PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

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QUARTERLY STATEMENT

AS OF MARCH 31, 2022

OF THE CONDITION AND AFFAIRS OF THE

FLAGSHIP CITY INSURANCE COMPANY

NAIC Group Code 213 (Current Period) 213 (Prior Period) **NAIC Company Code** 35585 **Employer's ID Number** 25-1675935

Organized under the Laws of the State of PENNSYLVANIA **State of Domicile or Port of Entry** PENNSYLVANIA

Country of Domicile U.S. **Incorporated** January 22, 1992 **Commenced Business** November 1, 1992

Statutory Home Office 100 Erie Insurance Place (Street and Number) Erie, PA 16530 (City or Town, State and Zip Code)

Main Administrative Office 100 Erie Insurance Place (Street and Number) Erie, PA 16530 (City or Town, State and Zip Code) 814-870-2000 (Area Code) (Telephone Number)

Mail Address 100 Erie Insurance Place (Street and Number) Erie, PA 16530 (City or Town, State and Zip Code)

Primary Location of Books and Records 100 Erie Insurance Place (Street and Number) Erie, PA 16530 (City or Town, State and Zip Code) 814-870-2000 (Area Code) (Telephone Number)

Internet Website Address www.erieinsurance.com

Statutory Statement Contact Jorie Lee Novacek (Name) 814-870-2000 x 4248 (Area Code) (Telephone Number) (Extension)

Jorie.Novacek@erieinsurance.com (E-Mail Address) 814-870-4040 (Area Code) (Fax Number)

DIRECTORS

Brian William Bolash
Gregory John Gutting
Jonathan Hirt Hagen, Chairman
Christina Marie Marsh
Robert Wayne McNutt
Timothy Gerard NeCastro

EXECUTIVE OFFICERS

President & Chief Executive Officer:	Timothy Gerard NeCastro	Executive Vice President & Chief Financial Officer:	Gregory John Gutting
Executive Vice President, Secretary & General Counsel:	Brian William Bolash#	Executive Vice President:	Lorianne Feltz
Executive Vice President:	Douglas Edward Smith		

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ASSETS

	Current Statement Date 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
1. Bonds	13,197,043		13,197,043	12,879,305
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less $ ..... encumbrances)				
4.2 Properties held for the production of income (less $ ..... encumbrances)				
4.3 Properties held for sale (less $ ..... encumbrances)				
5. Cash ($ 221,538), cash equivalents ($ 547,388) and short-term investments ($ .....)	768,926		768,926	177,816
6. Contract loans (including $ ..... premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	13,965,969		13,965,969	13,057,121
13. Title plants less $ ..... charged off (for Title insurers only)				
14. Investment income due and accrued	113,063		113,063	119,833
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	3,468,244		3,468,244	2,637,488
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ ..... earned but unbilled premiums)	42,180,905		42,180,905	35,767,078
15.3 Accrued retrospective premiums ($ .....) and contracts subject to redetermination ($ .....)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				2,764
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets ($ .....)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care ($ .....) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	59,728,181		59,728,181	51,584,284
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	59,728,181		59,728,181	51,584,284
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31, Prior Year
1.	Losses (current accident year $)		
2.	Reinsurance payable on paid losses and loss adjustment expenses		
3.	Loss adjustment expenses		
4.	Commissions payable, contingent commissions and other similar charges		
5.	Other expenses (excluding taxes, licenses and fees)		
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1	Current federal and foreign income taxes (including $ on realized capital gains (losses))	6,709	
7.2	Net deferred tax liability	618	605
8.	Borrowed money $ and interest thereon $		
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of $ 63,481,427 and including warranty reserves of $ and accrued accident and health experience rating refunds including $ for medical loss ratio rebate per the Public Health Service Act)		
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	45,494,669	37,392,775
13.	Funds held by company under reinsurance treaties		
14.	Amounts withheld or retained by company for account of others	341,283	354,311
15.	Remittances and items not allocated	34,735	47,823
16.	Provision for reinsurance (including $ certified)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	1,914	736
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ and interest thereon $		
25.	Aggregate write-ins for liabilities		
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	45,879,928	37,796,250
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	45,879,928	37,796,250
29.	Aggregate write-ins for special surplus funds		
30.	Common capital stock	2,350,000	2,350,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus	2,925,000	2,925,000
35.	Unassigned funds (surplus)	8,573,253	8,513,034
36.	Less treasury stock, at cost:		
	36.1 shares common (value included in Line 30 $)		
	36.2 shares preferred (value included in Line 31 $)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36)	13,848,253	13,788,034
38.	Totals (Page 2, Line 28, Col. 3)	59,728,181	51,584,284
	DETAILS OF WRITE-INS		
2501.			
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)		
2901.			
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)		
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

