BrickStreet Mutual Insurance Company and Subsidiaries

Consolidated Statutory-Basis Financial Statements and Supplementary Information

Years Ended December 31, 2016 and 2015

DIXON HUGHES GOODMAN LLP

Table of Contents

Independent Auditors' Report

Audit Committee
BrickStreet Mutual Insurance Company
and Subsidiaries
Charleston, West Virginia

We have audited the accompanying consolidated statutory-basis financial statements of BrickStreet Mutual Insurance Company and its wholly owned subsidiaries, NorthStone Insurance Company, SummitPoint Insurance Company, and PinnaclePoint Insurance Company (collectively, the Company), which comprise the consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus as of December 31, 2016 and 2015, and the related consolidated statutory-basis statements of operations, changes in policyholders' surplus, and cash flows for the years then ended, and the related notes to the consolidated statutory-basis financial statements.

Management's Responsibility for the Consolidated Statutory-Basis Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated statutory-basis financial statements in accordance with statutory accounting principles prescribed or permitted by the West Virginia Offices of the Insurance Commissioner and the Pennsylvania Insurance Department (Regulators); this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of statutory-basis financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated statutory-basis financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated statutory-basis financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated statutory-basis financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated statutory-basis financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated statutory-basis financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated statutory-basis financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described more fully in Note 1 to the consolidated statutory-basis financial statements, the consolidated statutory-basis financial statements are prepared by the Company in accordance with statutory accounting principles prescribed or permitted by the Regulators, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to meet the requirements of the Regulators. The effects on the consolidated statutory-basis financial statements of the variances between the statutory accounting principles described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America" paragraph, the consolidated statutory-basis financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Company as of December 31, 2016 and 2015, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory-Basis of Accounting

In our opinion, the consolidated statutory-basis financial statements referred to in the first paragraph present fairly, in all material respects, the consolidated admitted assets, liabilities and policyholders' surplus of the Company as of December 31, 2016 and 2015, and the results of their operations and their cash flows for the years then ended, in accordance with statutory accounting principles prescribed or permitted by the Regulators.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the basic consolidated statutory-basis financial statements taken as a whole. The Supplementary Information on pages 33 through 48 consists of the consolidating statutory-basis statement of admitted assets, liabilities and policyholders' surplus as of December 31, 2016, and the related consolidating statutory-basis statements of operations and changes in policyholders' surplus for the year then ended, the consolidated summary investment schedule, and the consolidated supplemental investment risks interrogatories as of December 31, 2016. These schedules are presented for purposes of additional analysis and are not a required part of the basic consolidated statutory-basis financial statements. This additional information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated statutory-basis financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated statutory-basis financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated statutory-basis financial statements or to the consolidated statutory-basis financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Because of the significance of the matter described in the "Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America" paragraph, it is inappropriate to and we do not express an opinion on the Supplementary Information in accordance with accounting principles generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the consolidated statutory-basis financial statements in accordance with statutory accounting principles prescribed or permitted by the West Virginia Offices of the Insurance Commissioner and the Pennsylvania Insurance Department as a whole.

Dixon Hughes Goodman LLP

Charlotte, North Carolina
May 16, 2017

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidated Statutory-Basis Statements of Admitted Assets, Liabilities and Policyholders' Surplus
December 31, 2016 and 2015

	2016	2015
ADMITTED ASSETS		
Cash and invested assets:		
Bonds	**$ 1,784,948,432**	$ 1,614,689,086
Common stocks	**158,486,376**	142,025,794
Property occupied by the Company	**20,079,938**	20,744,404
Cash, cash equivalents and short-term investments	**66,017,743**	48,507,982
Receivable for securities	**1,984,828**	-
Other invested assets	**437,000**	-
Total cash and invested assets	**2,031,954,317**	1,825,967,266
Accrued investment income	**14,264,080**	13,289,653
Premiums receivable	**133,210,799**	96,240,954
Deposits under assumption agreements	**1,091,326**	1,302,133
Federal income tax recoverable	**-**	952,411
Net deferred income tax asset	**45,076,885**	41,208,397
Electronic data processing equipment and software, net	**2,147,769**	1,155,706
Other assets	**27,798,102**	5,599,406
Total admitted assets	**$ 2,255,543,278**	$ 1,985,715,926
LIABILITIES AND POLICYHOLDERS' SURPLUS		
Liabilities:		
Loss reserves	**$ 971,118,870**	$ 932,205,644
Loss adjustment expense reserves	**159,892,715**	159,476,753
Reinsurance payable on paid losses and loss adjustment expenses	**400,328**	231,749
Commissions payable	**14,718,778**	12,422,527
Accounts payable and other accrued expenses	**37,117,746**	31,727,147
Federal income taxes payable	**573,359**	-
Unearned premiums	**171,038,111**	131,790,837
Premiums collected in advance	**2,303,308**	1,373,082
Ceded reinsurance premiums payable, net of ceding commissions	**838,974**	636,546
Remittances and items not allocated	**1,181,582**	1,388,705
Payable for securities	**-**	3,167,473
Other liabilities	**140,275,633**	5,484,744
Total liabilities	**1,499,459,404**	1,279,905,207
Policyholders' surplus	**756,083,874**	705,810,719
Total liabilities and policyholders' surplus	**$ 2,255,543,278**	$ 1,985,715,926

See accompanying consolidated statutory-basis notes.

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidated Statutory-Basis Statements of Operations
Years Ended December 31, 2016 and 2015

	2016	2015
Revenues:		
Premiums earned, net	**$ 320,259,648**	$ 268,489,102
Expenses:		
Losses incurred	**170,513,300**	150,159,681
Loss adjustment expenses incurred	**52,250,079**	35,738,244
Other underwriting expenses incurred	**92,682,859**	82,741,929
Net underwriting gain (loss)	**4,813,410**	(150,752)
Investment income:		
Investment income earned, net	**49,325,536**	48,984,002
Net realized capital gains	**2,703,484**	12,412,116
Net investment income	**52,029,020**	61,396,118
Other income (expense):		
Net loss from agents' or premium balances charged off	**(1,642,263)**	(1,958,900)
Other income	**779,440**	597,653
Total other expense	**(862,823)**	(1,361,247)
Income before income taxes	**55,979,607**	59,884,119
Income tax expense	**12,658,678**	8,954,312
Net income	**$ 43,320,929**	$ 50,929,807

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidated Statutory-Basis Statements of Changes in Policyholders' Surplus
Years Ended December 31, 2016 and 2015

	Additional Paid-In Surplus	Special Surplus	Unassigned Surplus	Total
Balance, December 31, 2014	$ 12,319,535	$ -	$ 646,553,703	$ 658,873,238
Net income	-	-	50,929,807	50,929,807
Change in net unrealized capital losses, net of deferred income taxes	-	-	(4,384,871)	(4,384,871)
Change in net deferred income taxes	-	-	(2,390,091)	(2,390,091)
Change in nonadmitted assets	-	-	2,782,636	2,782,636
Balance, December 31, 2015	12,319,535		693,491,184	705,810,719
Net income	-	-	43,320,929	43,320,929
Change in net unrealized capital gains, net of deferred income taxes	-	-	7,700,783	7,700,783
Change in net deferred income taxes	-	-	4,326,324	4,326,324
Change in nonadmitted assets	-	-	(5,074,881)	(5,074,881)
Retroactive reinsurance gain		731,540	(731,540)	-
Balance, December 31, 2016	$ 12,319,535	$ 731,540	$ 743,032,799	$ 756,083,874

See accompanying consolidated statutory-basis notes.

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidated Statutory-Basis Statements of Cash Flows
Years Ended December 31, 2016 and 2015

	2016	2015
Cash flows from operating activities:		
Premiums collected, net of reinsurance	$ 323,958,621	$ 271,643,259
Benefit and loss-related payments	(131,220,688)	(143,881,191)
Commissions and expenses paid	(136,969,593)	(133,386,778)
Net investment income received	61,848,911	60,078,401
Federal income taxes paid	(14,100,000)	(15,292,549)
Miscellaneous income received (refunded)	(862,820)	393,472
Net cash provided by operating activities	102,654,431	39,554,614
Cash flows from investing activities:		
Proceeds from sales, maturities or repayments of investments:		
Bonds	740,399,067	711,909,762
Stocks	59,508,464	101,251,675
Other invested assets	9,000,000	-
Miscellaneous applications	(2,444)	3,167,473
Total investment proceeds	808,905,087	816,328,910
Cost of investments acquired:		
Bonds	922,580,323	780,998,457
Stocks	59,808,020	108,311,819
Real estate	84,917	774,488
Other invested assets	9,000,000	-
Miscellaneous applications	5,152,302	14,281
Total investments acquired	996,625,562	890,099,045
Net cash used in investing activities	(187,720,475)	(73,770,135)
Cash flows from financing activities and miscellaneous sources:		
Purchase of equipment, net	$ (187,780)	$ 2,122,025
Renewal rights	(13,000,000)	-
Retrospective reinsurance, net	130,346,405	-
Other cash applied	(14,582,820)	(1,437,420)
Net cash provided by financing activities and miscellaneous sources	102,575,805	684,605
Net increase (decrease) in cash, cash equivalents and short-term investments	17,509,761	(33,530,916)
Cash, cash equivalents and short-term investments, beginning of period	48,507,982	82,038,898
Cash, cash equivalents and short-term investments, end of period	$ 66,017,743	$ 48,507,982

See accompanying consolidated statutory-basis notes.

Notes to Consolidated Statutory-Basis Financial Statements

1. Nature of Business and Significant Accounting Policies

Nature of Business

BrickStreet Mutual Insurance Company (BrickStreet) began operations on January 1, 2006. BrickStreet is a mono-line workers' compensation carrier domiciled in the state of West Virginia and was founded as part of the transition of the state of West Virginia from a monopolistic state to a voluntary market. BrickStreet remains the leading provider (based on market share of direct premium written) for workers' compensation coverage in the state of West Virginia. Beginning in 2009, BrickStreet expanded into other states.

During 2012, BrickStreet acquired a wholly owned subsidiary, PennCommonwealth Casualty of America Corporation (PennCommonwealth). After acquisition, PennCommonwealth was renamed NorthStone Insurance Company (NorthStone) and BrickStreet invested $9.2 million in additional paid-in capital. NorthStone is a mono-line workers' compensation carrier domiciled in the Commonwealth of Pennsylvania. The two companies entered into a pooling arrangement whereby NorthStone cedes all business written to the pool and assumes back 2% of pool results.

During 2013, BrickStreet formed two new wholly owned subsidiaries domiciled in the state of West Virginia. Each subsidiary was capitalized with a cash contribution of $10.2 million. The two subsidiaries, SummitPoint Insurance Company (SummitPoint) and PinnaclePoint Insurance Company (PinnaclePoint) became parties to the pooling arrangement during 2013, assuming 2% of pooled business each. BrickStreet's portion of the pooling arrangement was reduced to 94%. The pooling arrangement remained unchanged in 2015 and 2016.

BrickStreet and its subsidiaries are referred to collectively as the Company.

On a consolidated basis, 52% of direct premium is written in the state of West Virginia for the year ended December 31, 2016. As of December 31, 2016, the Company is licensed to write insurance in 18 jurisdictions located predominately in the eastern United States.

Basis of Consolidation

The consolidated statutory-basis financial statements include the accounts of BrickStreet, NorthStone, SummitPoint and PinnaclePoint as of December 31, 2016 and 2015. All significant intercompany accounts and transactions, including the pooling arrangement, have been eliminated in consolidation.

