

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☒ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	☐
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	☐

Part II	Basic Plan Information—enter all requested information										
1a Name of plan <u>MOTORISTS MUTUAL RETIREMENT PLAN</u> 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>MOTORISTS MUTUAL INSURANCE COMPANY</u> <u>471 EAST BROAD STREET</u> <u>COLUMBUS, OH 43215</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>12/14/1945</u></td> </tr> <tr> <td colspan="2">2b Employer Identification Number (EIN) <u>31-4259550</u></td> </tr> <tr> <td colspan="2">2c Plan Sponsor's telephone number <u>304-941-1000</u></td> </tr> <tr> <td colspan="2">2d Business code (see instructions) <u>524150</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>12/14/1945</u>		2b Employer Identification Number (EIN) <u>31-4259550</u>		2c Plan Sponsor's telephone number <u>304-941-1000</u>		2d Business code (see instructions) <u>524150</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>										
1c Effective date of plan <u>12/14/1945</u>											
2b Employer Identification Number (EIN) <u>31-4259550</u>											
2c Plan Sponsor's telephone number <u>304-941-1000</u>											
2d Business code (see instructions) <u>524150</u>											

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/12/2022	MARK PEACOCK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN	
		3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		4b EIN 4d PN	
5 Total number of participants at the beginning of the plan year		5	363
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).			
a(1) Total number of active participants at the beginning of the plan year.....		6a(1)	281
a(2) Total number of active participants at the end of the plan year		6a(2)	250
b Retired or separated participants receiving benefits.....		6b	50
c Other retired or separated participants entitled to future benefits		6c	43
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d	343
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e	13
f Total. Add lines 6d and 6e		6f	356
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g	
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h	7
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7	
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1E 3H			
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:			
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)			
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ <u>0</u> A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)	

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan <u>MOTORISTS MUTUAL RETIREMENT PLAN</u>	B Three-digit plan number (PN) ▶ <u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>MOTORISTS MUTUAL INSURANCE COMPANY</u>	D Employer Identification Number (EIN) <u>31-4259550</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>	
2 Assets:	
a Market value	2a <u>68604998</u>
b Actuarial value	2b <u>61955956</u>
3 Funding target/participant count breakdown	
a For retired participants and beneficiaries receiving payment.....	(1) Number of participants <u>47</u> (2) Vested Funding Target <u>14882078</u> (3) Total Funding Target <u>14882078</u>
b For terminated vested participants.....	<u>35</u> <u>5459291</u> <u>5459291</u>
c For active participants	<u>281</u> <u>28227265</u> <u>28552215</u>
d Total.....	<u>363</u> <u>48568634</u> <u>48893584</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor.....	4b
5 Effective interest rate	5 <u>5.64</u> %
6 Target normal cost.....	
a Present value of current plan year accruals.....	6a <u>0</u>
b Expected plan-related expenses	6b <u>229917</u>
c Total (line 6a + line 6b)	6c <u>229917</u>

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE		<u>08/04/2022</u>
Signature of actuary		Date
<u>LORI A. DEVORE</u>		<u>20-05257</u>
Type or print name of actuary		Most recent enrollment number
<u>AON CONSULTING, INC.</u>		<u>614-825-9424</u>
Firm name		Telephone number (including area code)
<u>8940 LYRA DRIVE, SUITE 250</u> <u>COLUMBUS, OH 43240</u>		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2021
v. 201209

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	12755329
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	12755329
10 Interest on line 9 using prior year's actual return of <u>15.63</u> %	0	1993658
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.48</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	14748987

Part III Funding Percentages

14 Funding target attainment percentage	14	96.55 %
15 Adjusted funding target attainment percentage	15	126.71 %
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	108.31 %
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/22/2022	3130000	0			
Totals ▶			18(b)	3130000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c	2874278

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %	☐ N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	☒ Yes	☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes	☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes	☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27	

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)	31a	229917	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance		Installment
a Net shortfall amortization installment	1686615		157263
b Waiver amortization installment	0		0
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	387180	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	387180	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	2874278	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	2487098	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan MOTORISTS MUTUAL RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 MOTORISTS MUTUAL INSURANCE COMPANY	D Employer Identification Number (EIN) 31-4259550	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☒ Yes ☐ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
TRANSAMERICA RETIREMENT SOLUTIONS
13-3689044

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

HUNTINGTON NATIONAL BANK

17 SOUTH HIGH STREET
COLUMBUS, OH 43216

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
21 50	NONE	55254	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

TRANSAMERICA RETIREMENT SOLUTIONS

13-3689044

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11 12 15 28 38 50 59 61 62	RECORDKEEPER	149000	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☐ No ☒

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE D (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration	DFE/Participating Plan Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan <u>MOTORISTS MUTUAL RETIREMENT PLAN</u>	B Three-digit plan number (PN) <u>001</u>	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 <u>MOTORISTS MUTUAL INSURANCE COMPANY</u>	D Employer Identification Number (EIN) <u>31-4259550</u>	

Part I	Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs) (Complete as many entries as needed to report all interests in DFEs)
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a Name of MTIA, CCT, PSA, or 103-12 IE: <u>LONG TERM GVT BOND INDEX FUND</u>		
b Name of sponsor of entity listed in (a): <u>BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.</u>		
c EIN-PN <u>94-3118547-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>20896111</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>US LONG CREDIT BOND FUND</u>		
b Name of sponsor of entity listed in (a): <u>BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.</u>		
c EIN-PN <u>45-3263177-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>31723627</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>20 YEARS STRIPS FUND</u>		
b Name of sponsor of entity listed in (a): <u>BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.</u>		
c EIN-PN <u>27-3227381-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3720193</u>
a Name of MTIA, CCT, PSA, or 103-12 IE: <u>INTERMEDIATE DURATION CORP</u>		
b Name of sponsor of entity listed in (a): <u>BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.</u>		
c EIN-PN <u>82-2229248-001</u>	d Entity code <u>C</u>	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) <u>3277899</u>
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
a Name of MTIA, CCT, PSA, or 103-12 IE:		
b Name of sponsor of entity listed in (a):		
c EIN-PN	d Entity code	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)**a** Name of MTIA, CCT, PSA, or 103-12 IE:**b** Name of sponsor of entity listed in (a):**c** EIN-PN**d** Entity
code**e** Dollar value of interest in MTIA, CCT, PSA, or
103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN**a** Plan name**b** Name of
plan sponsor**c** EIN-PN

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan MOTORISTS MUTUAL RETIREMENT PLAN	B Three-digit plan number (PN)	001
C Plan sponsor's name as shown on line 2a of Form 5500 MOTORISTS MUTUAL INSURANCE COMPANY	D Employer Identification Number (EIN) 31-4259550	

Part I	Asset and Liability Statement		
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.			
	Assets	(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	3130000
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	70989196	76968294
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	17895882	11377636
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	88885078	91475930

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	88885078	91475930
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Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	3130000	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)	147586	
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B), (C), and line 2a(2)	2a(3)		3277586
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		0
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	624632	
(D) Total dividends. Add lines 2b(2)(A) , (B), and (C)	2b(2)(D)		624632
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		1006123
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		4908341
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	2096665	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		2096665
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	220824	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other.....	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		220824
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2317489
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		2590852
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☒ DOL Regulation 2520.103-8 (2) ☒ DOL Regulation 2520.103-12(d) (3) ☐ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: RSM US LLP

(2) EIN: 42-0714325

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		10000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)	X		
4j	X		
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
4k		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year?..... ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year <u>423941</u> .			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan MOTORISTS MUTUAL RETIREMENT PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 MOTORISTS MUTUAL INSURANCE COMPANY	D Employer Identification Number (EIN) 31-4259550

Part I	Distributions
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All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 13-3689044 42-0127290		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	0

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☒ No	☐ N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
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Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
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10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☐ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

Motorists Mutual Retirement Plan

Financial Report
December 31, 2021

Contents

Independent auditor's report	1-4
Financial statements	
Statements of net assets for benefits	5
Statements of changes in net assets available for benefits	6
Notes to financial statements	7-17
Supplemental schedules	
Schedule H, Line 4(i) – Schedule of assets (held at end of year)	18
Schedule H, Line 4(j) – Schedule of reportable transactions	19

Independent Auditor's Report

Board of Directors and Plan Administrator
Motorists Mutual Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Motorists Mutual Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from qualified institutions as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule of Assets (Held at End of Year) and Schedule of Reportable Transactions, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by qualified institutions. In our report dated August 2, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Columbus, Ohio
August 19, 2022

Motorists Mutual Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
Total investments	68,582,671	68,604,999
Assets held for Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Total assets	88,345,930	88,885,078
Liabilities		
Amounts due to Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Net assets available for benefits	\$ 68,582,671	\$ 68,604,999

See notes to the financial statements.

