A.	95.00000
Zurich Global Corporate UK Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Global Investment Management Inc.	04-3729755	N/A	DE	Zurich Holding Company of America, Inc.	100.00000
Zurich Global, Ltd.	AA-3190947	N/A	BMU	Zurich Holding Company of America, Inc.	100.00000
Zurich Group Pension Services (UK) Ltd		N/A	GBR	Zurich Assurance Ltd	100.00000
Zurich GSG Limited		N/A	GBR	Zurich GSH Limited	100.00000
Zurich GSH Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Holding Company of America, Inc.	36-3096373	N/A	DE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Holding Ireland Limited		N/A	IRL	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Holdings (UK) Limited		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Immobilien (Deutschland) AG & Co. KG		N/A	DEU	Zurich Immobilientreuhand (Deutschland) GmbH	0.00000

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**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Immobilien Liegenschaftsverwaltungs-GesmbH		N/A	AUT	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Immobilien treuhand (Deutschland) GmbH		N/A	DEU	Zurich Deutscher Herold Lebensversicherung Aktiengesellschaft	100.00000
Zurich Insurance Company (U.K.) Limited		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Insurance Company Escritorio de Representacao no Bras		N/A	BRA	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Insurance Company Ltd., Representative Office Buenos Aires		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Insurance Group Ltd.		N/A	CHE	Board of Directors	
Zurich Insurance Holdings (Hong Kong) Limited		N/A	HKG	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Insurance Malaysia Berhad		N/A	MYS	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Insurance plc	AA-1780059	N/A	IRL	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	25.07428
Zurich Insurance plc	AA-1780059	N/A	IRL	Zurich Holding Ireland Limited	70.40509
Zurich Insurance plc	AA-1780059	N/A	IRL	Zurich Insurance Company Ltd - Rappresentanza Generale per I	4.52063
Zurich Insurance plc, Representative Office Buenos Aires		N/A	ARG	Zurich Insurance plc	100.00000
Zurich Intermediary Group Limited		N/A	GBR	Zurich Financial Services (UKISA) Limited	99.99900
Zurich Intermediary Group Limited		N/A	GBR	Zurich Financial Services (UKISA) Nominees Limited	0.00100
Zurich International (UK) Limited	AA-1120018	N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich International Life Limited		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich International Pensions Administration Limited		N/A	IMN	Zurich International Life Limited	100.00000
Zurich Invest AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Invest ICAV		N/A	IRL	Zürich Versicherungs-Gesellschaft AG	50.00000
Zurich Invest ICAV		N/A	IRL	Zurich Invest AG	50.00000
Zurich Investment Management Limited		N/A	AUS	Zurich Australia Limited	100.00000
Zurich Investment Services Limited		N/A	BMU	Zurich Finance Company Ltd	100.00000
Zurich Investments Life S.p.A.		N/A	ITA	Zurich Insurance Company Ltd - Rappresentanza Generale per I	100.00000
Zurich Italy S.p.A.		N/A	ITA	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich JVCompany Servicios Mexico, S.A. DE C.V.		N/A	MEX	Zurich Vida, Compania de Seguros, S.A.	99.99800
Zurich JVCompany Servicios Mexico, S.A. DE C.V.		N/A	MEX	Zurich Santander Seguros Mexico, S.A.	0.00200
Zurich Kunden Center GmbH		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Zurich Latin America Corporation	26-0530367	N/A	FL	Zurich Holding Company of America, Inc.	100.00000
Zurich Latin America Holding S.L. - Sociedad Unipersonal		N/A	ESP	Zurich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich Latin American Services S.A.		N/A	ARG	Inversiones Suizo-Argentina S.A.	6.32000
Zurich Latin American Services S.A.		N/A	ARG	Zurich Versicherungs-Gesellschaft AG	93.68000
Zurich Lebensversicherungs-Gesellschaft AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Legacy Solutions Services (UK) Limited		N/A	GBR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Life Assurance plc		N/A	IRL	Zurich Holding Ireland Limited	100.00000
Zurich Life Insurance (Hong Kong) Limited		N/A	HKG	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Life Insurance (Singapore) Pte Ltd		N/A	SGP	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Life Insurance Company Ltd., Representative office Buenos Aires		N/A	ARG	Zurich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich Life Preparatory Japan Co. Ltd.		N/A	JPN	Zürich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich LiveWell Services and Solutions AG		N/A	CHE	Zürich Versicherungs-Gesellschaft AG	100.00000