Basis of Presentation

The accompanying consolidated statutory-basis financial statements of the Company have been prepared in conformity with Statutory Accounting Principles (SAP) promulgated by the National Association of Insurance Commissioners (NAIC) and adopted, prescribed, or permitted by the West Virginia Offices of the Insurance Commissioner (WVOIC) and the Pennsylvania Insurance Department (PID). Together, the NAIC and any practices prescribed or permitted by the WVOIC or the PID form SAP.

As of December 31, 2016, the Company received a permitted practice from the WVOIC and the PID to file consolidated audited statutory-basis financial statements. In addition, as discussed further in Note 1 under "Permitted Practice," the Company received a permitted practice to account for a selected retroactive reinsurance agreement as prospective reinsurance. The Company was not subject to any other prescribed practices and does not have any other permitted practices that affect net income or policyholders' surplus.

The accompanying consolidated statutory-basis financial statements have been prepared in conformity with SAP, which varies from accounting principles generally accepted in the United States of America (GAAP). The more significant variances from GAAP are as follows:

- Investments in bonds are carried at amortized cost unless designated by the NAIC to be carried at prescribed fair values; under GAAP, investments in bonds are classified as either held-to-maturity, available-for-sale, or trading securities and, other than those classified as held-to-maturity, are carried at fair value, with the related unrealized gain or loss recorded as a component of other comprehensive income in equity (available-for-sale) or as a component of realized gains and losses in the statements of operations (trading).

- All single class and multi-class mortgage-backed/asset-backed securities, such as collateralized mortgage obligations (CMOs), when it is determined that a decline in fair value is other-than-temporary, the amortized cost basis is written down to the present value of future cash flows. The difference between the amortized cost basis and the present value of future cash flows is recognized as a realized loss in the consolidated statutory-basis statements of operations. For GAAP purposes, all securities held representing beneficial interests in securitized assets, such as CMOs, mortgage-backed securities and other asset-backed securities, excluding high credit quality securities, are written down to fair value if the decline is determined to be other-than-temporary. The credit component of the other-than-temporary impairment is recognized as a realized loss in the statements of income, and the non-credit component of the other-than-temporary impairment is recognized in other comprehensive income.

- The costs of acquiring and renewing business are expensed when incurred. Under GAAP, such costs, to the extent recoverable and capitalizable, would be deferred and amortized over the life of the associated policies.

- Certain assets (principally furniture, equipment, prepaid expenses, certain premiums receivable, 10% of earned but unbilled premiums receivable and deferred tax assets subject to admissibility limitation) have been designated as nonadmitted assets and excluded from assets by a charge to unassigned surplus. Under GAAP, such amounts are carried at cost less accumulated depreciation, amortization, or valuation allowance, as applicable.

- SAP allows deferred income taxes to be computed on temporary differences using a “balance sheet” approach, whereby statutory and tax-basis balance sheets are compared. The resulting net deferred tax asset or liability is recognized, with certain limitations, in the statutory-basis statements of admitted assets, liabilities and policyholders’ surplus. The change in deferred taxes is credited or charged to unassigned surplus. Under GAAP, the change in deferred tax is recognized in the statements of operations. Management determination of the need for a valuation allowance is recognized consistently under both bases of accounting.

- The statutory-basis statements of cash flows do not conform to the presentation required by GAAP, including the presentation of the changes in cash and short-term investments instead of cash and cash equivalents. Additionally, for statutory purposes, there is no reconciliation between net income and cash from operations, which is required by GAAP when the direct method is used.

- Reserves are reported as liabilities net of ceded reinsurance; under GAAP, reserves relating to business in which the Company is not legally relieved of its liability are reported gross with an off-setting reinsurance recoverable presented as an asset.

Other significant accounting policies are as follows:

Use of Estimates

The preparation of consolidated statutory-basis financial statements in conformity with SAP requires management to make estimates and assumptions that affect the reported amounts of admitted assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the consolidated statutory-basis financial statements, and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

Investments

Bonds, including mortgage-backed securities, are reported at amortized cost or estimated fair value based on their NAIC rating. Amortization of bond premium or discount is calculated using the effective interest method. Significant changes in estimated cash flows from the original purchase assumptions are accounted for using the prospective method. Prepayment assumptions are obtained from broker-dealer surveys or internal estimates.

Common stocks are reported at estimated fair value and the related net unrealized gains (losses) are credited or charged to unassigned surplus. These unrealized gains (losses) are reported net of the applicable deferred income taxes.

Short-term investments are carried at cost, which approximates fair value, and represent investments with remaining maturities at acquisition of one year or less.

Investments in property occupied by the Company are stated at depreciated cost less encumbrances.

Investment income consists primarily of interest and dividends. Interest is recognized on an accrual basis and dividends are recorded as earned at the ex-dividend date. All investment income due and accrued with amounts over 90 days past due is nonadmitted. The Company had no such amounts as of December 31, 2016 and 2015.

Realized capital gains and losses are determined using the specific identification basis and are included in the consolidated statutory-basis statements of operations.

Impairment of Investments

The Company regularly reviews its investments for possible impairment based on criteria including economic conditions, market prices, past experience and other issuer-specific developments, among other factors. If there is a decline in a security's net realizable value, a determination is made as to whether that decline is temporary or "other-than-temporary."

If a decline is considered to be temporary, the Company continues to account for the investment as prescribed. If it is believed that a decline is "other-than-temporary," the Company writes down the carrying value of the investment to its estimated fair value or, in the case of loan-backed securities, its discounted cash flows, and records a realized loss in the consolidated statutory-basis statements of operations.

Debt

The Company became a member of the Federal Home Loan Bank (FHLB) of Pittsburgh on February 18, 2016 by purchasing Class B Membership Stock for $347,800. Through its membership, the Company has not conducted any business activity (borrowings) with the FHLB as of December 31, 2016. The Company has determined the estimated maximum borrowing capacity as $357,714,864. The Company calculated this amount in accordance with current FHLB capital stock market asset value. The Company has not pledged any collateral as a result of the stock purchase with the FHLB. The Company's investment is recorded as common stock in the accompanying consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus.

Property Occupied by the Company

Real estate acquired and occupied by the Company is reported at purchase price plus capital expenditures, less accumulated depreciation and encumbrances. Properties occupied by the Company are generally depreciated over 30 years. The net carrying value of property occupied by the Company as of December 31:

	2016	2015
Land and improvements, at cost	$ 4,257,842	$ 4,257,842
Buildings and improvements, at cost	22,059,090	21,974,173
	26,316,932	26,232,015
Accumulated depreciation	(6,236,994)	(5,487,611)
Net carrying value	$ 20,079,938	$ 20,744,404

Real estate depreciation amounted to $749,383 and $728,034 for the years ended December 31, 2016 and 2015, respectively. Maintenance and repairs are charged to expense as incurred.

Premiums

Premiums, net of amounts ceded to other insurance companies, are generally recognized as revenue on a pro rata basis over the policy term. The portion of premiums that will be earned in the future are deferred and reported as unearned premiums. Audit premiums that have been earned related to the 2016 calendar year policies have been estimated and recorded as premiums receivable, and included in current year net income. These unbilled premiums receivable represent an estimate of the differences between amounts earned ratably on individual policies and the amount to be billed on final settlement of the policy, and adjustment for differences between estimated payrolls and classifications, and actual amounts determined on audit.

Loss and Loss Adjustment Expense (LAE) Reserves

Loss and LAE reserves represent the estimated ultimate unpaid net cost of all reported and unreported losses incurred through December 31, 2016 and 2015. The Company does not discount loss and LAE reserves.

Management believes that the loss factors used to develop losses are a realistic estimate of the losses incurred for the periods evaluated. Since the loss and LAE reserves are based on estimates, the ultimate liability may be more or less than originally estimated. There can be no assurance that the ultimate settlement of losses and LAE will not vary significantly from the recorded loss and LAE reserves.

Although considerable variability is inherent in such estimates, management believes that the reserves for losses and LAE are adequate and appropriate. The estimates are continually reviewed and adjusted as necessary, as experience develops or new information becomes known; such adjustments are included in current operations as they occur.

Reinsurance

Prospective reinsurance premiums, commissions, expense reimbursements, and reserves related to reinsured business are accounted for on bases consistent with those used in accounting for the original policies issued and the terms of the reinsurance contracts. Prospective premiums ceded to other companies have been reported as a reduction of premium income; prospective premiums assumed from other companies have been reported as increases in premium income. Amounts applicable to prospective reinsurance ceded or assumed for unearned premium reserves and loss and LAE reserves have been reported as reductions or increases of these items, and expense allowances received or paid in connection with prospective reinsurance ceded or assumed have been accounted for as a reduction or increase in other underwriting expenses.

Retroactive reinsurance agreements, assumed or ceded, insure risk for events that have occurred prior to the effective date of the agreement. In retrospective reinsurance agreements, the assuming entity assumes liabilities and receives proceeds on insured losses that have previously been incurred. Amounts in which the proceeds exceed the liabilities assumed (retroactive gain), is reported with “Other income” in the consolidated statutory-basis statements of operations and the liability assumed is recorded as “Other liabilities” in the consolidated statutory-basis statements of admitted assets, liabilities and policyholders’ surplus. The liability is adjusted for losses reimbursed and for changes in the estimate of the reserve. The cumulative retroactive gain is reported as special surplus in the consolidated statutory-basis statements of changes in policyholders’ surplus until proceeds from the cedant are greater than amounts paid to settle those liabilities assumed or the retroactive reinsurance transaction becomes a loss in which it is reported directly as a reduction of unassigned surplus.

Permitted Practice

The Company applied and received approval for a permitted practice from the WVOIC to account for a retroactive reinsurance agreement, specifically an adverse development cover (ADC), with an unrelated third-party as prospective reinsurance in accordance with SSAP No. 62R, *Property and Casualty Reinsurance*. Under prospective reinsurance treatment, the Company reduced net earned premium for the consideration paid to the reinsurer, and reduced the loss and LAE reserves for the amount of reserves ceded to the reinsurer with the net impact flowing through the statutory-basis statement of operations, including all loss and LAE schedules and exhibits. In addition, there are no restrictions on surplus as there would be under retroactive reinsurance accounting. This accounting practice differs from SAP. The Company's risk-based capital would not have triggered a regulatory event had it not used this permitted practice. A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the WVOIC is shown below:

	2016 Balance Sheet		
	ADC under SSAP 62R	ADC under permitted practice	Difference between treatments
Loss reserves	$ 990,652,031	$ 971,118,870	$ 19,533,161
Loss adjustment expense reserves	163,749,538	159,892,715	3,856,823
Other liabilities	116,885,649	140,275,633	(23,389,984)
Special surplus	5,371,524	731,540	4,639,984
Unassigned surplus	738,392,815	743,032,799	(4,639,984)

	2016 Income Statement		
	ADC under SSAP 62R	ADC under permitted practice	Difference between treatments
Losses incurred	$ 190,046,461	$ 170,513,300	$ 19,533,161
Loss adjustment expenses incurred	56,106,902	52,250,079	3,856,823
Other income	24,169,424	779,440	23,389,984

Income Tax

Current federal income taxes are charged or credited to operations based upon amounts estimated to be payable or recoverable as a result of taxable operations for the current year and any adjustment to such estimates from prior years. Deferred federal income tax assets (DTAs) and liabilities (DTLs) are recognized for expected future tax consequences of temporary differences between statutory and taxable income. Temporary differences are identified and measured using a balance sheet approach whereby statutory and tax balance sheets are compared. DTAs are admitted to the extent permissible under SAP. Changes in DTAs and DTLs are recognized as a separate component of unassigned surplus.