Motorists Mutual Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Investment income:		
Interest and dividends	\$ 499,475	\$ 244,332
Net appreciation in fair value of investments	806,874	9,113,175
Total investment income	1,306,349	9,357,507
Refund from insurance company	147,586	-
	1,453,935	9,357,507
Deductions:		
Pension benefits paid directly to participants and beneficiaries	1,272,009	1,182,198
Administrative expenses	204,254	216,071
Total deductions	1,476,263	1,398,269
Net (decrease) increase	(22,328)	7,959,238
Net assets available for benefits:		
Beginning	68,604,999	60,645,761
Ending	\$ 68,582,671	\$ 68,604,999

See notes to financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following description of the Motorists Mutual Retirement Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined benefit pension plan covering a portion of the employees of Motorists Mutual Insurance Company and its subsidiaries (the Sponsor). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is also subject to the relevant provisions of the Pension Protection Act of 2006 (PPA), the Worker, Retiree and Employer Recovery Act of 2008 (WRERA), the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA), the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015, the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the Setting Every Community Up for Retirement Enhancement (SECURE) and the American Rescue Plan Act.

On August 11, 2017, the Board of Directors of Motorists Mutual Insurance Company adopted a resolution to freeze participation in and benefit accruals for plan participants effective December 31, 2017.

Effective January 1, 2021 the companies collectively referred to as Encova Insurance were reorganized into a mutual holding company structure with Encova Mutual Insurance Group, Inc. as the ultimate parent. Affiliated mutual insurance companies of the group were converted into stock companies that are wholly owned by Encova Holdings, Inc., a stock subsidiary of Encova Mutual Insurance Group, Inc. Stock subsidiaries of the former affiliated companies remained as subsidiaries of those companies. This reorganization did not have any effect on the plan.

Pension benefits: Participants are eligible to receive pension benefits upon reaching age 65; or, subject to certain age and length of service requirements, a participant may elect an early retirement at a reduced benefit. The normal form of benefit is a life annuity and optional forms of payment of benefits are available at the election of the participant. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. Employees are 100% vested after 5 years of service. Survivor benefits are distributed in the event of pre-retirement death. Death benefits are paid to the beneficiaries of active and retired employees in accordance with the Plan. Active participants who become disabled continue to accrue pension benefits subject to certain limitations, as defined by the Plan; however, the Plan does not provide disability benefits. Effective December 18, 2017, the Plan was amended to allow single lump-sum benefits (up to \$25,000) to all participants, beneficiaries and alternate payees.

Medical benefits: The Plan provides partial funding for future retiree health benefits under section 401(h) of the Internal Revenue Code (401(h) account). A separate account has been established and maintained in the Plan for the net assets related to the medical benefits component. In addition to the Plan's normal retirement benefits, certain employees who retire after December 31, 1999, and their spouses and dependents, are eligible for medical benefits. The medical benefits are provided by the Motorists Mutual Insurance Company Group Health and Welfare Benefits Plan (Health Care Plan). No key employees, as outlined by the Internal Revenue Service (IRS), will participate in these benefits. This plan feature allows an additional annual contribution to the Plan for medical benefits not to exceed certain limitations as defined by the Internal Revenue Code (IRC). Plan participants do not contribute to the 401(h) account.

Funding: Contributions are made by the Sponsor in such amounts as have been actuarially determined to fund current costs. Minimum funding requirements as set forth in ERISA have been met.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Concentration risk: The Plan maintains investment balances, which at times, may exceed federally insured limits. Management believes it is not exposed to any significant credit risk on these investments.

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Contributions: The Sponsor's contributions are recognized on an accrual basis.

Benefits: Benefit payments to participants and beneficiaries are recorded upon distribution.

401(h) account: The assets held for the Health Care Plan represent investments that are held for future benefit of the Health Care Plan under the 401(h) account (see Note 1). The investment income, contributions, distributions, gains and losses related to this account are reflected in the financial statements of the Health Care Plan. The related obligations for health benefits are not included in this Plan's Actuarial Present Value of Accumulated Plan Benefits disclosure (Note 3) but are reflected as obligations in the financial statements of the Health Care Plan. In accordance with the IRC, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare benefits for retirees and participants.

Administrative expenses: Administrative expenses represent fees for investment management and benefit payment services. Administrative expenses are recorded on an accrual basis. The Sponsor pays certain administrative expenses directly.

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Effective December 31, 2017, the Plan was frozen in relation to plan participation and benefit accruals. In November 2018, the Plan purchased an annuity contract for certain groups of participants. Allocated benefits, to be provided via annuity contracts, are excluded from plan assets and the related liabilities are excluded from accumulated plan benefits.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of plan assets available for benefits and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Risks and uncertainties: The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the participants' account balances and amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Subsequent events: The Plan Administrator has evaluated subsequent events through August 19, 2022, the date the financial statements were available to be issued.

Note 3. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered prior to the Plan freeze effective December 31, 2017. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present values of accumulated plan benefits as of December 31, are as follows, excluding any consideration for the medical benefits provided for under the 401(h) account (described in Notes 1 and 2) that are reflected in the financial statements of the Health Care Plan:

	2021	2020
Vested benefits:		
Participants currently receiving benefits	\$ 19,430,374	\$ 18,439,809
Other participants	46,807,520	49,188,695
	66,237,894	67,628,504
Nonvested accrued benefits	176,070	191,333
Total actuarial present value of accumulated plan benefits	\$ 66,413,964	\$ 67,819,837

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

The actuarial present value increased due to the following:

	2021	2020
Actuarial present value of accumulated plan benefits, beginning:		
Interest	\$ 67,819,837	\$ 55,987,849
Change in actuarial assumptions	2,365,065	2,603,966
Benefits accumulated	(2,818,768)	10,514,139
Benefits paid	319,839	(103,919)
Net (decrease) increase	(1,272,009)	(1,182,198)
	<u>(1,405,873)</u>	<u>11,831,988</u>
Actuarial present value of accumulated plan benefits, ending	<u>\$ 66,413,964</u>	<u>\$ 67,819,837</u>

The actuarial present value presented at December 31, 2021 and 2020, used January 1, 2022 and 2021 data, respectively, which was not materially different.

Significant assumptions underlying the actuarial computations as of December 31, 2021 and 2020, include:

Assumed rate of return on investments of 3.82% and 3.52%, respectively.

Retirement at varying rates beginning at age 55 with all participants retired at age 70.

Significant assumption changes underlying the actuarial computations as of December 31, 2021, include:

A change in the interest rate assumption from segment rates as of September 2020 to segment rates as of September 2021, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2021 Static Mortality Table for Annuitants and Non-Annuitants to the 2022 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 2.34% for the 2021 expense to 2.69% for the 2022 expense.

A change in retirement rates for active participants.

