

# Financials: Policyholders Information

Lawyers Mutual continued to maintain a strong financial position in 2022 despite uncertainties in the market. The Company recorded a 1.10% increase to surplus in 2022, which is a \$1.1m increase in surplus. Our 2022 financial results and strong surplus position allowed us to declare a policyholder dividend of 5.3% of the final premium paid on 2022 policies.



**WILL BATTEN**  
VICE PRESIDENT, FINANCE

## FINANCIALS: STATUTORY STATEMENTS OF INCOME

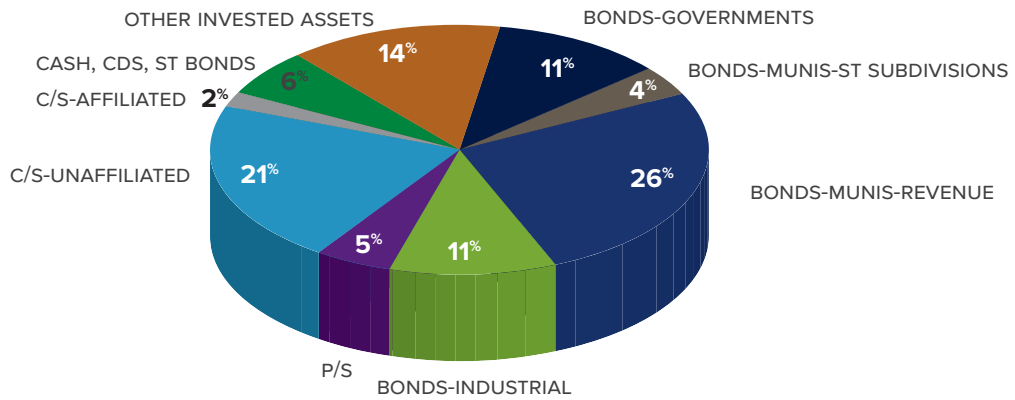
<b>Years Ended December 31</b>	<b>2022</b>	<b>2021</b>
<i>Underwriting Income</i>		
<i>Premiums earned</i>	<b>15,363,124</b>	<b>15,238,378</b>
<i>Underwriting deductions:</i>		
<i>Losses incurred</i>	3,455,851	3,773,304
<i>Loss adjustment expenses incurred</i>	4,530,611	6,295,659
<i>Other underwriting expenses incurred</i>	3,840,295	3,768,949
<b><i>Total underwriting deductions</i></b>	<b>11,826,757</b>	<b>13,837,912</b>
<b><i>Net underwriting gain</i></b>	<b>3,536,367</b>	<b>1,400,466</b>
<i>Investment income:</i>		
<i>Net investment income earned</i>	5,458,143	4,505,413
<i>Realized capital gains - net of tax ( 2022: (\$195,959); 2021: \$267,340)</i>	(573,544)	318,709
<b><i>Net investment gain</i></b>	<b>4,884,599</b>	<b>4,824,122</b>
<i>Other income / (expense):</i>		
<i>Loss from balances charged off</i>	(1,493)	16
<i>Finance and service charges not included in premiums</i>	255,647	248,269
<i>Other income / (expense)</i>	(705)	1,052
<b><i>Total other income</i></b>	<b>253,449</b>	<b>249,337</b>
<b><i>Income before dividends to policyholders and federal income taxes</i></b>	<b>8,674,415</b>	<b>6,473,925</b>
<i>Dividends to policyholders</i>	973,248	1,002,357
<b><i>Income before federal income taxes incurred</i></b>	<b>7,701,167</b>	<b>5,471,568</b>
<i>Federal income taxes incurred</i>	1,655,588	1,014,801
<b><i>Net income</i></b>	<b>\$ 6,045,579</b>	<b>\$ 4,456,767</b>