Fixed Assets

Fixed assets are depreciated using the straight-line method over the following lives:

Description	Useful Life
Software licenses and maintenance agreements	1 year or term
Personal computers and accessories	3 years
EDP processing equipment and operating software	3 years
Non-operating system software	5 years
Cars and light trucks	5 years
Furniture and office equipment	7 years
Buildings	30 years
Leasehold improvements	Lesser of life of the lease or 10 years

Risks and Uncertainties

The Company writes workers' compensation in thirteen jurisdictions. The Company's business is impacted by the effects of economic and political forces in the jurisdictions in which it does business, continuing market pricing pressures on new and renewal business, the ability to effectively manage expenses, competition, and federal and state legislation or governmental regulations of insurance companies. Also, the Company is subject to regulatory requirements, as explained in Note 7.

Application of Recent Accounting Pronouncements

In August of 2016, the NAIC adopted nonsubstantive revisions to statutory accounting that required permitted or prescribed practice disclosures that results in different statutory accounting reporting and clarifies which financial statement line item is impacted, and not just the net income or surplus impact. The revisions were effective for the annual period ending after December 15, 2016.

In 2016, the NAIC adopted revisions to Statement of Statutory Accounting Principles (SSAP) No. 26, *Bonds (SSAP 26)*, SSAP No. 30, *Unaffiliated Common Stock (SSAP 30)*, SSAP No. 32, *Preferred Stock (SSAP 32)*, and SSAP No. 2, *Cash, Drafts, and Short-Term Investments (SSAP 2)*, which clarifies that all money market mutual funds shall be classified as short-term investments. All short-term investments will continue to be accounted for in the same manner as similar long-term investments. The revisions to SSAP 26, SSAP 30, SSAP 32 and SSAP 2 were effective September 30, 2016. The adoption of these revisions to these SSAPs did not have an impact on the Company's consolidated statutory-basis financial statements.

The NAIC adopted Accounting Standards Update (ASU) 2014-15 (ASU 2014-15) related to Disclosures of Uncertainties about Ability to Continue as a Going Concern, which amended SSAP No. 1, *Accounting Policies, Risks and Uncertainties, and Other Disclosures* (SSAP 1). Effective December 31, 2016, the amended SSAP 1 requires the reporting entity to evaluate and disclose whether substantial doubt exists about their ability to continue as a going concern and nonadmit investments whose audited financial statements include opinion disclaimers or going concern doubts. The evaluation should be completed for obligations within one year after the financial statements are issued. Management has completed its assessment for the year ended December 31, 2016 and there were no items noted, which would merit disclosure.

2. Investments

The amortized cost/cost, gross unrealized gains, gross unrealized losses and estimated fair value of the Company's investments as of December 31 are as follows:

	2016			
	Amortized Cost/Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Bonds:				
U.S. Treasury securities	$ 80,028,388	$ 70,135	$ (320,049)	$ 79,778,474
Foreign government	12,616,823	34,682	(162,196)	12,489,309
States, territories and possessions	53,722,255	1,467,888	(438,282)	54,751,861
Political subdivisions of states, territories and possessions	106,077,074	2,163,791	(882,788)	107,358,077
Special revenue and special assessment	311,408,519	8,470,286	(2,614,143)	317,264,662
Public utilities	115,769,233	3,051,582	(1,159,297)	117,661,518
Mortgage-backed securities residential single class	240,394,838	3,521,928	(3,233,648)	240,683,118
Mortgage-backed securities residential multi-class	13,232,175	8,767	(139,409)	13,101,533
Industrial and miscellaneous	589,824,442	4,677,669	(8,503,089)	585,999,022
Commercial class mortgage and asset-backed securities	117,214,762	1,964,309	(857,533)	118,321,538
Foreign securities	144,659,923	1,749,923	(1,304,573)	145,105,273
Total bonds	1,784,948,432	27,180,960	(19,615,007)	1,792,514,385
Common stocks:				
Public utilities	1,576,023	429,758	(19,376)	1,986,405
Banks, trusts and insurance companies	11,964,810	3,580,110	(61,836)	15,483,084
Industrial and miscellaneous	123,663,413	19,948,923	(2,595,449)	141,016,887
Total common stocks	137,204,246	23,958,791	(2,676,661)	158,486,376
	$ 1,922,152,678	$ 51,139,751	$ (22,291,668)	$ 1,951,000,761

	2015			
	Amortized Cost/Cost	**Gross Unrealized Gains**	**Gross Unrealized Losses**	**Estimated Fair Value**
Bonds:				
U.S. Treasury securities	$ 35,187,736	$ 35,220	$ (143,047)	$ 35,079,909
Foreign government	5,425,696	203,531	(1,561)	5,627,666
States, territories and possessions	60,845,648	2,802,818	(58,251)	63,590,215
Political subdivisions of states, territories and possessions	102,757,118	4,162,511	(43,672)	106,875,957
Special revenue and special assessment	290,106,546	14,703,820	(76,316)	304,734,050
Public utilities	127,740,011	5,935,142	(1,705)	133,673,448
Mortgage-backed securities residential single class	207,772,127	5,150,087	(807,243)	212,114,971
Mortgage-backed securities residential multi-class	14,243,045	21,369	(83,163)	14,181,251
Industrial and miscellaneous	469,261,211	5,443,643	(6,045,881)	468,658,973
Commercial class mortgage and asset-backed securities	124,421,824	1,553,238	(937,472)	125,037,590
Foreign securities	176,928,124	987,037	(4,985,850)	172,929,311
Total bonds	1,614,689,086	40,998,416	(13,184,161)	1,642,503,341
Common stocks:				
Public utilities	1,507,784	246,318	(30,256)	1,723,846
Banks, trusts and insurance companies	11,071,395	1,657,381	(209,953)	12,518,823
Industrial and miscellaneous	119,341,593	12,622,726	(4,181,194)	127,783,125
Total common stocks	131,920,772	14,526,425	(4,421,403)	142,025,794
	$ 1,746,609,858	$ 55,524,841	$ (17,605,564)	$ 1,784,529,135

For bonds, amortized cost represents statement values determined based on procedures set by the NAIC, which require that securities rated below investment grade be valued at the lower of amortized cost or fair value.

For common stocks, cost represents the acquisition price adjusted for any other-than-temporary impairments. Unrealized capital gains and losses on investments in common stocks, net of deferred income taxes, are reported directly in policyholders' surplus and do not affect operations.

The book/adjusted carrying value and estimated fair value of bonds as of December 31, 2016 are shown below by contractual maturity periods. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties.

	Book/Adjusted Carrying Value	Estimated Fair Value
Due in one year or less	$ 77,393,386	$ 77,746,398
Due in one through five years	412,808,834	416,086,094
Due in five through ten years	557,408,270	557,391,405
Due in ten through twenty years	199,814,543	203,455,532
Due after twenty years	46,631,469	45,483,223
Asset-backed	120,050,155	120,245,543
Mortgage-backed	370,841,775	372,106,190
	$1,784,948,432	$1,792,514,385

The principal components of net investment income for the years ended December 31 are as follows:

	2016	2015
Bonds	**$ 47,047,301**	$ 47,363,211
Stocks	**4,345,950**	3,276,660
Cash, cash equivalents and short-term investments	**218,311**	63,818
Rental income	**1,962,447**	1,949,221
Total investment income	**53,574,009**	52,652,910
Less investment expenses	**(4,257,473)**	(3,668,908)
Investment income earned, net	**$ 49,325,536**	$ 48,984,002

Gross realized gains and losses from sales of investment securities consist of the following:

	2016		
	Gross Realized Gains	**Gross Realized Losses**	**Net Realized Gains (Losses)**
Bonds	**$ 8,131,274**	**$ (7,442,171)**	**$ 689,103**
Common stocks	**6,101,927**	**(1,118,010)**	**4,983,917**
Cash and cash equivalents	**-**	**(2,444)**	**(2,444)**
	$ 14,233,201	**$ (8,562,625)**	**5,670,576**
Capital gains tax			**(2,967,092)**
Net realized capital gains			**$ 2,703,484**

	2015		
	Gross Realized Gains	Gross Realized Losses	Net Realized Gains (Losses)
Bonds	$ 17,417,023	$ (2,943,140)	$ 14,473,883
Common stocks	11,822,109	(6,028,465)	5,793,644
Real estate	-	(130,374)	(130,374)
	$ 29,239,132	$ (9,101,979)	20,137,153
Capital gains tax			(7,725,037)
Net realized capital gains			$ 12,412,116

Assets with a carrying value of $10,065,544 and $9,876,041 with a fair value of $10,029,545 and $9,815,966 as of December 31, 2016 and 2015, respectively, were on deposit with governmental agencies as required by law in various jurisdictions in which the Company conducts business.

As of December 31, 2016 and 2015, bonds and short-term investments with a carrying value of $20,173,439 and $19,630,726, respectively, were held in trust to secure amounts due under reinsurance agreements.

Investment Concentration, Risk and Impairment

The Company monitors its portfolio closely to ensure that all other-than-temporary impairments are identified and recognized in earnings as they occur. The table below summarizes unrealized losses on all securities held by both asset class and length of time that a security has been in an unrealized loss position:

	2016					
	Less than 12 months		More than 12 months		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
U.S. Treasury securities	$ 44,089,981	$ (320,049)	$ -	$ -	$ 44,089,981	$ (320,049)
Foreign government	6,052,275	(162,196)	-	-	6,052,275	(162,196)
States, territories and possessions	15,756,695	(438,282)	-	-	15,756,695	(438,282)
Political subdivisions of states, territories and possessions	47,301,027	(882,788)	-	-	47,301,027	(882,788)
Special revenue and special assessment	102,200,495	(2,611,243)	1,997,100	(2,900)	104,197,595	(2,614,143)
Public utilities	35,999,746	(1,159,297)	-	-	35,999,746	(1,159,297)
Mortgage-backed securities residential single class	137,505,386	(3,219,774)	251,734	(13,874)	137,757,120	(3,233,648)
Mortgage-backed securities residential multi-class	9,266,615	(112,606)	1,456,314	(26,803)	10,722,929	(139,409)
Industrial and miscellaneous	279,296,307	(8,189,065)	15,461,216	(314,024)	294,757,523	(8,503,089)
Commercial class mortgage and asset-backed securities	36,654,130	(819,622)	3,073,798	(37,911)	39,727,928	(857,533)
Foreign securities	83,366,580	(1,301,916)	1,997,630	(2,657)	85,364,210	(1,304,573)
Common stocks	18,243,741	(1,061,254)	17,613,250	(1,615,407)	35,856,991	(2,676,661)
	$ 815,732,978	$ (20,278,092)	$ 41,851,042	$ (2,013,576)	$ 857,584,020	$ (22,291,668)

	2015					
	Less than 12 months		More than 12 months		Total	
	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses	Estimated Fair Value	Gross Unrealized Losses
U.S. Treasury securities	$ 20,601,528	$ (88,955)	$ 3,109,770	$ (54,092)	$ 23,711,298	$ (143,047)
Foreign government	148,284	(1,561)	-	-	148,284	(1,561)
States, territories and possessions	12,306,260	(58,251)	-	-	12,306,260	(58,251)
Political subdivisions of states, territories and possessions	6,939,216	(43,672)	-	-	6,939,216	(43,672)
Special revenue and special assessment	9,119,167	(76,316)	-	-	9,119,167	(76,316)
Public utilities	825,688	(1,705)	-	-	825,688	(1,705)
Mortgage-backed securities residential single class	69,513,133	(679,943)	3,513,033	(127,300)	73,026,166	(807,243)
Mortgage-backed securities residential multi-class	5,335,293	(35,955)	2,125,254	(47,208)	7,460,547	(83,163)
Industrial and miscellaneous	178,765,964	(5,912,727)	10,206,191	(133,154)	188,972,155	(6,045,881)
Commercial class mortgage and asset-backed securities	125,037,591	(937,472)	-	-	125,037,591	(937,472)
Foreign securities	113,611,816	(2,176,367)	11,648,340	(2,809,483)	125,260,156	(4,985,850)
Common stocks	52,178,330	(3,545,187)	1,662,863	(876,216)	53,841,193	(4,421,403)
	$ 594,382,270	$ (13,558,111)	$ 32,265,451	$ (4,047,453)	$ 626,647,721	$ (17,605,564)

The number of securities in an unrealized loss position as of December 31, 2016 and 2015 was 822 and 714, respectively. The Company's unrealized losses on its bonds were caused primarily by changes in interest rates. Since the decline in fair value is attributable to changes in interest rates and not credit quality, and the Company has the intent and ability to hold these securities through recovery of the amortized cost basis, the Company does not consider these investments other-than-temporarily impaired. For common stocks, unrealized losses were attributable to general stock market trends and cycles. Because the Company has the ability and intent to hold these investments until the recovery of estimated fair value, the Company does not consider these investments to be other-than-temporarily impaired.