A change in the COLA increase rate from 2.50% for 2021 to 2.25% for 2022.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

Significant assumption changes underlying the actuarial computations as of December 31, 2020, include:

A change in the interest rate assumption from segment rates as of September 2019 to segment rates as of September 2020, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2020 Static Mortality Table for Annuitants and Non-Annuitants to the 2021 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 3.12% for the 2020 expense to 2.34% for the 2021 expense.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4. Information Certified and Provided by The Huntington National Bank (HNB) and State Street Bank and Trust Company (SSB)

The following is a summary of the plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by HNB (trustee and custodian) and SSB (custodian) of the Plan. The Plan Administrator has obtained certifications from the trustee and the custodians that information provided to the Plan Administrator by the trustee and the custodians related to the following assets is complete and accurate to the best of their knowledge and belief. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	2021	2020
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
	<u>\$ 68,582,671</u>	<u>\$ 68,604,999</u>
Group Health and Welfare Benefits Plan - 401(h) account:		
Investments at fair value:		
Mutual funds	\$ 2,412,795	\$ 4,117,591
Common/collective trusts	17,350,464	16,162,488
	<u>\$ 19,763,259</u>	<u>\$ 20,280,079</u>

HNB and SSB also certified as to the completeness and accuracy of net appreciation in fair value of investments of \$806,874 and \$9,113,175, and of interest and dividend income of \$499,475 and \$244,332 for the years ended December 31, 2021 and 2020, respectively. Amounts are exclusive of the changes in the assets held for the 401(h) account.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements

The Financial Accounting Standards Board (FASB) guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2021 and 2020.

Mutual funds: Valued by published market sources at the net asset value (NAV) of shares held by the Plan at year-end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	2021			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 11,377,636	\$ -	\$ -	\$ 11,377,636
Total assets in the fair value hierarchy	\$ 11,377,636	\$ -	\$ -	11,377,636
Investments measured at NAV ^(a)				76,968,294
Investments at fair value				\$ 88,345,930

	2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,895,883	\$ -	\$ -	\$ 17,895,883
Total assets in the fair value hierarchy	\$ 17,895,883	\$ -	\$ -	17,895,883
Investments measured at NAV ^(a)				70,989,195
Investments at fair value				\$ 88,885,078

^(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Changes in Fair Value Levels

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period.

For the years ended December 31, 2021 and 2020, there were no significant transfers in or out of Levels 1, 2, or 3.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020, respectively.

	2021			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 76,968,294</u>	\$ -	Daily	None

	2020			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 70,989,195</u>	\$ -	Daily	None

* These investments are direct filing entity funds which no longer requires a disclosure in regards to the investment strategy in accordance with Subtopic 820-10.

Note 6. Related-Party Transactions

HNB and SSB are trustees and/or custodians as defined by the Plan; therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for services provided by HNB amounted to \$55,254 and \$49,241, and by SSB amounted to \$149,000 and \$166,830 for the years ended December 31, 2021 and 2020, respectively.

Note 7. Plan Termination

Under the terms of the Plan, the Sponsor has the right to terminate the Plan. While the Sponsor has not expressed any intent to terminate the Plan or to discontinue contributions, it is free to do so at any time, subject to the provisions set forth in ERISA. Should the Plan be terminated at some future time, all participants become 100% vested in benefits earned as of the termination date.

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 7. Plan Termination (Continued)

3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below).
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For plan terminations occurring during 2021 that ceiling is \$6,034 per month. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Sponsor and the level of benefits guaranteed by the PBGC.

If, however, the Plan is terminated for any reason other than the bankruptcy or near bankruptcy of the Sponsor and the Plan has sufficient assets, the Sponsor will be required to pay to the Plan an amount that, together with Plan assets, will satisfy all benefits accumulated to the date of the Plan's termination.

Note 8. Tax Status

The IRS has determined and informed the Sponsor by a letter dated May 29, 2017, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

Note 9. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	2021	2020
Net assets available for benefits per financial statements:	\$ 68,582,671	\$ 68,604,999
401(h) account assets held included on Form 5500	19,763,259	20,280,079
Contribution receivable included on Form 5500	3,130,000	-
Net assets available for benefits per the Form 5500	<u>\$ 91,475,930</u>	<u>\$ 88,885,078</u>

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 9. Reconciliation of the Financial Statements to the Form 5500 (Continued)

Following are the reconciliations of the changes in net assets per the financial statements to the Form 5500 for the years ended December 31:

	2021	2020
Net appreciation in fair value of investments per financial statements	\$ 806,874	\$ 9,113,175
401(h) account included on Form 5500	199,249	2,974,824
Net appreciation in fair value of investments per the Form 5500	\$ 1,006,123	\$ 12,087,999
Interest and dividend income per financial statements	\$ 499,475	\$ 244,332
401(h) account included on Form 5500	125,157	73,632
Interest and dividend income per the Form 5500	\$ 624,632	\$ 317,964
Pension benefits paid per the financial statements	\$ 1,272,009	\$ 1,182,198
401(h) account included on Form 5500	824,656	1,456,064
Benefits paid per the Form 5500	\$ 2,096,665	\$ 2,638,262
Administrative expenses per financial statements	\$ 204,254	\$ 216,071
401(h) account included on Form 5500	16,570	26,989
Administrative expenses per the Form 5500	\$ 220,824	\$ 243,060
Sponsor's contribution per financial statements	\$ -	\$ -
Current year contribution receivable included on Form 5500	3,130,000	-
Sponsor's contribution per the Form 5500	\$ 3,130,000	\$ -

The net assets of the 401(h) account included in the Form 5500 are not available to pay pension benefits but can be used only to pay retiree health and welfare benefits as defined by the Health Care Plan. The related obligations are not a component of this Plan's obligations but are reflected as obligations in the Health Care Plan's financial statements.

The contributions on the Form 5500 reflect all contributions attributable to the plan year for actuarial funding purposes. However, a contribution receivable reported on the Form 5500 is not recognized on the financial statements because a formal funding commitment was not made by the end of the plan year.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 10. COVID-19 Pandemic, Economic Uncertainty

On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it a pandemic. The coronavirus and actions taken to mitigate the spread of it have and are expected to have an adverse impact on the economies and financial markets of many countries, including the United States of America. On March 27, 2020, CARES Act was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic. It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the Plan.

Note 11. Subsequent Event

The Sponsor made a contribution in July 2022 of \$3,130,000 attributable to the 2021 plan year that was not committed to be funded prior to December 31, 2021.

Supplemental Schedules

Motorists Mutual Retirement Plan

EIN 31-4259550, Plan No. 001

Schedule H - Line 4(i) - Schedule of Assets (Held at End of Year)

Year Ended December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issue or Borrower, or Similar Part:	Description of Investment, including Maturity Date, Rate of interest, Collateral, Par or Maturity Value	Shares	Cost	Current Value
Motorists Mutual Retirement Plan				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	63,204	\$ 2,301,286	\$ 2,678,600
Federated	Federated Prime Obligations Fund	72,501	72,501	72,501
Vanguard	Vanguard S&P Small Cap 600 Index	3,251	916,265	1,373,756
Vanguard	Vanguard Institutional Index	10,742	2,970,215	4,358,845
Vanguard	Vanguard Treasury Money Market	481,139	481,139	481,139
			<u>6,741,406</u>	<u>8,964,841</u>
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	191,500	18,181,012	20,896,111
BlackRock	BlackRock LT Long Credit Bond Fund	1,977,734	23,962,025	31,723,627
BlackRock	BlackRock 20+ Years Strips Fund	117,885	3,320,588	3,720,193
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	301,821	3,140,001	3,277,899
			<u>48,603,626</u>	<u>59,617,830</u>
Assets held for Motorists Mutual Insurance Company Group				
Health and Welfare Benefits Plan - 401(h) account				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	16,004	570,988	678,253
Federated	Federated Prime Obligations Fund	400,387	400,387	400,387
Vanguard	Vanguard S&P Small Cap 600 Index	953	247,141	402,643
Vanguard	Vanguard Institutional Index	2,296	625,186	931,512
			<u>1,843,702</u>	<u>2,412,795</u>
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	55,671	5,123,500	6,074,670
BlackRock	BlackRock LT Long Credit Bond Fund	576,031	6,756,426	9,239,755
BlackRock	BlackRock 20+ Years Strips Fund	34,421	960,759	1,086,237
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	87,455	911,679	949,802
			<u>13,752,364</u>	<u>17,350,464</u>
			<u>\$ 70,941,098</u>	<u>\$ 88,345,930</u>

Note: The above information has been certified as complete and accurate by The Huntington National Bank, trustee and custodian of the Plan, and State Street Bank and Trust Company, custodian of the Plan.