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP

PART 1 - ORGANIZATIONAL CHART

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Management (Bermuda) Ltd		N/A	BMU	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Management Services Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Minas Brasil Seguros S.A,		N/A	BRA	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Pension Trustees Ireland Limited		N/A	IRL	Zurich Insurance plc	50.00000
Zurich Pension Trustees Ireland Limited		N/A	IRL	Zurich Trustee Services Limited	50.00000
Zurich Pension Trustees Limited		N/A	GBR	Zurich Assurance Ltd	100.00000
Zurich Pensions Management Limited		N/A	GBR	Allied Dunbar Assurance plc	100.00000
Zurich Pensionskassen-Beratung AG		N/A	CHE	Zurich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich Professional Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Project Finance (UK) Limited		N/A	GBR	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Properties Pty Limited		N/A	AUS	Zurich Australia Limited	40.00056
Zurich Properties Pty Limited		N/A	AUS	Zurich Australian Insurance Limited	59.99944
Zurich Property Services Malaysia Sdn Bhd		N/A	MYS	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Realty, Inc.	30-0165071	N/A	MD	Zurich Holding Company of America, Inc.	100.00000
Zurich Rechtsschutz-Schadenservice GmbH		N/A	DEU	Zurich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Zurich Reliable Insurance Limited		N/A	RUS	Zurich Versicherungs-Gesellschaft AG	0.10000
Zurich Reliable Insurance Limited		N/A	RUS	Zurich Versicherungs-Aktiengesellschaft	99.90000
Zurich Resseguradora Brasil S.A.		N/A	BRA	Zurich Versicherungs-Gesellschaft AG	0.00100
Zurich Resseguradora Brasil S.A.		N/A	BRA	Zurich Lebensversicherungs-Gesellschaft AG	99.99900
Zurich Risk Consulting RU		N/A	RUS	Zurich Reliable Insurance	100.00000
Zurich Risk Management Services (India) Private Limited		N/A	IND	Zurich International (Bermuda) Ltd.	1.00000
Zurich Risk Management Services (India) Private Limited		N/A	IND	Zurich Versicherungs-Gesellschaft AG	99.00000
Zurich Ruckversicherungs-Gesellschaft AG		N/A	CHE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Sacramento, Inc.		N/A	CA	JFS/ZSF 1998, L.P.	100.00000
Zurich Santander Brasil Odonto LTDA.		N/A	BRA	Zurich Santander Brasil Seguros e Previdência S.A.	99.00000
Zurich Santander Brasil Odonto LTDA.		N/A	BRA	Zurich Santander Brasil Seguros S.A.	1.00000
Zurich Santander Brasil Seguros e Previdência S.A.		N/A	BRA	Zurich Latin America Holding S.L. - Sociedad Unipersonal	0.22007
Zurich Santander Brasil Seguros e Previdência S.A.		N/A	BRA	Zurich Santander Holding (Spain), S.L.	99.56848
Zurich Santander Brasil Seguros S.A.		N/A	BRA	Zurich Santander Brasil Seguros e Previdência S.A.	100.00000
Zurich Santander Holding (Spain), S.L.		N/A	ESP	Zurich Santander Insurance America, S.L.	100.00000
Zurich Santander Holding Dos (Spain), S.L.		N/A	ESP	Zurich Santander Insurance America, S.L.	100.00000
Zurich Santander Insurance America, S.L.		N/A	ESP	Zurich Latin America Holding S.L. - Sociedad Unipersonal	51.00000
Zurich Santander Seguros Argentina S.A.		N/A	ARG	Zurich Santander Insurance America, S.L.	4.00000
Zurich Santander Seguros Argentina S.A.		N/A	ARG	Inversiones ZS America SpA	96.00000
Zurich Santander Seguros de Vida Chile S.A.		N/A	CHL	Inversiones ZS America Dos Limitada	99.78173
Zurich Santander Seguros de Vida Chile S.A.		N/A	CHL	Inversiones ZS America SpA	0.21827
Zurich Santander Seguros Generales Chile S.A.		N/A	CHL	Inversiones ZS America Dos Limitada	99.50540
Zurich Santander Seguros Generales Chile S.A.		N/A	CHL	Inversiones ZS America SpA	0.49460
Zurich Santander Seguros Mexico, S.A.		N/A	MEX	Inversiones ZS America SpA	0.00053