One of the primary statistics that the Company monitors with respect to debt securities is the fair value to amortized cost ratio. Securities with a fair value to amortized cost ratio in the 90% to 99% range are typically securities that have been impacted by increases in market interest rates or sector spreads. Securities in the 80% to 89% range are typically securities that have been impacted by increased market yields, specific credit concerns, or both. These securities are monitored to ensure that the impairment is not other-than-temporary. Securities with a fair value to amortized cost ratio less than 80% are considered to be "potentially distressed securities," and are subjected to rigorous review. The following factors are considered for both bonds and equities: the length of time a security's fair value has been below cost or amortized cost, industry factors or conditions related to a geographic area that are negatively affecting the security, downgrades by rating agencies, the valuation of assets specifically pledged to support the credit, the overall financial condition of the issuer, past-due interest or principal payments, and the Company's intent and ability to hold the security for a sufficient time to allow for a recovery in value. The Company recorded $2,762,760 of impairment on the Company's bond portfolio in 2016 and did not record any impairments on the bond or stock portfolio in 2015. The effect of the impairment is shown below:

Foreign Security	
Amortized cost basis prior to impairment	$ 4,416,927
Less: Other-than-temporary impairment	(2,762,760)
Ending amortized cost basis at December 31, 2016	$ 1,654,167
Fair value of impaired asset at December 31, 2016	$ 2,464,000

Structured Notes

Structured notes are recorded as bonds in the consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus, which are direct debt issuance by a corporation, municipality, or government entity, ranking pari-passu with the issuer's debt issuances of equal seniority where either: (1) the coupon and/or principal payments are linked, in whole or in part, to prices or payment streams from an index or indices, or assets deriving their value from other than the issuer's credit quality; or (2) the coupon and/or principal payments are leveraged by a formula that is different from either a fixed coupon, or a non-leveraged floating rate coupon linked to an interest rate index, including but not limited to London Interbank Offered Rate (LIBOR) or the prime rate. Information regarding structured notes is as follows as of December 31, 2016:

CUSIP Identification	Actual Cost	Estimated Fair Value	Book-Adjusted Carrying Value	Mortgage-Referenced Security (Y/N)
709223XW6	$ 1,032,370	$ 1,172,660	$ 1,043,443	N
71884WAJ0	350,607	333,735	344,355	N
912828S50	6,263,157	6,085,039	6,263,155	N

3. Fair Value

SSAP No. 100, *Fair Value*, clarifies the definition of estimated fair value and establishes a hierarchy for measuring estimated fair value. The hierarchy established by this standard consists of three levels to indicate the quality of the estimated fair value measurements as described below:

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: Unadjusted quoted prices for identical assets or liabilities in active markets that are readily and regularly obtainable.

Level 2 - Significant Other Observable Inputs: Quoted prices in markets that are not active or inputs that are observable either directly or indirectly. These inputs can include quoted prices for similar but not identical assets or liabilities other than quoted prices in Level 1.

Level 3 - Significant Unobservable Inputs: Unobservable inputs that are supported by little or no market activity and are significant to the determination of estimated fair value of assets or liabilities. Unobservable inputs reflect the entity's assumptions about the assumptions that market participants would use in pricing the asset or liability.

The following table represents assets measured at estimated fair value:

	December 31, 2016			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Estimated Total Fair Value**
Common stocks	**$ 158,486,376**	**$ -**	**$ -**	**$ 158,486,376**

	December 31, 2015			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Estimated Total Fair Value**
Common stocks	$ 142,025,794	$ -	$ -	$ 142,025,794

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3. The Company had no transfers into or out of any of the levels during the years ended December 31, 2016 and 2015.

The following tables reflect the estimated 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 estimated fair values are categorized into the three-level fair value hierarchy as described above.

	December 31, 2016				
	Admitted Value	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Estimated Fair Value**
Bonds	**$ 1,784,948,432**	**$ -**	**$ 1,704,044,714**	**$ 88,469,671**	**$ 1,792,514,385**
Common stocks	**158,486,376**	**158,486,376**	**-**	**-**	**158,486,376**
Cash, cash equivalents and short-term investments	**66,017,743**	**66,017,743**	**-**	**-**	**66,017,743**
Receivable for securities	**1,984,828**	**1,984,828**	**-**	**-**	**1,984,828**
Accrued investment income	**14,264,080**	**-**	**14,264,080**	**-**	**14,264,080**
Total	**$ 2,026,138,461**	**$ 226,488,947**	**$ 1,718,308,794**	**$ 88,469,671**	**$ 2,033,267,412**

	December 31, 2015				
	Admitted Value	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**	**Total Estimated Fair Value**
Bonds	$ 1,614,689,086	$ -	$ 1,539,661,879	$ 102,841,462	$ 1,642,503,341
Common stocks	142,025,794	142,025,794	-	-	142,025,794
Cash, cash equivalents and short-term investments	48,507,982	48,507,982	-	-	48,507,982
Accrued investment income	13,289,653	-	13,289,653	-	13,289,653
Payable for securities	(3,167,473)	(3,167,473)	-	-	(3,167,473)
Total	$ 1,815,345,042	$ 187,366,303	$ 1,552,951,532	$ 102,841,462	$ 1,843,159,297

Bonds and Common Stocks

When available, estimated fair values are based on quoted prices in active markets that are readily and regularly obtainable. Generally, these investments are classified in Level 1 and are the most liquid of the Company's securities holdings and valuation of these securities does not involve management's judgment.

When quoted prices in active markets are not available, the determination of estimated fair value is based on market standard valuation methodologies, giving priority to observable inputs. The significant inputs to the market standard valuation methodologies for certain types of securities with reasonable levels of price transparency are inputs that are observable in the market or can be derived principally from or corroborated by observable market data. Generally, these investments are classified as Level 2.

When observable inputs are not available, the market standard valuation methodologies for determining the estimated fair value of certain types of securities that trade infrequently, and therefore have little or no price transparency, rely on inputs that are significant to the estimated fair value that are not observable in the market or cannot be derived principally from or corroborated by observable market data. These unobservable inputs can be based in large part on management's judgment or estimation, and cannot be supported by reference or market activity. Even though these inputs are unobservable, management believes they are consistent with those which other market participants would use when pricing such securities and are considered appropriate given the circumstances. Generally, these investments are classified as Level 3.

Cash, Cash Equivalents and Short-term Investments

The estimated fair value approximates carrying value and is classified as Level 1, given the nature of cash, cash equivalents and short-term investments.

Accrued Investment Income

Due to short-term nature, the Company believes there is minimal risk of material changes in interest rates or credit of the issuer, such that estimated fair value approximates carrying value. These amounts are generally classified as Level 2.

Receivable or Payable for Securities

The estimated fair value approximates carrying value as these assets or obligations are short-term in nature. These amounts are generally classified as Level 1.

4. Reinsurance

Certain premiums and losses are ceded to other insurance companies under a catastrophic excess-of-loss reinsurance agreement. The ceded reinsurance agreement is intended to provide the Company with the ability to maintain its exposure to losses within its capital resources. This reinsurance agreement does not relieve the Company from its primary obligation to policyholders, as it remains liable to its policyholders to the extent that any reinsurer does not meet its obligations for reinsurance ceded to it under reinsurance contracts. Therefore, the Company is subject to credit risk with respect to the obligations of its reinsurers, and any failure on the part of these reinsurers could have a material adverse effect on the Company's business, financial condition, and results of operations.

The Company limits the maximum net loss it can sustain for a single occurrence through the purchase of catastrophe coverage. For the annual treaty periods of 2016 and 2015 (beginning on July 1 and ending June 30), the catastrophe excess-of-loss treaty generally provides coverage for 100% of losses in excess of the Company's retention of $5 million, up to an ultimate net loss of $100 million. The ceded excess exposure is treated as the risk and liability of the assuming reinsurance carrier.

The Company assumes specific risks from selected carriers. The assumed reinsurance agreements are intended to provide the Company with the ability to provide coverage to selected policyholders whose primary business is in states where the Company has been licensed, but where the Company has not begun writing direct business. Risks assumed are subject to the underwriting standards used to write direct business.

A reconciliation of direct to net premiums, on both a written and an earned basis, is as follows:

	2016		2015	
	Written	**Earned**	**Written**	**Earned**
Direct premiums	**$ 258,910,395**	**$ 253,693,698**	$ 261,858,577	$ 269,247,225
Assumed premiums	**103,365,497**	**70,177,531**	19,971,124	20,403,558
Ceded premiums	**(2,768,970)**	**(3,611,581)**	(21,179,903)	(21,161,681)
	$ 359,506,922	**$ 320,259,648**	$ 260,649,798	$ 268,489,102

Reserves for losses and loss adjustment expenses have been increased by amounts assumed from ceding companies of $73,871,347 and $42,201,204 in 2016 and 2015, respectively.

The Company does not have any unsecured aggregate recoverable for losses, paid and unpaid, including incurred but not reported, loss adjustment expenses and unearned premium with any individual reinsurers, authorized or unauthorized, that exceeds 3% of the Company's policyholders' surplus.

The amount of assumed commissions that would be receivable from ceding companies, if all assumptive reinsurance treaties were cancelled at December 31, 2016, is $627,368.

During 2015, BrickStreet entered into a retroactive reinsurance agreement with an unrelated third-party reinsurer. In exchange for $18.75 million in premium, the reinsurer will provide adverse development cover (ADC) for claims arising from policies with effective dates from January 1, 2005 to December 31, 2014, with coverage under the Federal Coal Mine Health and Safety Act (30 U.S.C. Section 801-945), including any amendments enacted before or after the effective date of the reinsurance contract. The Company applied and received approval for a permitted practice from the WVOIC to account for this reinsurance agreement as prospective reinsurance in accordance with SSAP No. 62R. The effects of the permitted practice is shown in Note 1. The reinsurer assumes losses and LAE of up to $75 million of a $78.95 million reinsurance layer in excess of $150.5 million. As of December 31, 2016, the attachment point has been reached on an incurred basis and the Company has recorded a $23.4 million reduction in reserves related to this contract. There are currently no paid recoverable amounts recorded as of December 31, 2016.