Motorists Mutual Retirement Plan

EIN 31-4259550, Plan No. 001

Schedule H - Line 4(j) - Schedule of Reportable Transactions**Year Ended December 31, 2021**

(a)		(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Assets	Transaction Count	Purchase Price	Selling Price	Cost of Assets	Current Value of Assets on Transaction Date	Net Gain / (Loss) on Sales
Category (i) - single transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	1	4,880,000	-	4,880,000	4,731,187	(148,813)
Category (iii) - series of transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	2	6,250,000	-	6,250,000	6,059,410	(190,590)

Schedule SB Attachment (Form 5500)—2021 Plan Year
 Motorists Mutual Retirement Plan
 EIN: 31-4259550 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2021

**Schedule SB, Line 26—Schedule of Active Participant Data
 As of January 1, 2021**

**Encova Mutual Insurance Group
 Motorists Mutual Retirement Plan
 Active Employees**

EIN: 31-4259550 PN: 001

Attained Age	Number of Participants Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		1								
25-29		20								
30-34		29								
35-39		23								
40-44		22			2	2				
45-49		24			2	3	1			
50-54		20			4	11	3	2		
55-59		14		1	9	12	12	19	14	
60-64		8		1	3	3	2	4	5	2
65-69		2						1		
70+										

N-281

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods
For ERISA Requirements

Interest Rates for Minimum Funding Purposes ¹	Based on segment rates with a four-month lookback (as of September 2020), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.75%
2nd Segment Rate	5.36%
3rd Segment Rate	6.11%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2020), without regard to interest rate stabilization
1st Segment Rate	2.22%
2nd Segment Rate	3.38%
3rd Segment Rate	3.92%
Salary Increases	N/A
Social Security Wage Base Increases	N/A
COLA Increases	2.50%, applicable to former Iowa Mutual participants on their accrued benefits earned as of December 1, 1990
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy	2021 static mortality table for annuitants and non-annuitants
Disabled	Revenue Ruling 96-7 mortality table for disability after December 31, 1994
Withdrawal Rates	See Table 3

¹ The plan sponsor is electing to apply the interest rate stabilization provisions of the American Rescue Plan Act effective with the 2021 plan year.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

For ERISA Requirements

Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 70% of males and 70% of females have an eligible spouse, and that males are three years older than their spouses
Valuation Compensation	N/A
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$230,000 and the IRC section 401(a)(17) compensation limit of \$290,000
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.
Expected Return on Assets	
2019 Plan Year	5.80%
2020 Plan Year	4.70%
2021 Plan Year	3.52%
Trust Expenses Included in Target Normal Cost	The Plan pays trust fees from the trust. The current year's expenses are assumed to be equal to the prior year's expenses paid from the trust.
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2021

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 1

Retirement Rates

Age	Rate
55	2.00%
56	2.00%
57	2.00%
58	5.00%
59	5.00%
60	8.00%
61	15.00%
62	15.00%
63	20.00%
64	20.00%
65	30.00%
66	40.00%
67	50.00%
68	75.00%
69	75.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 2

Retirement Rates—Retirement Rates for Terminated Vested Participants

<u>Age</u>	<u>Rate</u>
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	12.50%
60	12.50%
61	12.50%
62	12.50%
63	12.50%
64	33.33%
65	50.00%
66	50.00%
67	66.67%
68+	100.00%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service		
	0-2	3-4	5+
20	20.0000%	15.0000%	11.2569%
21	20.0000%	15.0000%	11.1571%
22	20.0000%	15.0000%	11.0574%
23	20.0000%	15.0000%	10.9576%
24	20.0000%	15.0000%	10.8579%
25	20.0000%	15.0000%	10.7582%
26	20.0000%	15.0000%	10.6585%
27	20.0000%	15.0000%	10.5588%
28	20.0000%	15.0000%	10.3592%
29	20.0000%	15.0000%	10.1595%
30	20.0000%	15.0000%	9.9599%
31	20.0000%	15.0000%	9.7603%
32	20.0000%	15.0000%	9.5707%
33	20.0000%	15.0000%	9.0188%
34	20.0000%	15.0000%	8.4668%
35	20.0000%	15.0000%	7.9149%
36	20.0000%	15.0000%	7.3629%
37	20.0000%	15.0000%	6.5905%
38	20.0000%	15.0000%	6.4412%
39	20.0000%	15.0000%	6.2859%
40	20.0000%	15.0000%	6.1252%
41	20.0000%	15.0000%	5.9571%
42	20.0000%	15.0000%	5.7794%
43	20.0000%	15.0000%	5.5921%
44	20.0000%	15.0000%	5.3937%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service		
	0-2	3-4	5+
45	20.0000%	15.0000%	5.1819%
46	20.0000%	15.0000%	4.9492%
47	20.0000%	15.0000%	4.6859%
48	20.0000%	15.0000%	4.3833%
49	20.0000%	15.0000%	4.0351%
50	20.0000%	15.0000%	3.6397%
51	20.0000%	15.0000%	3.2033%
52	20.0000%	15.0000%	2.7402%
53	20.0000%	15.0000%	2.2687%
54	20.0000%	15.0000%	1.8105%
55	20.0000%	15.0000%	1.3858%
56	20.0000%	15.0000%	1.0110%
57	20.0000%	15.0000%	0.6966%
58	20.0000%	15.0000%	0.4474%
59	20.0000%	15.0000%	0.2618%
60	20.0000%	15.0000%	0.1336%
61	20.0000%	15.0000%	0.0647%
62	20.0000%	15.0000%	0.0140%
63+	20.0000%	15.0000%	0.0000%

Form 5500Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security
Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**OMB Nos. 1210-0110
1210-0089**2021****This Form is Open to Public Inspection****Part I Annual Report Identification Information**

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

- A** This return/report is for: ☐ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
☒ a single-employer plan ☐ a DFE (specify) _____
- B** This return/report is: ☐ the first return/report ☐ the final return/report
☐ an amended return/report ☐ a short plan year return/report (less than 12 months)
- C** If the plan is a collectively-bargained plan, check here. ☐
- D** Check box if filing under: ☒ Form 5558 ☐ automatic extension ☐ the DFVC program
☐ special extension (enter description) _____
- E** If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ☐

Part II Basic Plan Information—enter all requested information

1a Name of plan MOTORISTS MUTUAL RETIREMENT PLAN	1b Three-digit plan number (PN) ▶ 001
	1c Effective date of plan 12/14/1945
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) MOTORISTS MUTUAL INSURANCE COMPANY 471 EAST BROAD STREET COLUMBUS OH 43215	2b Employer Identification Number (EIN) 31-4259550 2c Plan Sponsor's telephone number 304-941-1000 2d Business code (see instructions) 524150

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		09/12/2022	MARK PEACOCK
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 201209

3a Plan administrator's name and address ☒ Same as Plan Sponsor		3b Administrator's EIN
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name		3c Administrator's telephone number 4b EIN 4d PN
5 Total number of participants at the beginning of the plan year		5 363
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).		
a(1) Total number of active participants at the beginning of the plan year.....		6a(1) 281
a(2) Total number of active participants at the end of the plan year		6a(2) 250
b Retired or separated participants receiving benefits.....		6b 50
c Other retired or separated participants entitled to future benefits		6c 43
d Subtotal. Add lines 6a(2) , 6b , and 6c		6d 343
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.		6e 13
f Total. Add lines 6d and 6e		6f 356
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)		6g
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested		6h 7
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....		7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 1E 3H		
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:		
9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor		9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)		
a Pension Schedules (1) ☒ R (Retirement Plan Information) (2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary (3) ☒ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary		b General Schedules (1) ☒ H (Financial Information) (2) ☐ I (Financial Information - Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)

Motorists Mutual Retirement Plan

Financial Report
December 31, 2021

Contents

Independent auditor's report	1-4
Financial statements	
Statements of net assets for benefits	5
Statements of changes in net assets available for benefits	6
Notes to financial statements	7-17
Supplemental schedules	
Schedule H, Line 4(i) – Schedule of assets (held at end of year)	18
Schedule H, Line 4(j) – Schedule of reportable transactions	19

Independent Auditor's Report

Board of Directors and Plan Administrator
Motorists Mutual Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Motorists Mutual Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from qualified institutions as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule of Assets (Held at End of Year) and Schedule of Reportable Transactions, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by qualified institutions. In our report dated August 2, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Columbus, Ohio
August 19, 2022

Motorists Mutual Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
Total investments	68,582,671	68,604,999
Assets held for Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Total assets	88,345,930	88,885,078
Liabilities		
Amounts due to Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Net assets available for benefits	\$ 68,582,671	\$ 68,604,999

See notes to the financial statements.