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Santander Seguros Mexico, S.A.		N/A	MEX	Zurich Santander Insurance America, S.L.	99.99947
Zurich Schweiz Services AG		N/A	CHE	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Seguros Ecuador, S.A.		N/A	ECU	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Service GmbH		N/A	DEU	Zurich Versicherungs-Aktiengesellschaft	100.00000
Zurich Services (Australia) Pty Limited		N/A	AUS	Zurich Financial Services Australia Limited	100.00000
Zurich Services (Hong Kong) Limited		N/A	HKG	Zürich Versicherungs-Gesellschaft AG	99.99714
Zurich Services (Hong Kong) Limited		N/A	HKG	Zurich Insurance Holdings (Hong Kong) Limited	0.00286
Zurich Services A.I.E.		N/A	ESP	AIDE Asistencia Seguros y Reaseguros, S.A. - Sociedad Uniper	0.00100
Zurich Services A.I.E.		N/A	ESP	Bansabadell Pensiones, E.G.F.P, S.A.	0.00100
Zurich Services A.I.E.		N/A	ESP	Bansabadell Seguros Generales, S.A. de Seguros y Reaseguros	0.00100
Zurich Services A.I.E.		N/A	ESP	Bansabadell Vida S.A. de Seguros y Reaseguros	0.00100
Zurich Services A.I.E.		N/A	ESP	Zurich Insurance plc, Sucursal en Espana	97.18000
Zurich Services A.I.E.		N/A	ESP	Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied	2.81600
Zurich Services Company (Pty) Ltd		N/A	AUS	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Services US. LLC	35-2546417	N/A	DE	Farmers Group, Inc.	50.00000
Zurich Services US. LLC	35-2546417	N/A	DE	Zurich Holding Company of America, Inc.	50.00000
Zurich Servicios de Mexico, S.A. de. C.V.		N/A	MEX	Zurich Vida, Compania de Seguros, S.A.	90.00000
Zurich Servicios de Mexico, S.A. de. C.V.		N/A	MEX	Zurich, Compania de Seguros, S.A.	10.00000
ZURICH SERVICIOS DIRECTO ESPAÑA, S.L.		N/A	ESP	Zurich Insurance Mobile Solutions AG	100.00000
Zurich Servicios y Soporte México, S.A. de C.V.		N/A	MEX	Zürich Versicherungs-Gesellschaft AG	0.02000
Zurich Servicios y Soporte México, S.A. de C.V.		N/A	MEX	Zürich Lebensversicherungs-Gesellschaft AG	99.98000
Zurich Shared Services S.A.		N/A	CHL	Inversiones Suizo Chilena S.A.	99.98667
Zurich Shared Services S.A.		N/A	CHL	Zurich Investments Chile S.A.	0.01333
Zurich Sigorta A.S.		N/A	TUR	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Small Amount and Short Term Insurance Ltd		N/A	JPN	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich South America Invest AB		N/A	SWE	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Specialties London Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Structured Finance, Inc.		N/A	DE	Zurich Finance Company Ltd	100.00000
Zurich Takaful Malaysia Berhad (ZTMB)		N/A	MYS	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Technical and Consulting Services (Beijing) Co. Ltd.		N/A	CHN	Zurich Insurance Holdings (Hong Kong) Limited	100.00000
Zurich Technology Malaysia Sdn Bhd		N/A	MYS	Zurich Technology Services Malaysia Sdn Bhd	100.00000
Zurich Technology Services Malaysia Sdn Bhd		N/A	MYS	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Transitional Services Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Travel Solutions Pty Limited		N/A	AUS	Zürich Versicherungs-Gesellschaft AG	100.00000
Zurich Treasury Services Limited		N/A	IRL	Zurich Financial Services EUB Holdings Limited	100.00000
Zurich Trustee Services Limited		N/A	IRL	Zurich Life Assurance plc	100.00000
Zurich UK General Employee Services Limited		N/A	GBR	Zurich UK General Services Limited	100.00000
Zurich UK General Services Limited		N/A	GBR	Zurich Holdings (UK) Limited	100.00000
Zurich Versicherungs-Aktiengesellschaft	AA-1220080	N/A	AUT	Zurich Versicherungs-Gesellschaft AG	99.98125