On July 1, 2016, BrickStreet entered into certain transactions with an unaffiliated insurance company. The Company acquired the workers compensation book of business from HM Insurance Group, Inc. (HMIG). The transaction was approved by the WVOIC as well as the PID. The multi-faceted transaction consists of the following:

- The Company paid $13 million to acquire the renewal rights to an approximately $115 million book of business in the state of Pennsylvania.
- The Company entered into a retroactive reinsurance agreement where it will receive 102% of the undiscounted value of the unpaid loss and LAE liabilities of HMIG for assuming those liabilities, which are estimated at approximately $164.7 million.
- The Company will employee approximately 115 employees that previously wrote and managed the book of business for HMIG.
- The Company has entered into a purchase agreement to acquire HM Casualty from HM for statutory surplus plus $3 million. This purchase was approved and effective January 1, 2017.

BrickStreet recorded all reserves prior to the July 1, 2016 effective date as retroactive reinsurance. The resulting retroactive reserve balance is shown as:

	Assumed	Ceded
Reserves Transferred		
Initial Reserves	$ (164,717,129)	$ -
Adjustments - Prior Year	-	-
Adjustments - Current Year	(2,562,802)	-
Current Total	(167,279,931)	-
Consideration Received		
Initial Consideration	$ 168,011,471	$ -
Adjustments - Prior Year	-	-
Adjustments - Current Year	-	-
Current Total	168,011,471	-
Paid Losses Reimbursed		
Prior Years	$ -	-
Current Year	36,933,526	-
Current Total	36,933,526	-
Special Surplus from Retroactive Reinsurance		
Initial Gain or Loss	$ 3,294,342	$ -
. Adjustments - Prior Years	-	-
Adjustments - Current Year	(2,562,802)	-
Current Year Restricted Surplus	731,540	-
. Cumulative Total Transferred to Unassigned Funds	-	-
All Reinsurers Involved in Transaction with Summary Totals		
Highmark Casualty Insurance Company	$ 130,346,405	$ -

As of December 31, 2016 and 2015, the Company reported $130,346,405 and $0 of retroactive assumed losses and loss adjustment expenses, which are reported as "Other liabilities" in the accompanying consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus.

5. Income Taxes

The components of the net deferred income tax asset recorded in the Company's statutory-basis statements of admitted assets, liabilities and policyholders' surplus at December 31 are as follows:

	2016			2015		
	Ordinary	**Capital**	**Total**	**Ordinary**	**Capital**	**Total**
Total gross deferred tax assets	**$ 77,967,743**	**$ 1,598,053**	**$ 79,565,796**	$ 75,300,393	$ 736,797	$ 76,037,190
Statutory valuation allowance adjustment	**-**	**-**	**-**	-	-	-
Total adjusted gross deferred tax asset	**77,967,743**	**1,598,053**	**79,565,796**	75,300,393	736,797	76,037,190
Total deferred tax liabilities	**(4,344,100)**	**(7,448,746)**	**(11,792,846)**	(5,142,539)	(3,536,758)	(8,679,297)
Net deferred tax asset (liability)	**73,623,643**	**(5,850,693)**	**67,772,950**	70,157,854	(2,799,961)	67,357,893
Deferred tax assets nonadmitted	**(22,564,206)**	**(131,859)**	**(22,696,065)**	(26,149,496)	-	(26,149,496)
Net admitted deferred tax asset	**$ 51,059,437**	**$ (5,982,552)**	**$ 45,076,885**	$ 44,008,358	$ (2,799,961)	$ 41,208,397
Increase (decrease) in nonadmitted asset	**$ (3,585,290)**	**$ 131,859**	**$ (3,453,431)**	$ (31,853)	$ (2,617)	$ (34,470)

The following is the breakdown of the net admitted deferred income tax asset at December 31:

	2016			2015		
	Ordinary	**Capital**	**Total**	**Ordinary**	**Capital**	**Total**
Can be recovered through loss carryback (Para. 11.a)	**$ 29,443,596**	**-**	**$ 29,443,596**	$ 29,607,190	$ -	$ 29,607,190
Lesser of:						
Adjusted gross deferred tax assets expected to be realized following the balance sheet date (Para. 11.b.i)	**15,633,289**	**-**	**15,633,289**	10,993,875	607,332	11,601,207
Adjusted gross deferred tax assets allowed per limitation threshold (Para. 11.b.ii)	**111,983,602**	**-**	**111,983,602**	95,493,028	-	95,493,028
Adjusted gross deferred tax assets offset against existing deferred tax liabilities (Para. 11.c)	**10,326,652**	**1,466,194**	**11,792,846**	8,549,832	129,465	8,679,297
Deferred tax assets admitted as a result of the application of SSAP No. 101	**$ 55,403,538**	**$ 1,466,194**	**$ 56,869,731**	$ 49,150,897	$ 736,797	$ 49,887,694

The following admissibility criteria were used in the calculation of Paragraphs 11.a, 11.b, and 11.c:

	2016	**2015**
Ratio percentage used to determine recovery period and threshold limitation amount	**1,236%**	1,261%
Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in Paragraph 11.b.ii. above	**$ 712,884,901**	$ 666,397,600

Management believes it will recognize the admitted deferred tax assets without the use of tax-planning strategies.

The provisions for income taxes incurred on earnings for the years ended December 31 are:

	2016	**2015**
Current income tax expense:		
Federal and foreign income tax	**$ 12,993,301**	$ 8,671,041
Realized capital gains tax	**2,967,092**	7,725,037
Prior year underaccrual (overaccrual)	**(334,623)**	283,271
Federal and foreign income taxes incurred	**$ 15,625,770**	$ 16,679,349

The tax effect of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

	2016 Ordinary	2016 Capital	2016 Total	2015 Ordinary	2015 Capital	2015 Total
Deferred tax assets:						
Discounting of unpaid losses and loss adjustment expense	**$ 47,167,622**	**$ -**	**$ 47,167,622**	$ 50,495,422	$ -	$ 50,495,422
Unearned premium reserve	**12,133,900**	**-**	**12,133,900**	9,321,475	-	9,321,475
Impaired assets	**-**	**1,098,825**	**1,098,825**	-	-	-
Nonadmitted assets	**8,248,838**	**-**	**8,248,838**	5,263,575	-	5,265,575
Charitable contribution carryover	**4,966,298**	**-**	**4,966,298**	6,508,365	-	6,508,365
Other	**5,451,085**	**499,228**	**5,950,313**	3,711,556	736,797	4,448,353
Total deferred tax assets	**77,967,743**	**1,598,053**	**79,565,796**	75,300,393	736,797	76,037,190
Nonadmitted deferred tax assets	**(22,564,206)**	**(131,859)**	**(22,696,065)**	(26,149,496)	-	(26,149,496)
Admitted deferred tax assets	**55,403,537**	**1,466,194**	**56,869,731**	49,150,897	736,797	49,887,694
Deferred tax liabilities:						
Unrealized capital gains	**-**	**7,448,746**	**7,448,746**	-	3,536,758	3,536,758
Section 481 adjustment	**-**	**-**	**-**	324,000	-	324,000
Fixed assets	**4,323,675**	**-**	**4,323,675**	4,784,691	-	4,784,691
Other	**20,425**	**-**	**20,425**	33,848	-	33,848
Total deferred tax liabilities	**4,344,100**	**7,448,746**	**11,792,846**	5,142,539	3,536,758	8,679,297
Net admitted deferred tax assets (liabilities)	**$ 51,059,437**	**$ (5,982,552)**	**$ 45,076,885**	$ 44,008,358	$ (2,799,961)	$ 41,208,397

The change in net deferred income taxes is comprised of the following as of December 31:

	2016	2015	Change	2015	2014	Change
Total adjusted gross deferred tax assets	**$ 79,565,796**	**$ 76,037,190**	**$ 3,528,606**	$ 76,037,190	$ 79,047,190	$ (3,010,000)
Total gross deferred tax liabilities	**11,792,846**	**8,679,297**	**3,113,549**	8,679,297	11,706,194	(3,026,897)
Net deferred tax asset (liability)	**$ 67,772,950**	**$ 67,357,893**	**415,057**	$ 67,357,893	$ 67,340,996	16,897
Deferred tax on change in net unrealized capital gains			**3,911,267**			(2,406,988)
Changes in net deferred income taxes			**$ 4,326,324**			$ (2,390,091)

In 2016, there were no adjustments to gross deferred tax assets due to a change in circumstances that would lead to a change in judgment about the realizability of the related net deferred tax asset.

The following table is a reconciliation of tax rates between the statutory federal income tax rate and the Company's effective income tax rate:

	December 31, 2016	Effective Tax Rate	December 31, 2015	Effective Tax Rate
Provision computed at statutory rate	**$ 20,631,345**	**35.0 %**	$ 23,645,195	35.0 %
Nondeductible expenses	**293,768**	**0.5 %**	243,187	0.4 %
Tax-exempt interest	**(5,805,817)**	**(9.8) %**	(6,148,329)	(9.1) %
Proration on tax-exempt interest	**870,873**	**1.5 %**	922,249	1.4 %
Dividends received deduction	**(1,008,107)**	**(1.7) %**	(794,368)	(1.2) %
Proration on dividends received deduction	**151,212**	**0.3 %**	119,155	0.1 %
Prior year true-up	**157,609**	**0.3 %**	149,623	0.2 %
Historical federal tax credit	**(1,000,000)**	**(1.7) %**	-	0.0 %
Other	**(6,200)**	**0.0 %**	(33,387)	(0.0) %
Change in nonadmitted assets	**(2,985,263)**	**(5.1) %**	966,115	1.4 %
Totals	**$ 11,299,446**	**19.2 %**	$ 19,069,440	28.2 %
Federal and foreign income taxes incurred	**$ 12,658,678**	**21.5 %**	$ 8,954,312	13.3 %
Realized capital gains tax	**2,967,092**	**5.0 %**	7,725,037	11.4 %
Change in net deferred income taxes	**(4,326,324)**	**(7.3) %**	2,390,091	3.5 %
Total statutory income taxes	**$ 11,299,446**	**19.2 %**	$ 19,069,440	28.2 %

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will increase within 12 months of the reporting date.

There were no unrecognized deferred tax liabilities.

As of December 31, 2016, the Company has no remaining capital loss carryforwards and approximately $468,600 of net operating loss carryforwards that will begin to expire in 2028, if unused. In addition, as of December 31, 2016, the Company has approximately $14,189,000 of charitable contribution carryover that will begin to expire in 2017, if unused.

The following is income tax expense for 2016 and 2015 that is available for recoupment in the event of future net losses:

2016	**$**	**14,960,393**
2015		16,061,461

BrickStreet and its wholly owned subsidiaries file a consolidated federal income tax return, and are party to a federal income tax allocation agreement approved by the Board of Directors. Under the tax-sharing agreement, BrickStreet pays to or receives from its subsidiaries the amount, if any, by which the consolidated federal income tax liability was affected by virtue of inclusion of the subsidiaries in the consolidated federal income tax return. Effectively, this results in the Company's annual income tax provision being computed with adjustments, as if they filed a separate return. Intercompany tax balances are settled quarterly. Fiscal years ending on or after December 31, 2013 remain subject to examination by federal and state authorities.