		1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
	UNDERWRITING INCOME			
1.	Premiums earned:			
	1.1 Direct (written $ 40,503,830)	33,631,172	31,993,174	129,232,602
	1.2 Assumed (written $)			
	1.3 Ceded (written $ 40,503,830)	33,631,172	31,993,174	129,232,602
	1.4 Net (written $)			
	DEDUCTIONS:			
2.	Losses incurred (current accident year $):			
	2.1 Direct	18,357,809	13,076,151	91,777,754
	2.2 Assumed			
	2.3 Ceded	18,357,809	13,076,151	91,777,754
	2.4 Net			
3.	Loss adjustment expenses incurred			
4.	Other underwriting expenses incurred			
5.	Aggregate write-ins for underwriting deductions			
6.	Total underwriting deductions (Lines 2 through 5)			
7.	Net income of protected cells			
8.	Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)			
	INVESTMENT INCOME			
9.	Net investment income earned	69,705	83,066	296,251
10.	Net realized capital gains (losses) less capital gains tax of $		4,787	2,848
11.	Net investment gain (loss) (Lines 9 + 10)	69,705	87,853	299,099
	OTHER INCOME			
12.	Net gain or (loss) from agents' or premium balances charged off (amount recovered $ amount charged off $)			
13.	Finance and service charges not included in premiums			
14.	Aggregate write-ins for miscellaneous income			
15.	Total other income (Lines 12 through 14)			
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	69,705	87,853	299,099
17.	Dividends to policyholders			
18.	Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	69,705	87,853	299,099
19.	Federal and foreign income taxes incurred	9,473	9,206	40,671
20.	Net income (Line 18 minus Line 19)(to Line 22)	60,232	78,647	258,428
	CAPITAL AND SURPLUS ACCOUNT			
21.	Surplus as regards policyholders, December 31 prior year	13,788,034	13,529,799	13,529,799
22.	Net income (from Line 20)	60,232	78,647	258,428
23.	Net transfers (to) from Protected Cell accounts			
24.	Change in net unrealized capital gains (losses) less capital gains tax of $			
25.	Change in net unrealized foreign exchange capital gain (loss)			
26.	Change in net deferred income tax	(13)	18	(193)
27.	Change in nonadmitted assets			
28.	Change in provision for reinsurance			
29.	Change in surplus notes			
30.	Surplus (contributed to) withdrawn from protected cells			
31.	Cumulative effect of changes in accounting principles			
32.	Capital changes:			
	32.1 Paid in			
	32.2 Transferred from surplus (Stock Dividend)			
	32.3 Transferred to surplus			
33.	Surplus adjustments:			
	33.1 Paid in			
	33.2 Transferred to capital (Stock Dividend)			
	33.3 Transferred from capital			
34.	Net remittances from or (to) Home Office			
35.	Dividends to stockholders			
36.	Change in treasury stock			
37.	Aggregate write-ins for gains and losses in surplus			
38.	Change in surplus as regards policyholders (Lines 22 through 37)	60,219	78,665	258,235
39.	Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	13,848,253	13,608,464	13,788,034
	DETAILS OF WRITE-INS			
0501.				
0502.				
0503.				
0598.	Summary of remaining write-ins for Line 5 from overflow page			
0599.	Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)			
1401.				
1402.				
1403.				
1498.	Summary of remaining write-ins for Line 14 from overflow page			
1499.	Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)			
3701.				
3702.				
3703.				
3798.	Summary of remaining write-ins for Line 37 from overflow page			
3799.	Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	857,311	(109,946)	(324,736)
2. Net investment income	110,960	115,371	438,681
3. Miscellaneous income			
4. Total (Lines 1 to 3)	968,271	5,425	113,945
5. Benefit and loss related payments			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions			
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of $ ..... tax on capital gains (losses)			40,664
10. Total (Lines 5 through 9)			40,664
11. Net cash from operations (Line 4 minus Line 10)	968,271	5,425	73,281
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	350,000	960,584	2,756,728
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds		303,340	303,340
12.8 Total investment proceeds (Lines 12.1 to 12.7)	350,000	1,263,924	3,060,068
13. Cost of investments acquired (long-term only):			
13.1 Bonds	702,224	558,943	2,763,710
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications		368,011	368,011
13.7 Total investments acquired (Lines 13.1 to 13.6)	702,224	926,954	3,131,721
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(352,224)	336,970	(71,653)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(24,937)	11,921	85,480
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(24,937)	11,921	85,480
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	591,110	354,316	87,108
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	177,816	90,708	90,708
19.2 End of period (Line 18 plus Line 19.1)	768,926	445,024	177,816

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