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE

**SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF ZURICH INSURANCE GROUP
PART 1 - ORGANIZATIONAL CHART**

Company	FEIN	NAIC	Domiciled	Ownership	%
Zurich Versicherungs-Gesellschaft AG	AA-1460190	N/A	CHE	Zurich Insurance Group Ltd.	100.00000
Zurich Vida e Previdencia S.A.		N/A	BRA	Zurich Minas Brasil Seguros S.A,	100.00000
Zurich Vida, Compañía de Seguros y Reaseguros, S.A. - Socied	AA-1840022	N/A	ESP	Zurich Lebensversicherungs-Gesellschaft AG	100.00000
Zurich Vida, Compañía de Seguros, S.A.	AA-2734111	N/A	MEX	Zurich Versicherungs-Gesellschaft AG	100.00000
Zurich Vorsorge-Beratungs und Vertriebs GmbH (Deutschland)		N/A	DEU	Zürich Beteiligungs-Aktiengesellschaft (Deutschland)	100.00000
Zurich Whiteley Investment Trust Limited		N/A	GBR	Zurich Insurance plc	100.00000
Zurich Whiteley Trust Limited		N/A	GBR	Zurich Whiteley Investment Trust Limited	100.00000
Zurich Workplace Solutions (Middle East) Limited		N/A	UAE	Zurich International Life Limited	100.00000

Note 1: Farmers Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Farmers Group, Inc., dba Farmers Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 2: Farmers Texas County Mutual Insurance Company, formed and organized pursuant to Chapter 912 of the Texas Insurance Code, is managed by Farmers Group, Inc., dba Farmers Underwriters Association

Note 3: Fire Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Fire Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 4: Foremost County Mutual Insurance Company is a Texas County mutual insurance company managed by Foremost Insurance Company Grand Rapids, Michigan

Note 5: Foremost Lloyds of Texas is a Texas company managed by Foremost Insurance Company Grand Rapids, Michigan.

Note 6: Truck Insurance Exchange, formed and organized pursuant to California Insurance Code Section 1280, et seq., is owned by its policyholders. Its attorney-in-fact, Truck Underwriters Association, which is a subsidiary of Zurich Insurance Group Ltd. (See also Schedule Y, Part 1A)

Note 7: Zurich Insurance Plc operates branches in the following countries: Italy (AA-1364106), Portugal (AA-1820001), Spain (AA-1840150), and United Kingdom (AA-1780059).

Note 8: Zurich Versicherungs-Aktiengesellschaft operates a branch in Germany (AA-1340017)

Note 9: Zurich Versicherungs-Gesellschaft AG also known as Zurich Insurance Company, Ltd operates branches in the following countries: Bermuda (AA-3190825), Canada (AA-1560999), Hong Kong (AA-5324112), Ireland (AA-1780042), Japan (AA-1584115), and Singapore (AA-5760036). It also operates a management entity Alpina International (AA-1460010) in Switzerland.

Note 10: Farmers Lloyds Insurance Company of Texas is a Texas company managed by Farmers Lloyds, Inc.

ANNUAL STATEMENT FOR THE YEAR 2021 OF THE FARMERS INSURANCE EXCHANGE
OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols: 1 - 2)	4 Net Admitted Assets
2504. MCCA: Refund to policyholders receivable from MCCA	26,265,200		26,265,200	
2505. Equities and deposits in pools and associations	943,588		943,588	1,970,041
2597. Summary of remaining write-ins for Line 25 from overflow page	27,208,788		27,208,788	1,970,041

Additional Write-ins for Liabilities Line 25

	1 Current Year	2 Prior Year
2504. Agent/DM bonus liability	40,569,228	15,635,660
2505. Uncashed drafts and checks pending escheatment	33,219,480	29,965,188
2506. Deferred agent/DM bonus liability	32,603,683	31,654,811
2507. MCCA: Refund from MCCA due to policyholders	26,265,200	
2508. Miscellaneous	19,237,738	19,104,753
2509. Accrued liability on voluntary separation plan ("vsp") related expenses incurred in 2020 but fully paid for during 2021	7,158,128	36,177,300
2510. Pooled share of unauthorized reinsurance	215,158	319,353
2597. Summary of remaining write-ins for Line 25 from overflow page	159,268,616	132,857,065

Additional Write-ins for Statement of Income Line 14

	1 Current Year	2 Prior Year
1404. Premiums for business-owned life insurance	(575,556)	(464,971)
1497. Summary of remaining write-ins for Line 14 from overflow page	(575,556)	(464,971)

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Miscellaneous investment expenses			2,973,890	2,973,890
2497. Summary of remaining write-ins for Line 24 from overflow page			2,973,890	2,973,890