

NICO established a collateral trust account as security for its obligations to the Company. The fair value of the collateral trust account was \$3.7 billion and \$2.7 billion as of December 31, 2019 and 2018. In addition, Berkshire Hathaway Inc. guaranteed the payment obligations of NICO up to the aggregate reinsurance limit as well as certain of NICO's performance obligations under the trust agreement. NICO is responsible for claims handling and billing and collection from third-party reinsurers related to the majority of the Company's A&EP claims.