Motorists Mutual Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Investment income:		
Interest and dividends	\$ 499,475	\$ 244,332
Net appreciation in fair value of investments	806,874	9,113,175
Total investment income	1,306,349	9,357,507
Refund from insurance company	147,586	-
	1,453,935	9,357,507
Deductions:		
Pension benefits paid directly to participants and beneficiaries	1,272,009	1,182,198
Administrative expenses	204,254	216,071
Total deductions	1,476,263	1,398,269
Net (decrease) increase	(22,328)	7,959,238
Net assets available for benefits:		
Beginning	68,604,999	60,645,761
Ending	\$ 68,582,671	\$ 68,604,999

See notes to financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following description of the Motorists Mutual Retirement Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined benefit pension plan covering a portion of the employees of Motorists Mutual Insurance Company and its subsidiaries (the Sponsor). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is also subject to the relevant provisions of the Pension Protection Act of 2006 (PPA), the Worker, Retiree and Employer Recovery Act of 2008 (WRERA), the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA), the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015, the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the Setting Every Community Up for Retirement Enhancement (SECURE) and the American Rescue Plan Act.

On August 11, 2017, the Board of Directors of Motorists Mutual Insurance Company adopted a resolution to freeze participation in and benefit accruals for plan participants effective December 31, 2017.

Effective January 1, 2021 the companies collectively referred to as Encova Insurance were reorganized into a mutual holding company structure with Encova Mutual Insurance Group, Inc. as the ultimate parent. Affiliated mutual insurance companies of the group were converted into stock companies that are wholly owned by Encova Holdings, Inc., a stock subsidiary of Encova Mutual Insurance Group, Inc. Stock subsidiaries of the former affiliated companies remained as subsidiaries of those companies. This reorganization did not have any effect on the plan.

Pension benefits: Participants are eligible to receive pension benefits upon reaching age 65; or, subject to certain age and length of service requirements, a participant may elect an early retirement at a reduced benefit. The normal form of benefit is a life annuity and optional forms of payment of benefits are available at the election of the participant. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. Employees are 100% vested after 5 years of service. Survivor benefits are distributed in the event of pre-retirement death. Death benefits are paid to the beneficiaries of active and retired employees in accordance with the Plan. Active participants who become disabled continue to accrue pension benefits subject to certain limitations, as defined by the Plan; however, the Plan does not provide disability benefits. Effective December 18, 2017, the Plan was amended to allow single lump-sum benefits (up to \$25,000) to all participants, beneficiaries and alternate payees.

Medical benefits: The Plan provides partial funding for future retiree health benefits under section 401(h) of the Internal Revenue Code (401(h) account). A separate account has been established and maintained in the Plan for the net assets related to the medical benefits component. In addition to the Plan's normal retirement benefits, certain employees who retire after December 31, 1999, and their spouses and dependents, are eligible for medical benefits. The medical benefits are provided by the Motorists Mutual Insurance Company Group Health and Welfare Benefits Plan (Health Care Plan). No key employees, as outlined by the Internal Revenue Service (IRS), will participate in these benefits. This plan feature allows an additional annual contribution to the Plan for medical benefits not to exceed certain limitations as defined by the Internal Revenue Code (IRC). Plan participants do not contribute to the 401(h) account.

Funding: Contributions are made by the Sponsor in such amounts as have been actuarially determined to fund current costs. Minimum funding requirements as set forth in ERISA have been met.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Concentration risk: The Plan maintains investment balances, which at times, may exceed federally insured limits. Management believes it is not exposed to any significant credit risk on these investments.

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Contributions: The Sponsor's contributions are recognized on an accrual basis.

Benefits: Benefit payments to participants and beneficiaries are recorded upon distribution.

401(h) account: The assets held for the Health Care Plan represent investments that are held for future benefit of the Health Care Plan under the 401(h) account (see Note 1). The investment income, contributions, distributions, gains and losses related to this account are reflected in the financial statements of the Health Care Plan. The related obligations for health benefits are not included in this Plan's Actuarial Present Value of Accumulated Plan Benefits disclosure (Note 3) but are reflected as obligations in the financial statements of the Health Care Plan. In accordance with the IRC, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare benefits for retirees and participants.

Administrative expenses: Administrative expenses represent fees for investment management and benefit payment services. Administrative expenses are recorded on an accrual basis. The Sponsor pays certain administrative expenses directly.

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Effective December 31, 2017, the Plan was frozen in relation to plan participation and benefit accruals. In November 2018, the Plan purchased an annuity contract for certain groups of participants. Allocated benefits, to be provided via annuity contracts, are excluded from plan assets and the related liabilities are excluded from accumulated plan benefits.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of plan assets available for benefits and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Risks and uncertainties: The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the participants' account balances and amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Subsequent events: The Plan Administrator has evaluated subsequent events through August 19, 2022, the date the financial statements were available to be issued.

Note 3. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered prior to the Plan freeze effective December 31, 2017. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present values of accumulated plan benefits as of December 31, are as follows, excluding any consideration for the medical benefits provided for under the 401(h) account (described in Notes 1 and 2) that are reflected in the financial statements of the Health Care Plan:

	2021	2020
Vested benefits:		
Participants currently receiving benefits	\$ 19,430,374	\$ 18,439,809
Other participants	46,807,520	49,188,695
	66,237,894	67,628,504
Nonvested accrued benefits	176,070	191,333
Total actuarial present value of accumulated plan benefits	\$ 66,413,964	\$ 67,819,837

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

The actuarial present value increased due to the following:

	2021	2020
Actuarial present value of accumulated plan benefits, beginning:		
Interest	\$ 67,819,837	\$ 55,987,849
Change in actuarial assumptions	2,365,065	2,603,966
Benefits accumulated	(2,818,768)	10,514,139
Benefits paid	319,839	(103,919)
Net (decrease) increase	(1,272,009)	(1,182,198)
	<u>(1,405,873)</u>	<u>11,831,988</u>
Actuarial present value of accumulated plan benefits, ending	<u>\$ 66,413,964</u>	<u>\$ 67,819,837</u>

The actuarial present value presented at December 31, 2021 and 2020, used January 1, 2022 and 2021 data, respectively, which was not materially different.

Significant assumptions underlying the actuarial computations as of December 31, 2021 and 2020, include:

Assumed rate of return on investments of 3.82% and 3.52%, respectively.

Retirement at varying rates beginning at age 55 with all participants retired at age 70.

Significant assumption changes underlying the actuarial computations as of December 31, 2021, include:

A change in the interest rate assumption from segment rates as of September 2020 to segment rates as of September 2021, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2021 Static Mortality Table for Annuitants and Non-Annuitants to the 2022 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 2.34% for the 2021 expense to 2.69% for the 2022 expense.

A change in retirement rates for active participants.