## FINANCIALS:

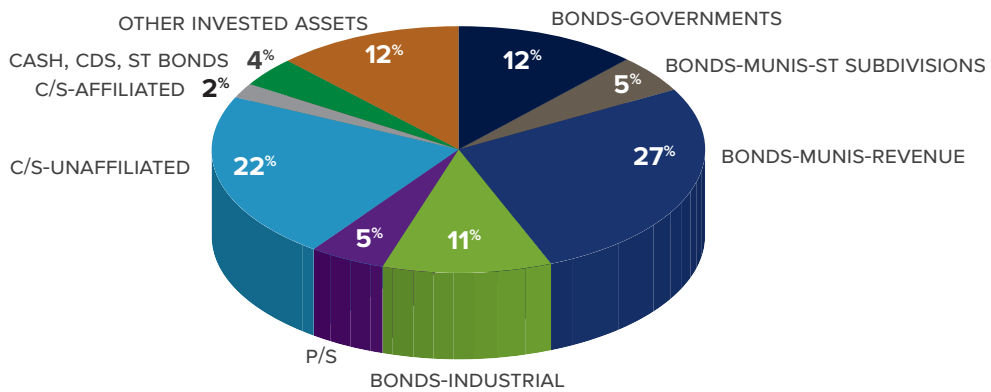
### ADMITTED ASSETS, LIABILITIES & POLICYHOLDERS' SURPLUS

Admitted Assets	As of December 31	
	2022	2021
<b>Cash and investments:</b>		
<i>Bonds</i>	\$ 75,541,369	\$ 73,632,846
<i>Common stocks</i>	31,163,092	34,631,218
<i>Preferred stocks</i>	6,868,992	7,274,374
<i>Cash and short-term investments</i>	7,810,216	5,864,783
<i>Other invested assets</i>	16,469,123	15,952,616
<b>Subtotals, cash and invested assets</b>	137,852,792	137,355,837
<i>Interest and dividend income due and accrued</i>	866,146	778,175
<i>Premiums in course of collection</i>	2,489,292	2,390,897
<i>Current Net Federal income tax recoverable</i>	-	97,910
<i>Deferred Net Federal income tax asset</i>	707,422	-
<i>Receivable from subsidiary</i>	547,594	188,506
<i>Other</i>	90,325	95,116
<b>Total admitted assets</b>	<b>\$ 142,553,571</b>	<b>\$ 140,906,441</b>
<b>Liabilities and Policyholders' Surplus</b>	<b>2022</b>	<b>2021</b>
<b>Liabilities:</b>		
<i>Unpaid losses</i>	10,369,370	10,092,235
<i>Unpaid loss adjustment expenses</i>	14,387,645	14,352,536
<i>Taxes, licenses, fees and other expenses payable</i>	834,614	771,775
<i>Current Federal Income Taxes</i>	87,229	-
<i>Net Deferred Tax Liability</i>	-	199,448
<i>Unearned premiums</i>	7,684,550	7,612,824
<i>Advance premiums</i>	1,210,693	1,204,522
<i>Policyholder dividends declared and unpaid</i>	1,044,173	1,038,331
<i>Ceded reinsurance premiums payable, net of ceding commissions</i>	700,237	669,495
<i>Amounts withheld by company for account of others</i>	2,112,556	2,046,145
<i>Provision for reinsurance</i>	455,099	25,631
<i>Payable for securities</i>	54,640	383,016
<i>Other liabilities</i>	-	25,000
<b>Total liabilities</b>	<b>38,940,806</b>	<b>38,420,958</b>
<b>Policyholders' surplus:</b>		
<i>Total Policyholders' surplus</i>	103,612,765	102,485,483
<b>Total Liabilities and Policyholders' Surplus</b>	<b>\$ 142,553,571</b>	<b>\$ 140,906,441</b>

## CASH & INVESTED ASSETS – Fair Value 12.31.2022



## CASH & INVESTED ASSETS – Fair Value 12.31.2021



## CASH & INVESTED ASSETS – Fair Value 12.31.2020