6. Loss And Loss Adjustment Expenses

Activity in the liability for unpaid losses and loss adjustment expenses is summarized as follows:

	2016	2015
Balances at January 1	**$1,091,682,397**	$1,102,317,132
Less reinsurance recoverable	**-**	-
Net balances at January 1	**1,091,682,397**	1,102,317,132
Incurred related to:		
Current year	**296,959,146**	276,159,808
Prior years	**(74,195,767)**	(90,261,883)
Total incurred	**222,763,379**	185,897,925
Paid related to:		
Current year	**55,340,154**	54,583,547
Prior years	**128,094,037**	141,949,113
Total paid	**183,434,191**	196,532,660
Net balances at December 31	**1,131,011,585**	1,091,682,397
Plus reinsurance recoverable	**23,389,983**	-
Balances at December 31	**$1,154,401,568**	$1,091,682,397

As a result of changes in estimates of insured events in prior years, the reserves for losses and LAE decreased by $74,195,767 and $90,261,883 in 2016 and 2015, respectively. Increases or decreases of this nature occur as the result of claim settlements during the current year, or as additional information is received regarding individual claims, which cause changes from the original estimates of the cost of these claims.

Data related to LAE costs in administering claims in the state of West Virginia has only been available since the state ended its monopoly in 2006. Based on the limited data available, management has estimated LAE in the past based on industry norms in those states that border West Virginia. During 2016 and 2015, management, in consultation with the Company's actuaries, continued to analyze the development of LAE costs and revised the estimate for both prior and current accident years. As a result, there was approximately $8.9 million and $25.4 million in positive development related to LAE for prior loss years during 2016 and 2015, respectively.

Incurred amounts in 2016 and 2015 related to prior accident years include the change in reserves for loss and loss adjustment expenses assumed for the period July 1, 2005 through December 31, 2005 through BrickStreet's novation transaction. These amounts represent the estimated assumed claims liability as of the date of assumption, adjusted for subsequent changes in those estimates during 2016 and 2015.

As of December 31, 2016 and 2015, the Company had approximately $34.6 million and $21.1 million, respectively, estimated reserve credit recorded for deductibles on unpaid claims. In addition, as of December 31, 2016 and 2015, the current amount billed and recoverable on paid claims of $1.7 million and $1.5 million, respectively, which is included in premiums receivable.

7. Surplus and Dividend Restrictions

Surplus

The Company maintains minimum policyholders' surplus under the guidelines of the risk-based capital (RBC) requirements promulgated by the NAIC. The RBC calculation serves as a solvency level benchmark for property and casualty insurers and established required minimum capitalization levels based on a four-part formula. As of December 31, 2016, the adjusted capital of the Company was in excess of all required action levels.

Dividends

Under West Virginia insurance statute, the Company is required to maintain certain minimum amounts of policyholders' surplus. These amounts must be no less than $2,000,000. Dividends may be paid from the Company's surplus, which represents net realized savings and net realized earnings from its business. The Company did not declare nor pay any policyholder dividends in 2016 or 2015.

BrickStreet's wholly owned subsidiaries did not declare or pay any stockholder dividends during 2016 and 2015.

Special Surplus

In accordance with SSAP No. 62R, cumulative gains on the Company's retroactive reinsurance agreement are reported as special surplus in the accompanying consolidated statutory-basis statements of changes in policyholders' surplus. The special surplus gain shall remain classified as special surplus until the actual retroactive reinsurance losses reimbursed exceeds the consideration received to assume those reserves. As of December 31, 2016 and 2015, the Company reported special surplus of $731,540 and $0, respectively.

Unassigned Funds

Unassigned funds included in policyholders' surplus in the accompanying statutory-basis statements of admitted assets, liabilities and policyholders' surplus are increased (decreased) by the following as of December 31:

	2016	2015
Nonadmitted assets	**$ (46,264,173)**	$ (41,189,292)
Unrealized capital gains, net of deferred tax of $7,448,746 in 2016 and $3,536,758 in 2015	**14,269,047**	6,568,264
Deferred tax assets	**75,221,696**	70,895,372

Certain assets, designated as nonadmitted assets, have been excluded from admitted assets and charged against policyholders' surplus as follows:

	2016	2015
Premiums receivable	**$ 541,414**	$ 830,304
Deferred tax assets	**22,696,065**	26,149,496
Electronic data processing equipment	**10,525,278**	11,367,175
Furniture and equipment	**1,029,182**	991,568
Other assets	**11,472,234**	1,850,749
Total nonadmitted assets	**$ 46,264,173**	$ 41,189,292

8. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

The Company is exposed to credit-related losses in the event that a bond issuer may default on its obligation. The Company mitigates its exposure to these credit-related losses by maintaining a diversified bond portfolio with high credit ratings.

The Company also is exposed to credit-related losses in the event that a reinsurer is unable to honor its liabilities to the Company. The Company mitigates its exposure to losses from insolvent reinsurers by continuously monitoring the credit rating of all of the Company's reinsurers.

The Company has a single policyholder that represents 5.1% of the direct written premium in the current year.

The Company's cash deposits are held at a nationally recognized financial institution and, since the deposits are in excess of the federally insured limit, constitutes a concentration of credit risk. The Company mitigates its exposure to losses from these cash deposits by monitoring the financial stability of the financial institutions involved.

9. Commitments, Contingencies and Assessments

Various lawsuits against the Company have arisen in the course of the Company's business. Management does not consider contingent liabilities arising from litigation and other matters material in relation to the statutory-basis financial position of the Company.

During 2015, the Company received notification of various insolvencies. It is expected that the insolvencies will result in a prospective-based guaranty fund assessment against the Company in various jurisdictions. A liability for guaranty funding assessments has been recognized as the conditions in SSAP No. 35R, *Guaranty Fund and Other Assessments*, have been met. For premium-based assessments, the event that obligates the entity is writing the premiums, or being obligated to write or renew the premiums on which the assessments are expected to be based. The Company has accrued for expected assessments that will be based on premiums written in 2015 or earlier. The amount accrued and incurred is $539,500 and $525,000 for the years ended December 31, 2016 and 2015, respectively.

BrickStreet entered into a Limited Guaranty Agreement with Summit Community Bank for $1,500,000 on September 23, 2016. The limited guaranty is provided to the lender on behalf of a newly formed independent agency (the Agency) that conducts business with BrickStreet. The Agency's principal has personally guaranteed the principal balance to BrickStreet. BrickStreet will only be liable on the default of the Agency's loan with the borrower, Summit Community Bank. BrickStreet has entered into a security agreement with the Agency and its principal, where BrickStreet will have a security interest in 40% of workers' compensation commission and 100% of bonus commissions earned related to a separate independent insurance agency should the limited guaranty provisions be triggered. In addition, the Agency will pay BrickStreet a guaranty fee of 1% per annum of the interest due on the promissory note payable to borrower. The collectability of the loan balance will be assessed if the agency defaults on payments to the bank. No assessment has been considered necessary as of December 31, 2016.

10. Defined Contribution Plan

The Company sponsors a defined savings plan under Section 401(k) of the Internal Revenue Code covering substantially all of its employees. The Company matches employee contributions up to 7% of total compensation. Employer contributions are immediately vested when paid. Profit-sharing contributions, which can be made at the discretion of the Board of Directors, vest immediately. Total employer and profit-sharing contributions were $2,201,031 and $2,005,989 for the years ended December 31, 2016 and 2015, respectively.

The Company has also adopted an executive compensation plan that provides for deferred bonuses for selected executives. Executives are credited with deferred amounts when the Company hits certain targets and, if they remain with the Company for the required time periods, the amounts will be paid out. The total accrual for these amounts was $9,272,860 and $8,450,939 as of December 31, 2016 and 2015, respectively. During 2015, the Company adopted a supplemental plan for selected individuals. The plan provides for contributions at the Company's discretion with employee vesting at age 60 or when certain vesting events occur. The total accrual under this plan was $2,333,842 and $1,035,960 as of December 31, 2016 and 2015, respectively. These compensation liabilities are recorded in "Accounts payable and accrued expenses" in the accompanying consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus.

11. Leases

The Company leases office space under various operating lease arrangements that expire on various dates through April 30, 2027. Office lease expense for the years ended December 31, 2016 and 2015 was $265,193 and $244,457, respectively. In 2016, the Company entered into a new operating lease agreement for a regional office in Pittsburgh, Pennsylvania. Future minimum rental payments are as follows:

2017	$	721,107
2018		835,641
2019		816,974
2020		715,704
2021		730,018
Thereafter		4,149,065
	$	7,968,509

In 2012, the Company and an unaffiliated entity, entered into a 15-year agreement to lease office space from the Company's home office in Charleston, West Virginia. The agreement stipulates a portion of the lease to be paid with cash and the remaining amount with advertising credits. Pursuant to the lease agreement, the Company recognized $325,000 of rental income per year in both 2016 and 2015. Future minimum rental income payments are as follows:

2017	$	325,000
2018		325,000
2019		325,000
2020		325,000
2021		325,000
Thereafter		1,679,167
	$	3,304,167

12. Non-Claim Expenses

The material components of the Company's non-claim expenses for the years ended December 31 are as follows:

	2016			
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
Claim adjustment expenses	$ 14,586,683	$ -	$ -	$ 14,586,683
Commissions	-	29,950,070	-	29,950,070
Advertising	5,042	4,449,971	12	4,455,025
Salaries	21,355,712	22,232,526	90,527	43,678,765
Employee relations and welfare	4,889,947	5,010,070	11,651	9,911,668
Rent and rent items	1,135,837	1,165,547	-	2,301,384
Cost or depreciation of EDP equipment and software	5,766,393	4,118,929	5,129	9,890,451
Legal and auditing	1,393,586	4,045,841	3,075,962	8,515,389
Depreciation on real estate	-	-	749,383	749,383
All other expenses	3,116,879	21,709,905	324,809	25,151,593
	$ 52,250,079	$ 92,682,859	$ 4,257,473	$ 149,190,411

	2015			
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
Claim adjustment expenses	$ 11,226,956	$ -	$ -	$ 11,226,956
Commissions	-	23,726,906	-	23,726,906
Advertising	1,636	14,085,909	6	14,087,551
Salaries	13,468,228	19,701,846	107,586	33,277,660
Employee relations and welfare	2,791,985	4,275,313	29,066	7,096,364
Rent and rent items	797,780	1,280,483	7,043	2,085,306
Cost or depreciation of EDP equipment and software	3,823,822	3,300,062	4,589	7,128,473
Legal and auditing	896,253	2,526,545	2,464,455	5,887,253
Depreciation on real estate	-	-	728,034	728,034
All other expenses	2,731,584	13,844,865	328,129	16,904,578
	$ 35,738,244	$ 82,741,929	$ 3,668,908	$ 122,149,081

13. Electronic Data Processing Equipment

Electronic data processing equipment carried by the Company as admitted assets as of December 31 is summarized as follows:

	2016	2015
Electronic data processing equipment, at cost	**$ 10,556,662**	$ 8,635,728
Accumulated depreciation	**(8,408,893)**	(7,480,022)
Total	**$ 2,147,769**	$ 1,155,706

Total depreciation expense on electronic data processing equipment for 2016 and 2015 was $928,871 and $909,653, respectively. Total depreciation and amortization for all remaining fixed assets, including real estate and nonadmitted fixed assets, was $8,208,944 and $7,939,261 for 2016 and 2015, respectively.

14. Related-Party Transactions

BrickStreet Foundation, Inc. (the Foundation), a company granted tax-exempt status under Section 501(c)(3) of the Internal Revenue Code, is related through common management, whereby a portion of the management of the Foundation is the same as that of the Company. The Company contributed $0 and $10 million to the Foundation in 2016 and 2015, respectively.

