

The quarterly statement for Trinity Universal Insurance Company as of September 30, 2023, provides a comprehensive overview of the company's financial condition and operational metrics. The company, incorporated in 1926 and based in Chicago, Illinois, reported total assets of approximately \$5.33 billion, with admitted assets around \$5.28 billion after accounting for nonadmitted assets. Total liabilities, including unearned premiums of about \$1.35 billion, amounted to approximately \$3.92 billion, resulting in a surplus of \$1.36 billion, reflecting a significant increase from the previous year. The underwriting income showed premiums earned of approximately \$2.87 billion against total underwriting deductions of about \$3.28 billion, leading to a net underwriting loss of \$(410.96 million). Investment income contributed a net gain of \$110.39 million, while the overall net income before dividends to policyholders stood at \$(195.81 million), culminating in a net income of \$(196.70 million) after accounting for dividends and taxes.

The report highlights cash flows from operations, indicating a negative net cash of \$(99.86 million) and a total cash from operations of \$3.02 billion. Significant capital contributions from the parent company, Kemper Corporation, totaled \$424 million during the year. The company has not identified any factors that would cast doubt on its ability to continue as a going concern and has no outstanding borrowings from the Federal Home Loan Bank as of the reporting date. The document also details the eligibility criteria for redemption of Class A and B memberships, specifying ownership duration requirements.

In terms of investments, the company reported a carrying value of \$3.05 billion in bonds and stocks, with significant holdings in various securities, including U.S. Treasury bonds and corporate bonds. The valuation methods employed classify investments into three levels based on the observability of inputs, ensuring compliance with fair value hierarchy standards. The report also outlines the company's reserves for losses and loss adjustment expenses, totaling \$2.08 billion, with \$830.1 million paid for incurred losses during 2023.

The document further details the organizational structure under Kemper Corporation, which holds 100% ownership of several subsidiaries, including Trinity Universal Insurance Company. It confirms compliance with regulatory requirements and outlines the company's operational status across multiple jurisdictions. The financial statements reflect the company's challenges, particularly the impact of underwriting losses on profitability, while also providing insights into its investment activities, including mortgage loans and securities transactions. Overall, the quarterly statement serves as a detailed account of Trinity Universal Insurance Company's financial health and operational metrics as of September 30, 2023.