A change in the COLA increase rate from 2.50% for 2021 to 2.25% for 2022.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

Significant assumption changes underlying the actuarial computations as of December 31, 2020, include:

A change in the interest rate assumption from segment rates as of September 2019 to segment rates as of September 2020, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2020 Static Mortality Table for Annuitants and Non-Annuitants to the 2021 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 3.12% for the 2020 expense to 2.34% for the 2021 expense.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4. Information Certified and Provided by The Huntington National Bank (HNB) and State Street Bank and Trust Company (SSB)

The following is a summary of the plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by HNB (trustee and custodian) and SSB (custodian) of the Plan. The Plan Administrator has obtained certifications from the trustee and the custodians that information provided to the Plan Administrator by the trustee and the custodians related to the following assets is complete and accurate to the best of their knowledge and belief. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	2021	2020
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
	<u>\$ 68,582,671</u>	<u>\$ 68,604,999</u>
Group Health and Welfare Benefits Plan - 401(h) account:		
Investments at fair value:		
Mutual funds	\$ 2,412,795	\$ 4,117,591
Common/collective trusts	17,350,464	16,162,488
	<u>\$ 19,763,259</u>	<u>\$ 20,280,079</u>

HNB and SSB also certified as to the completeness and accuracy of net appreciation in fair value of investments of \$806,874 and \$9,113,175, and of interest and dividend income of \$499,475 and \$244,332 for the years ended December 31, 2021 and 2020, respectively. Amounts are exclusive of the changes in the assets held for the 401(h) account.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements

The Financial Accounting Standards Board (FASB) guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2021 and 2020.

Mutual funds: Valued by published market sources at the net asset value (NAV) of shares held by the Plan at year-end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

2021				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 11,377,636	\$ -	\$ -	\$ 11,377,636
Total assets in the fair value hierarchy	\$ 11,377,636	\$ -	\$ -	11,377,636
Investments measured at NAV ^(a)				76,968,294
Investments at fair value				\$ 88,345,930

2020				
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,895,883	\$ -	\$ -	\$ 17,895,883
Total assets in the fair value hierarchy	\$ 17,895,883	\$ -	\$ -	17,895,883
Investments measured at NAV ^(a)				70,989,195
Investments at fair value				\$ 88,885,078

^(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Changes in Fair Value Levels

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period.

For the years ended December 31, 2021 and 2020, there were no significant transfers in or out of Levels 1, 2, or 3.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020, respectively.

	2021			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 76,968,294</u>	\$ -	Daily	None

	2020			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 70,989,195</u>	\$ -	Daily	None

* These investments are direct filing entity funds which no longer requires a disclosure in regards to the investment strategy in accordance with Subtopic 820-10.

Note 6. Related-Party Transactions

HNB and SSB are trustees and/or custodians as defined by the Plan; therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for services provided by HNB amounted to \$55,254 and \$49,241, and by SSB amounted to \$149,000 and \$166,830 for the years ended December 31, 2021 and 2020, respectively.

Note 7. Plan Termination

Under the terms of the Plan, the Sponsor has the right to terminate the Plan. While the Sponsor has not expressed any intent to terminate the Plan or to discontinue contributions, it is free to do so at any time, subject to the provisions set forth in ERISA. Should the Plan be terminated at some future time, all participants become 100% vested in benefits earned as of the termination date.

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 7. Plan Termination (Continued)

3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below).
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For plan terminations occurring during 2021 that ceiling is \$6,034 per month. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Sponsor and the level of benefits guaranteed by the PBGC.

If, however, the Plan is terminated for any reason other than the bankruptcy or near bankruptcy of the Sponsor and the Plan has sufficient assets, the Sponsor will be required to pay to the Plan an amount that, together with Plan assets, will satisfy all benefits accumulated to the date of the Plan's termination.

Note 8. Tax Status

The IRS has determined and informed the Sponsor by a letter dated May 29, 2017, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

Note 9. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	2021	2020
Net assets available for benefits per financial statements:	\$ 68,582,671	\$ 68,604,999
401(h) account assets held included on Form 5500	19,763,259	20,280,079
Contribution receivable included on Form 5500	3,130,000	-
Net assets available for benefits per the Form 5500	<u>\$ 91,475,930</u>	<u>\$ 88,885,078</u>

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 9. Reconciliation of the Financial Statements to the Form 5500 (Continued)

Following are the reconciliations of the changes in net assets per the financial statements to the Form 5500 for the years ended December 31:

	2021	2020
Net appreciation in fair value of investments per financial statements	\$ 806,874	\$ 9,113,175
401(h) account included on Form 5500	199,249	2,974,824
Net appreciation in fair value of investments per the Form 5500	\$ 1,006,123	\$ 12,087,999
Interest and dividend income per financial statements	\$ 499,475	\$ 244,332
401(h) account included on Form 5500	125,157	73,632
Interest and dividend income per the Form 5500	\$ 624,632	\$ 317,964
Pension benefits paid per the financial statements	\$ 1,272,009	\$ 1,182,198
401(h) account included on Form 5500	824,656	1,456,064
Benefits paid per the Form 5500	\$ 2,096,665	\$ 2,638,262
Administrative expenses per financial statements	\$ 204,254	\$ 216,071
401(h) account included on Form 5500	16,570	26,989
Administrative expenses per the Form 5500	\$ 220,824	\$ 243,060
Sponsor's contribution per financial statements	\$ -	\$ -
Current year contribution receivable included on Form 5500	3,130,000	-
Sponsor's contribution per the Form 5500	\$ 3,130,000	\$ -

The net assets of the 401(h) account included in the Form 5500 are not available to pay pension benefits but can be used only to pay retiree health and welfare benefits as defined by the Health Care Plan. The related obligations are not a component of this Plan's obligations but are reflected as obligations in the Health Care Plan's financial statements.

The contributions on the Form 5500 reflect all contributions attributable to the plan year for actuarial funding purposes. However, a contribution receivable reported on the Form 5500 is not recognized on the financial statements because a formal funding commitment was not made by the end of the plan year.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 10. COVID-19 Pandemic, Economic Uncertainty

On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it a pandemic. The coronavirus and actions taken to mitigate the spread of it have and are expected to have an adverse impact on the economies and financial markets of many countries, including the United States of America. On March 27, 2020, CARES Act was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic. It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the Plan.

Note 11. Subsequent Event

The Sponsor made a contribution in July 2022 of \$3,130,000 attributable to the 2021 plan year that was not committed to be funded prior to December 31, 2021.

Supplemental Schedules

Motorists Mutual Retirement Plan

EIN 31-4259550, Plan No. 001

Schedule H - Line 4(i) - Schedule of Assets (Held at End of Year)

Year Ended December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issue or Borrower, or Similar Part:	Description of Investment, including Maturity Date, Rate of interest, Collateral, Par or Maturity Value	Shares	Cost	Current Value
Motorists Mutual Retirement Plan				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	63,204	\$ 2,301,286	\$ 2,678,600
Federated	Federated Prime Obligations Fund	72,501	72,501	72,501
Vanguard	Vanguard S&P Small Cap 600 Index	3,251	916,265	1,373,756
Vanguard	Vanguard Institutional Index	10,742	2,970,215	4,358,845
Vanguard	Vanguard Treasury Money Market	481,139	481,139	481,139
			<u>6,741,406</u>	<u>8,964,841</u>
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	191,500	18,181,012	20,896,111
BlackRock	BlackRock LT Long Credit Bond Fund	1,977,734	23,962,025	31,723,627
BlackRock	BlackRock 20+ Years Strips Fund	117,885	3,320,588	3,720,193
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	301,821	3,140,001	3,277,899
			<u>48,603,626</u>	<u>59,617,830</u>
Assets held for Motorists Mutual Insurance Company Group				
Health and Welfare Benefits Plan - 401(h) account				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	16,004	570,988	678,253
Federated	Federated Prime Obligations Fund	400,387	400,387	400,387
Vanguard	Vanguard S&P Small Cap 600 Index	953	247,141	402,643
Vanguard	Vanguard Institutional Index	2,296	625,186	931,512
			<u>1,843,702</u>	<u>2,412,795</u>
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	55,671	5,123,500	6,074,670
BlackRock	BlackRock LT Long Credit Bond Fund	576,031	6,756,426	9,239,755
BlackRock	BlackRock 20+ Years Strips Fund	34,421	960,759	1,086,237
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	87,455	911,679	949,802
			<u>13,752,364</u>	<u>17,350,464</u>
			<u>\$ 70,941,098</u>	<u>\$ 88,345,930</u>

Note: The above information has been certified as complete and accurate by The Huntington National Bank, trustee and custodian of the Plan, and State Street Bank and Trust Company, custodian of the Plan.