15. Subsequent Events

The Company evaluated the recognition and disclosure of subsequent events for its consolidated statutory-basis financial statements through May 16, 2017, the date the consolidated statutory-basis financial statements were available to be issued. There were no subsequent events, other than those discussed below, through the report date, that merit disclosure or which would have a material impact on the consolidated statutory-basis condition of the Company:

- During 2016, the Company entered into various agreements with an unrelated insurance company. One of the agreements was a stock purchase agreement for HM Casualty Insurance Company (HM Casualty). The stock purchase agreement was executed and BrickStreet acquired 100% of HM Casualty on January 1, 2017. The purchase price was statutory surplus of HM Casualty plus $3 million. The most recent estimates related to the new subsidiary are that it will hold approximately $39.1 million in assets, $19.9 million in liabilities and have surplus of approximately $19.1 million. On December 30, 2016 BrickStreet made an estimated pre-funding payment of approximately $21.1 million related to this purchase which is reported as "Other assets" in the accompanying consolidated statutory-basis statements of admitted assets, liabilities and policyholders' surplus as of December 31, 2016. A final settlement will be made when HM Casualty finalizes its December 31, 2016 financial statements.

- Prior to December 31, 2016, the Company had negotiated to enter into an affiliation agreement with an unrelated group of insurance companies. At December 31, 2016, the agreement was pending regulatory approval. Final regulatory approval was obtained and the affiliation agreement was executed on April 24, 2017. As a part of the affiliation, the Company will enter into a pooling arrangement with the counterparty to the agreement, share certain administrative services, and enter into additional agreements to facilitate the effectiveness of the affiliation in meeting combined goals of the parties. The board of directors of all parties to the affiliation will be reconstituted to include a mixture of board members from the pre-affiliation board of directors.

Supplementary Information

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidating Statutory-Basis Statement of Admitted Assets, Liabilities and Policyholders' Surplus
December 31, 2016

	BrickStreet Mutual Insurance Company	NorthStone Insurance Company	SummitPoint Insurance Company	PinnaclePoint Insurance Company	Elimination of Intercompany Balances	Consolidated
ADMITTED ASSETS						
Cash and invested assets:						
Bonds	$ 1,697,617,443	$ 29,533,986	$ 27,927,210	$ 29,869,793	$ -	$ 1,784,948,432
Common stocks	192,778,673	-	-	-	(34,292,297)	158,486,376
Property occupied by the Company	20,079,938	-	-	-	-	20,079,938
Cash, cash equivalents and short-term investments	40,831,799	7,779,573	9,065,069	8,341,302	-	66,017,743
Receivable for securities	1,984,828	-	-	-	-	1,984,828
Other invested assets	437,000	-	-	-	-	437,000
Total cash and invested assets	1,953,729,681	37,313,559	36,992,279	38,211,095	(34,292,297)	2,031,954,317
Accrued investment income	13,600,217	217,699	213,222	232,942	-	14,264,080
Premiums receivable	133,210,799	14,584,261	12,319,770	21,365,770	(48,269,801)	133,210,799
Amounts recoverable from reinsurers	1,150,407	1,771,326	790,173	1,372,181	(5,084,087)	-
Deposits under assumption agreements	1,028,083	19,943	18,740	24,560	-	1,091,326
Federal income tax recoverable	500,372	-	-	-	(500,372)	-
Net deferred income tax asset	43,198,973	658,413	580,340	639,159	-	45,076,885
Electronic data processing equipment and software, net	2,147,769	-	-	-	-	2,147,769
Receivables from parent, subsidiaries and affiliates	7,065,475	-	-	-	(7,065,475)	-
Other assets	26,920,131	150,052	488,997	238,922	-	27,798,102
Total admitted assets	$ 2,182,551,907	$ 54,715,253	$ 51,403,521	$ 62,084,629	$ (95,212,032)	$ 2,255,543,278

	BrickStreet Mutual Insurance Company	NorthStone Insurance Company	SummitPoint Insurance Company	PinnaclePoint Insurance Company	Elimination of Intercompany Balances	Consolidated
LIABILITIES AND POLICYHOLDERS' SURPLUS						
Liabilities:						
Loss reserves	$ 912,851,739	$ 19,422,377	$ 19,422,377	$ 19,422,377	$ -	$ 971,118,870
Loss adjustment expense reserves	150,299,153	3,197,854	3,197,854	3,197,854	-	159,892,715
Reinsurance payable on paid losses and loss adjustment expenses	4,334,008	383,469	383,469	383,469	(5,084,087)	400,328
Commissions payable	13,835,650	294,376	294,376	294,376	-	14,718,778
Accounts payable and other accrued expenses	34,368,543	885,423	608,157	1,255,623	-	37,117,746
Federal income taxes payable	-	513,982	299,856	259,893	(500,372)	573,359
Unearned premiums	160,775,825	3,420,762	3,420,762	3,420,762	-	171,038,111
Premiums collected in advance	1,647,862	241,665	76,551	337,230	-	2,303,308
Ceded reinsurance premiums payable, net of ceding commissions	8,831,622	11,920,045	9,655,554	18,701,554	(48,269,801)	838,974
Remittances and items not allocated	785,851	139,780	163,966	91,985	-	1,181,582
Payable to parent, subsidiaries and affiliates	-	2,617,884	1,565,647	2,881,944	(7,065,475)	-
Other liabilities	138,737,780	335,362	833,356	369,135	-	140,275,633
Total liabilities	1,426,468,033	43,372,979	39,921,925	50,616,202	(60,919,735)	1,499,459,404
Policyholders' surplus	756,083,874	11,342,274	11,481,596	11,468,427	(34,292,297)	756,083,874
Total liabilities and policyholders' surplus	$ 2,182,551,907	$ 54,715,253	$ 51,403,521	$ 62,084,629	$ (95,212,032)	$ 2,255,543,278

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidating Statutory-Basis Statement of Operations
Year Ended December 31, 2016

	BrickStreet Mutual Insurance Company	NorthStone Insurance Company	SummitPoint Insurance Company	PinnaclePoint Insurance Company	Elimination of Intercompany Balances	Consolidated
Revenues:						
Premiums earned, net	$ 301,044,069	$ 6,405,193	$ 6,405,193	$ 6,405,193	$ -	$ 320,259,648
Expenses:						
Losses incurred	160,282,502	3,410,266	3,410,266	3,410,266	-	170,513,300
Loss adjustment expenses incurred	49,115,073	1,045,002	1,045,002	1,045,002	-	52,250,079
Other underwriting expenses incurred	87,121,888	1,853,657	1,853,657	1,853,657	-	92,682,859
Net underwriting gain	4,524,606	96,268	96,268	96,268	-	4,813,410
Investment income:						
Investment income earned, net	47,114,842	667,896	751,035	791,763	-	49,325,536
Net realized capital gains (losses)	2,939,588	(117,740)	(46,003)	(72,361)	-	2,703,484
Net investment income	50,054,430	550,156	705,032	719,402	-	52,029,020

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidating Statutory-Basis Statement of Operations
Year Ended December 31, 2016

(Continued)

	BrickStreet Mutual Insurance Company	NorthStone Insurance Company	SummitPoint Insurance Company	PinnaclePoint Insurance Company	Elimination of Intercompany Balances	Consolidated
Other income (expense):						
Net loss from agents' or premium balances charged off	$ (1,543,728)	$ (32,845)	$ (32,845)	$ (32,845)	$ -	$ (1,642,263)
Other income	792,719	1,735	(7,165)	(7,849)	-	779,440
Total other expense	(751,009)	(31,110)	(40,010)	(40,694)	-	(862,823)
Income before income taxes	53,828,027	615,314	761,290	774,976	-	55,979,607
Income tax expense	11,690,855	482,705	255,426	229,692	-	12,658,678
Net income	$ 42,137,172	$ 132,609	$ 505,864	$ 545,284	$ -	$ 43,320,929

See independent auditors' report on the supplementary information.

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidating Statutory-Basis Statement of Changes in Policyholders' Surplus
Year Ended December 31, 2016

	BrickStreet Mutual Insurance Company	NorthStone Insurance Company	SummitPoint Insurance Company	PinnaclePoint Insurance Company	Elimination of Intercompany Balances	Consolidated
Balance, December 31, 2015	$ 705,810,719	$ 11,130,149	$ 10,953,558	$ 10,916,717	$ (33,000,424)	$ 705,810,719
Net income	42,137,172	132,609	505,864	545,284	-	43,320,929
Change in net unrealized capital gains, net of deferred income taxes	8,992,656	-	-	-	(1,291,873)	7,700,783
Change in net deferred income taxes	3,903,553	290,791	76,108	55,872	-	4,326,324
Change in nonadmitted assets	(4,760,226)	(211,275)	(53,934)	(49,446)	-	(5,074,881)
Balance, December 31, 2016	$ 756,083,874	$ 11,342,274	$ 11,481,596	$ 11,468,427	$ (34,292,297)	$ 756,083,874

See independent auditors' report on the supplementary information.

BrickStreet Mutual Insurance Company and Subsidiaries
Consolidated Summary Investment Schedule
December 31, 2016

	2016		Admitted Assets as Reported in the Annual Statement	
	Amount	Percentage	Amount	Percentage
Bonds:				
U.S. Treasury securities	$ 80,028,388	3.9%	$ 80,028,388	3.9%
U.S. government agency and corporate obligations (excluding mortgage-backed securities)				
Issued by U.S. government agencies	-	0.0%	-	0.0%
Issued by U.S. government-sponsored agencies	24,514,027	1.2%	24,514,027	1.2%
Foreign government (including Canada, excluding mortgage-backed securities)	12,616,823	0.6%	12,616,823	0.6%
Securities issued by states, territories and possessions and political subdivisions in the U.S.				
States, territories and possessions general obligations	53,722,255	2.6%	53,722,255	2.6%
Political subdivisions of states, territories and possessions and political subdivisions general obligations	106,077,074	5.2%	106,077,074	5.2%
Revenue and assessment obligations	411,895,726	20.3%	411,895,726	20.3%
Industrial development and similar obligations	15,282,026	0.8%	15,282,026	0.8%
Mortgage-backed securities (includes residential and commercial MBS)				
Pass-through securities				
Issued or guaranteed by GNMA	6,128,979	0.3%	6,128,979	0.3%
Issued or guaranteed by FNMA and FHLMC	234,265,859	11.5%	234,265,859	11.5%
All other	-	0.0%	-	0.0%
CMOs and REMICs				
Issued or guaranteed by GNMA, FNMA, FHLMC or VA	17,402,770	0.9%	17,402,770	0.9%
Issued by non-U.S. government issuers and collateralized by mortgage-backed securities issued or guaranteed by GNMA, FNMA, FHLMC or VA	-	0.0%	-	0.0%
All other privately issued	113,044,167	5.6%	113,044,167	5.6%
Other debt and other fixed-income securities (excluding short-term):				
Unaffiliated domestic securities (includes credit tenant loans rated by the SVO)	565,310,415	27.8%	565,310,415	27.8%
Unaffiliated foreign securities	144,659,923	7.1%	144,659,923	7.1%
Affiliated securities	-	0.0%	-	0.0%
Equity interests:				
Investments in mutual funds	32,650,934	1.6%	32,650,934	1.6%
Preferred stocks				
Affiliated	-	0.0%	-	0.0%
Unaffiliated	-	0.0%	-	0.0%
Publicly traded equity securities (excluding preferred stocks)				
Affiliated	-	0.0%	-	0.0%
Unaffiliated	-	0.0%	-	0.0%
Other equity securities				
Affiliated	-	0.0%	-	0.0%
Unaffiliated	125,835,442	6.2%	125,835,442	6.2%
Other equity interests including tangible personal property under lease				
Affiliated	-	0.0%	-	0.0%
Unaffiliated	-	0.0%	-	0.0%

	2016		Admitted Assets as Reported in the Annual Statement	
	Amount	**Percentage**	**Amount**	**Percentage**
Mortgage loans:				
Construction and land development	$ -	0.0%	$ -	0.0%
Agricultural	-	0.0%	-	0.0%
Single-family residential properties	-	0.0%	-	0.0%
Multifamily residential properties	-	0.0%	-	0.0%
Commercial loans	-	0.0%	-	0.0%
Real estate investments:				
Property occupied by Company	20,079,938	1.0%	20,079,938	1.0%
Property held for production of income (includes $0 of property acquired in satisfaction of debt)	-	0.0%	-	0.0%
Property held for sale ($0 including property acquired in satisfaction of debt)	-	0.0%	-	0.0%
Policy loans	-	0.0%	-	0.0%
Receivables for securities	1,984,828	0.1%	1,984,828	0.1%
Cash, cash equivalents and short-term investments	66,017,743	3.3%	66,017,743	3.3%
Other invested assets	437,000	0.0%	437,000	0.0%
Total invested assets	$ 2,031,954,317	100.0%	$ 2,031,954,317	100.0%

Address	**Charleston, West Virginia**
NAIC Group Code	**4768**
NAIC Company Code	**12372**
Employer's ID Number	**20-2394166**

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory-Basis Financial Statements.

