

**WESTERN GENERAL INSURANCE COMPANY**  
**UNAUDITED**  
**STATEMENT OF INCOME**  
**JUNE 30, 2021**

12/31/20

**UNDERWRITING INCOME**

Net Premiums Earned	15,069,290	38,182,752
Net Losses Incurred	10,168,964	20,894,909
Loss Expenses Incurred	1,941,408	5,152,926
Other Underwriting Expenses Incurred	9,186,478 **	18,042,021
Total Underwriting Deductions	21,296,849	44,089,856
Net Underwriting Gain	(6,227,560)	(5,907,104)

**INVESTMENT INCOME**

Net Investment Income Earned	255,223	528,430
Net Realized Capital Gains	(25,515)	647,961
Net Investment Gain	229,708	1,176,392

**OTHER INCOME**

13) Finance and Service Charges not included in Premiums	1,892,036	6,574,926
14) Less: Finance and Service Charges Retained by General Agents	(1,892,036)	(6,574,926)
Total Other Income	84,187	3,685
Net Income Before Federal Income Tax	(5,913,665)	(4,727,027)
Income Tax Incurred	0	(57,471)
Net Income	(5,913,665)	(4,669,556)

**CAPITAL AND SURPLUS ACCOUNT**

Beginning Surplus as Regards Policyholders	7,741,089	3,592,922
Net Income	(5,913,665)	(4,669,556)
Change in Net Unrealized Capital Gains or Losses	(844)	(403,515)
Change in Net Deferred Income Tax	0	1,034,276
Change in Nonadmitted Assets	0	10,447,086
Change in Provision for Reinsurance	(143,000)	(3,000)
Dividend Declared	0	0
Paid in Capital - Preferred Stock	0	0
Correction of an Error	0	(2,257,123)
Change in treasury stock	0	0
Ending Surplus as Regards Policyholders	1,683,581	7,741,089

\*\*Note: This includes \$335,847 for interest due to Partner Re calculated using simple interest @ 10%