Motorists Mutual Retirement Plan

EIN 31-4259550, Plan No. 001

Schedule H - Line 4(j) - Schedule of Reportable Transactions

Year Ended December 31, 2021

(a)	(b)	(c)	(d)	(g)	(h)	(i)	
Identity of Party Involved	Description of Assets	Transaction Count	Purchase Price	Selling Price	Cost of Assets	Current Value of Assets on Transaction Date	Net Gain / (Loss) on Sales
Category (i) - single transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	1	4,880,000	-	4,880,000	4,731,187	(148,813)
Category (iii) - series of transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	2	6,250,000	-	6,250,000	6,059,410	(190,590)

**SCHEDULE SB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration
Pension Benefit Guaranty Corporation**Single-Employer Defined Benefit Plan
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2021**This Form is Open to Public
Inspection**For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan MOTORISTS MUTUAL RETIREMENT PLAN		B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Motorists Mutual Insurance Company		D Employer Identification Number (EIN) 31-4259550	
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B		F Prior year plan size: ☐ 100 or fewer ☒ 101-500 ☐ More than 500	

Part I Basic Information

1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>			
2 Assets:			
a Market value		2a	68,604,998
b Actuarial value		2b	61,955,956
3 Funding target/participant count breakdown			
	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	47	14,882,078	14,882,078
b For terminated vested participants	35	5,459,291	5,459,291
c For active participants	281	28,227,265	28,552,215
d Total	363	48,568,634	48,893,584
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions		4a	
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor		4b	
5 Effective interest rate		5	5.64%
6 Target normal cost			
a Present value of current plan year accruals		6a	0
b Expected plan-related expenses		6b	229,917
c Total (line 6a + line 6b)		6c	229,917

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	<u>LAO</u>	<u>08/04/2022</u>
	Signature of actuary	Date
<u>LORI A. DEVORE</u>		<u>2005257</u>
Type or print name of actuary		Most recent enrollment number
<u>AON CONSULTING, INC.</u>		<u>614-825-9424</u>
Firm name		Telephone number (including area code)
<u>8940 Lyra Drive, Suite 250</u>		
<u>COLUMBUS OH 43240</u>		
Address of the firm		

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule SB (Form 5500) 2021
v. 201209

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	12,755,329
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8)	0	12,755,329
10 Interest on line 9 using prior year's actual return of <u>15.63</u> %	0	1,993,658
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year)		0
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.48</u> %		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance		0
d Portion of (c) to be added to prefunding balance		0
12 Other reductions in balances due to elections or deemed elections	0	0
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	14,748,987

Part III Funding Percentages

14 Funding target attainment percentage	14	96.55%
15 Adjusted funding target attainment percentage	15	126.71%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	108.31%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls

18 Contributions made to the plan for the plan year by employer(s) and employees:					
(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
07/22/2022	3,130,000	0			
Totals ►			18(b)	3,130,000	18(c) 0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a 0
b Contributions made to avoid restrictions adjusted to valuation date	19b 0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 2,874,278
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.36 %	3rd segment: 6.11 %	☐ N/A, full yield curve used
b Applicable month (enter code)	21b			4
22 Weighted average retirement age	22			63
23 Mortality table(s) (see instructions)	☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment.....	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6c)	31a	229,917	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	1,686,615	157,263	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	387,180	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	387,180	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	2,874,278	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	2,487,098	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:	
a Schedule elected	☐ 2 plus 7 years ☐ 15 years
b Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 19—Discounted Employer Contributions
Year applied for contributions: 2021

Date	Amount	Days to Discount to 1/1/2021 at 5.64%	Interest Adjusted Contribution
July 22, 2022	<u>\$ 3,130,000</u>	567	<u>\$ 2,874,278</u>
Total Contribution	\$ 3,130,000		\$ 2,874,278

Schedule SB Attachment (Form 5500)—2021 Plan Year
 Motorists Mutual Retirement Plan
 EIN: 31-4259550 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a) Age	(b) Rate	(c) Weight	(d) Product (a) × (b) × (c)
55	2.00%	1.0000	1.10
56	2.00%	0.9800	1.10
57	2.00%	0.9604	1.09
58	5.00%	0.9412	2.73
59	5.00%	0.8941	2.64
60	8.00%	0.8494	4.08
61	15.00%	0.7815	7.15
62	15.00%	0.6643	6.18
63	20.00%	0.5646	7.11
64	20.00%	0.4517	5.78
65	30.00%	0.3614	7.05
66	40.00%	0.2529	6.68
67	50.00%	0.1518	5.08
68	75.00%	0.0759	3.87
69	75.00%	0.0190	0.98
70	100.00%	0.0047	0.33
Weighted Average			62.95

Schedule SB Attachment (Form 5500)—2021 Plan Year
 Motorists Mutual Retirement Plan
 EIN: 31-4259550 PN: 001

Schedule SB, Part V—Statement of Actuarial Assumptions/Methods
 For ERISA Requirements

Interest Rates for Minimum Funding Purposes ¹	Based on segment rates with a four-month lookback (as of September 2020), each adjusted as needed to fall within the 25-year average interest rate stabilization corridor
1st Segment Rate	4.75%
2nd Segment Rate	5.36%
3rd Segment Rate	6.11%
Interest Rates for Maximum Tax Purposes	Based on segment rates with a four-month lookback (as of September 2020), without regard to interest rate stabilization
1st Segment Rate	2.22%
2nd Segment Rate	3.38%
3rd Segment Rate	3.92%
Salary Increases	N/A
Social Security Wage Base Increases	N/A
COLA Increases	2.50%, applicable to former Iowa Mutual participants on their accrued benefits earned as of December 1, 1990
Retirement Age	
Active Participants	See Table 1
Terminated Vested Participants	See Table 2
Mortality Rates	
Healthy	2021 static mortality table for annuitants and non-annuitants
Disabled	Revenue Ruling 96-7 mortality table for disability after December 31, 1994
Withdrawal Rates	See Table 3

¹ The plan sponsor is electing to apply the interest rate stabilization provisions of the American Rescue Plan Act effective with the 2021 plan year.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

For ERISA Requirements

Disability Rates	None
Decrement Timing	Beginning of year decrements
Surviving Spouse Benefit	It is assumed that 70% of males and 70% of females have an eligible spouse, and that males are three years older than their spouses
Valuation Compensation	N/A
Benefit and Compensation Limits	Projected benefits and compensation are limited by the current IRC section 415 maximum benefit of \$230,000 and the IRC section 401(a)(17) compensation limit of \$290,000
Valuation of Plan Assets	Smoothed fair market value of assets over the current and prior two years, adjusted for contributions, benefit payments, administrative expenses, and expected earnings. The average value of assets calculated in this manner is further limited to not less than 90% nor more than 110% of fair market value.
Expected Return on Assets	
2019 Plan Year	5.80%
2020 Plan Year	4.70%
2021 Plan Year	3.52%
Trust Expenses Included in Target Normal Cost	The Plan pays trust fees from the trust. The current year's expenses are assumed to be equal to the prior year's expenses paid from the trust.
Actuarial Method	Standard unit credit cost method
Valuation Date	January 1, 2021

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 1

Retirement Rates

Age	Rate
55	2.00%
56	2.00%
57	2.00%
58	5.00%
59	5.00%
60	8.00%
61	15.00%
62	15.00%
63	20.00%
64	20.00%
65	30.00%
66	40.00%
67	50.00%
68	75.00%
69	75.00%
70+	100.00%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 2