Answer the following interrogatories by stating the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported in the Consolidated Statutory-Basis Statement of Admitted Assets, Liabilities and Policyholders' Surplus:

$ 2,255,543,278

2. Ten largest exposures to a single issuer/borrower/investment.

	Issuer	Description of Exposure	Amount	Percentage of Total Admitted Assets
2.01	Federal National Mortgage Association	Bonds, MBS, CMO	$ 166,142,758	7.366%
2.02	Federal Home Loan Mortgage Corporation	Bonds, MBS, CMO	108,133,002	4.794%
2.03	iShares Trust	Equity	31,535,191	1.398%
2.04	Morgan Stanley	Bonds, Equity, MBS	14,219,311	0.630%
2.05	Wisconsin, State of	Municipal	12,231,192	0.542%
2.06	JPMorgan Chase & Co.	Bonds, Equity	12,105,841	0.537%
2.07	Microsoft Corporation	Bonds, Equity	12,096,495	0.536%
2.08	Wells Fargo & Company	Bonds, Equity	11,814,790	0.524%
2.09	Apple Inc.	Bonds, Equity	11,644,110	0.516%
2.10	West Virginia, State of	Municipal	9,928,990	0.440%

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds (including short-term investments) and preferred stocks by NAIC rating.

	NAIC Rating	Amount	Percentage of Total Admitted Assets
Bonds:			
3.01	NAIC-1	$ 1,680,186,605	74.491%
3.02	NAIC-2	129,119,353	5.725%
3.03	NAIC-3	1,976,600	0.088%
3.04	NAIC-4	1,879,735	0.083%
3.05	NAIC-5	-	-%
3.06	NAIC-6	-	-%
Preferred Stocks:			
3.07	P/RP-1	-	-%
3.08	P/RP-2	-	-%
3.09	P/RP-3	-	-%
3.10	P/RP-4	-	-%
3.11	P/RP-5	-	-%
3.12	P/RP-6	-	-%

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets?

Yes [ ] No [X]

4.02	Total admitted assets held in foreign investments	$ 152,434,912	6.758%
4.03	Foreign currency-denominated investments	-	-%
4.04	Insurance liabilities denominated in that same foreign currency	-	-%

If response to 4.01 above is yes, responses are not required for Interrogatories 5-10.

5. Aggregate foreign investment exposure categorized by NAIC sovereign rating:

5.01	Countries rated NAIC-1	$ 144,154,096	6.391%
5.02	Countries rated NAIC-2	6,401,081	0.284%
5.03	Countries rated NAIC-3 or below	1,879,735	0.083%

6. Two largest foreign investment exposures to a single country, categorized by the country's NAIC sovereign rating:

			Amount	Percentage of Total Admitted Assets
	Countries rated NAIC-1:			
6.01	Country: United Kingdom	$	31,867,399	1.413%
6.02	Country: Switzerland		18,646,482	0.827%
	Countries rated NAIC-2:			
6.03	Country: Mexico	$	4,077,015	0.181%
6.04	Country: Columbia		1,500,015	0.067%
	Countries rated NAIC-3 or below:			
6.05	Country: Brazil	$	1,879,735	0.083%
6.06	Country:		-	-%

7.	**Aggregate unhedged foreign currency exposure:**	$	-	-%

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign rating:

8.01	Countries rated NAIC-1	$	-	-%
8.02	Countries rated NAIC-2		-	-%
8.03	Countries rated NAIC-3 or below		-	-%

9. Two largest unhedged foreign currency exposures to a single country, categorized by the country's NAIC sovereign rating:

	Countries rated NAIC-1:			
9.01	Country:	$	-	-%
9.02	Country:		-	-%
	Countries rated NAIC-2:			
9.03	Country:	$	-	-%
9.04	Country:		-	-%
	Countries rated NAIC-3 or below:			
9.05	Country:	$	-	-%
9.06	Country:		-	-%

10. Ten largest non-sovereign (i.e., non-governmental) foreign issues:

	Issuer	NAIC Rating	Amount	Percentage of Total Admitted Assets
10.01	Medtronic, Inc.	1FE	$ 8,625,584	0.382%
10.02	HSBC Holdings PLC	1FE	7,890,862	0.350%
10.03	UBS AG	1FE	7,609,302	0.337%
10.04	American Honda Finance Corporation	1FE	6,801,295	0.302%
10.05	Anheuser-Busch Inbev Finance Inc.	1FE	6,760,043	0.300%
10.06	GlaxoSmithKline Capital PLC	1FE	5,610,916	0.249%
10.07	BNP Paribas	1FE	5,530,731	0.245%
10.08	Actavis Funding SCS	2FE	5,506,779	0.244%
10.09	Macquarie Bank Limited	1FE	4,499,315	0.199%
10.10	National Australia Bank Limited	1FE	4,494,612	0.199%

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.

11.02	Total admitted assets held in Canadian investments	$ 9,603,513	0.426%
11.03	Canadian currency-denominated investments	-	-%
11.04	Canadian-denominated insurance liabilities	-	-%
11.05	Unhedged Canadian currency exposure	-	-%

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions:

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

12.02 Aggregate statement value of investments with contractual sales restrictions:

$ - -%

Largest 3 investments with contractual sales restrictions:

12.03	$ -	-%
12.04	-	-%
12.05	-	-%

13. Amounts and percentages of admitted assets held in the largest 10 equity interests:

13.01 Are assets held in equity interests less than 2.5% of the reporting entity's total admitted assets?

Yes [ ] No [X]

If response to 13.01 is yes, responses are not required for the remainder of Interrogatory 13.

Assets held in equity interests:

	Name of Issuer		Amount	Percentage of Total Admitted Assets
13.02	iShares Trust	$	31,535,191	1.398%
13.03	Microsoft Corporation		2,925,551	0.130%
13.04	Exxon Mobil Corporation		2,560,044	0.114%
13.05	Johnson & Johnson		2,372,174	0.105%
13.06	AT&T Inc.		2,293,175	0.102%
13.07	General Electric Company		2,251,500	0.100%
13.08	Verizon Communications Inc.		2,111,393	0.094%
13.09	The Procter & Gamble Company		2,068,452	0.092%
13.10	Apple Inc.		2,007,161	0.089%
13.11	Pfizer Inc.		1,961,402	0.087%

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

14.02 Aggregate statement value of assets held in nonaffiliated, privately placed equities:

$	-	-%

Largest 3 investments held in nonaffiliated, privately placed equities:

14.03		$	-	-%
14.04			-	-%
14.05			-	-%

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

15.02 Aggregate statement value of investments held in general partnership interests:

	Name of Issuer	Amount	Percentage of Total Admitted Assets
		$ -	-%

Largest 3 investments in general partnership interests:

15.03		$ -	-%
15.04		-	-%
15.05		-	-%

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	Type (Residential, Commercial, Agriculture)	Amount	Percentage of Total Admitted Assets
16.02		$ -	-%
16.03		-	-%
16.04		-	-%
16.05		-	-%
16.06		-	-%
16.07		-	-%
16.08		-	-%
16.09		-	-%
16.10		-	-%
16.11		-	-%

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

			Loans	Percentage of Total Admitted Assets
16.12	Construction loans	$	-	-%
16.13	Mortgage loans over 90 days past due		-	-%
16.14	Mortgage loans in the process of foreclosure		-	-%
16.15	Mortgage loans foreclosed		-	-%
16.16	Restructured mortgage loans		-	-%

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

	Loan-to-Value	**Residential**			**Commercial**			**Agricultural**		
17.01	Above 95%	$	-	-%	$	-	-%	$	-	-%
17.02	91% to 95%		-	-%		-	-%		-	-%
17.03	81% to 90%		-	-%		-	-%		-	-%
17.04	71% to 80%		-	-%		-	-%		-	-%
17.05	Below 70%		-	-%		-	-%		-	-%

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?

Yes [X] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate:

	Description		**Loans**	**Percentage of Total Admitted Assets**
18.02	Construction loans	$	-	-%
18.03	Mortgage loans over 90 days past due		-	-%
18.04	Mortgage loans in the process of foreclosure		-	-%
18.05	Mortgage loans foreclosed		-	-%
18.06	Restructured mortgage loans		-	-%

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in mezzanine real estate loans.

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's admitted assets?

Yes [X] No [ ]

If response to 19.01 above is yes, responses are not required for the remainder of Interrogatory 19.

19.02 Aggregate statement value of investments held in mezzanine real estate loans:

		Loans	Percentage of Total Admitted Assets
		$ -	-%

Largest three investments held in mezzanine real estate loans:

		Loans	Percentage of Total Admitted Assets
19.03	Construction loans	$ -	-%
19.04	Mortgage loans over 90 days past due	-	-%
19.05	Mortgage loans in the process of foreclosure	-	-%

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year End		At End of Each Quarter		
				1st Qtr	2nd Qtr	3rd Qtr
20.01	Securities lending (do not include assets held as collateral for such transactions)	$ -	-%	$ -	$ -	$ -
20.02	Repurchase agreements	-	-%	-	-	-
20.03	Reverse repurchase agreements	-	-%	-	-	-
20.04	Dollar repurchase agreements	-	-%	-	-	-
20.05	Dollar reverse repurchase agreements	-	-%	-	-	-

21. Amounts and percentages indicated below for warrants not attached to other financial instruments, options, caps, and floors:

		Owned		Written	
21.01	Hedging	$ -	-%	$ -	-%
21.02	Income generation	-	-%	-	-%
21.03	Other	-	-%	-	-%

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year End			At End of Each Quarter		
					1st Qtr	2nd Qtr	3rdQtr
22.01	Hedging	$	-	-%	$ -	$ -	$ -
22.02	Income generation		-	-%	-	-	-
22.03	Replications		-	-%	-	-	-
22.04	Other		-	-%	-	-	-

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

		At Year End			At End of Each Quarter		
					1st Qtr	2nd Qtr	3rd Qtr
23.01	Hedging	$	-	-%	$ -	$ -	$ -
23.02	Income generation		-	-%	-	-	-
23.03	Replications		-	-%	-	-	-
23.04	Other		-	-%	-	-	-