Retirement Rates—Retirement Rates for Terminated Vested Participants

<u>Age</u>	<u>Rate</u>
55	5.00%
56	5.00%
57	5.00%
58	5.00%
59	12.50%
60	12.50%
61	12.50%
62	12.50%
63	12.50%
64	33.33%
65	50.00%
66	50.00%
67	66.67%
68+	100.00%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 3—Page 1 of 2

Withdrawal Rates

Age	Years of Service		
	0-2	3-4	5+
20	20.0000%	15.0000%	11.2569%
21	20.0000%	15.0000%	11.1571%
22	20.0000%	15.0000%	11.0574%
23	20.0000%	15.0000%	10.9576%
24	20.0000%	15.0000%	10.8579%
25	20.0000%	15.0000%	10.7582%
26	20.0000%	15.0000%	10.6585%
27	20.0000%	15.0000%	10.5588%
28	20.0000%	15.0000%	10.3592%
29	20.0000%	15.0000%	10.1595%
30	20.0000%	15.0000%	9.9599%
31	20.0000%	15.0000%	9.7603%
32	20.0000%	15.0000%	9.5707%
33	20.0000%	15.0000%	9.0188%
34	20.0000%	15.0000%	8.4668%
35	20.0000%	15.0000%	7.9149%
36	20.0000%	15.0000%	7.3629%
37	20.0000%	15.0000%	6.5905%
38	20.0000%	15.0000%	6.4412%
39	20.0000%	15.0000%	6.2859%
40	20.0000%	15.0000%	6.1252%
41	20.0000%	15.0000%	5.9571%
42	20.0000%	15.0000%	5.7794%
43	20.0000%	15.0000%	5.5921%
44	20.0000%	15.0000%	5.3937%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Table 3—Page 2 of 2

Withdrawal Rates

Age	Years of Service		
	0-2	3-4	5+
45	20.0000%	15.0000%	5.1819%
46	20.0000%	15.0000%	4.9492%
47	20.0000%	15.0000%	4.6859%
48	20.0000%	15.0000%	4.3833%
49	20.0000%	15.0000%	4.0351%
50	20.0000%	15.0000%	3.6397%
51	20.0000%	15.0000%	3.2033%
52	20.0000%	15.0000%	2.7402%
53	20.0000%	15.0000%	2.2687%
54	20.0000%	15.0000%	1.8105%
55	20.0000%	15.0000%	1.3858%
56	20.0000%	15.0000%	1.0110%
57	20.0000%	15.0000%	0.6966%
58	20.0000%	15.0000%	0.4474%
59	20.0000%	15.0000%	0.2618%
60	20.0000%	15.0000%	0.1336%
61	20.0000%	15.0000%	0.0647%
62	20.0000%	15.0000%	0.0140%
63+	20.0000%	15.0000%	0.0000%

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, Part V—Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan:

General Information

Original Effective Date:	December 14, 1945
Effective Date of Last Amendment:	June 1, 2018
Plan Year:	January 1 to December 31
Employer Fiscal Year:	January 1 to December 31
Employer ID Number:	31-4259550
Plan Administrator's ID Number:	31-4259550
Plan Number:	001
Plan Administrator:	Encova Mutual Insurance Group Benefit Committee

Motorists Mutual Plan Benefit

Eligibility

All employees of the Employer are eligible to participate in the Plan at the later of completion of one year of service and the attainment of age 21. Former Phenix Mutual associates were eligible to enter the plan as of January 1, 2011 if these conditions had been met using their employment at Phenix Mutual. Former Consumers USA associates were eligible to enter the plan as of January 1, 2016 if these conditions had been met using their employment at Consumers USA. No new participants will be permitted entry into the plan after December 31, 2017.

Service

Service, both for vesting and benefit accrual purposes, is equal to the period of continuous service with the Employer. Phenix Mutual associates receive only vesting service for their employment at Phenix Mutual prior to January 1, 2011. Consumers USA associates only receive vesting service for their employment at Consumers USA prior to January 1, 2016. Service for benefit accruals will cease to accrue after December 31, 2017.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Normal Retirement Date

Normal Retirement Date is the first day of the month coincident with or next following the later of the attainment of age 65 and the fifth anniversary of the date of participation.

Normal Retirement Benefit

For participants hired prior to April 1, 2010, the amount of the monthly benefit to be paid for life is the sum of (1) plus (2):

- (1) 1.25% of Average Compensation times years of credited service not in excess of 40 years.
- (2) 0.75% of Average Compensation in excess of covered compensation times years of credited service not in excess of 35 years. The 0.75% decreases to 0.70% for participants born in 1939 to 1954 and to 0.65% for participants born after 1954.

For participants hired on or after April 1, 2010, the amount of the benefit to be paid for life is the sum of (1) plus (2):

- (1) 1.00% of Average Compensation times years of credited service not in excess of 40 years.
- (2) 0.50% of Average Compensation in excess of covered compensation times years of credited service not in excess of 35 years.

Former Phenix Mutual, Motorists Commercial Mutual, and Consumers USA associates earn benefits using the formula for participants hired on or after April 1, 2010.

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement or death, the greater of a benefit based upon salary and Service through his actual date of retirement and the actuarial equivalent of his Normal Retirement Benefit.

Annual Compensation

The Participant's total cash remuneration, including overtime, paid for services to the company, excluding bonuses, incentive compensation, stock options, disability payments and other forms of irregular payments.

Average Compensation

The average of a participant's monthly compensation during the highest five consecutive Plan Years of employment. Annual Compensation earned after December 31, 2017 will not be considered for the Average Compensation calculation.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Accrued Benefit

(1) times (2) divided by (3), but not less than (4).

- (1) A Participant's expected normal retirement pension assuming: (1) that he continued to work to Normal Retirement Date, (2) that his final Average Compensation is the same as at his date of determination and (3) the Social Security Taxable Wage Base will remain unchanged from the date of this determination.
- (2) Credited service accrued to date of determination.
- (3) Credited service projected to Normal Retirement Date.
- (4) For participants in the Prior Plan, the accrued monthly pension provided by the plan as of December 31, 1988.

Former Iowa Mutual participants had their prior plan benefit frozen as of December 31, 2004 and will receive an additional benefit for Motorists service after December 31, 2004 using the formula for participants hired prior to April 1, 2010.

Former Motorists Commercial Mutual participants had their prior plan benefit frozen as of December 31, 2011 and will receive an additional benefit for Motorists service after December 31, 2011 using the formula for participants hired on or after April 1, 2010.

Former Phenix Mutual participants had their prior plan benefit frozen as of December 31, 2010 and will receive an additional benefit for Motorists service after December 31, 2010 using the formula for participants hired on or after April 1, 2010.

Accrued Benefits are frozen as of December 31, 2017.

Early Retirement Benefit

Upon the completion of 5 years of Service and the attainment of age 55, a participant may elect to retire. He may receive a monthly benefit for life beginning at his Normal Retirement Date equal to the benefit accrued at early retirement date. Payments may begin before the Normal Retirement Date, with the part (1) portion of the Normal Retirement Benefit being reduced 1/3 of 1% for each month preceding the Normal Retirement Date and the part (2) portion of the Normal Retirement Benefit being reduced 1/180th for each of the first 60 months and 1/360th for each of the next 60 months for which the benefit commencement date precedes the Normal Retirement Date.

The prior plans' provisions for normal and early retirement apply to the frozen benefits as of December 31, 2004 and December 31, 2011 for former Iowa Mutual, Motorists Commercial Mutual, and Phenix Mutual participants, respectively.

Death Benefit

In the event of a vested active participant's death, a spouse's benefit will be payable assuming the participant had terminated on the day prior to death and elected a joint and one-half contingent annuitant survivor benefit commencing at the earliest possible retirement date. In the past, former participants were charged for this coverage between their date of termination and date of first payment. As of January 1, 2018, former participants are no longer charged for this coverage between their date of termination and date of first payment.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Disability Benefit

A Participant who terminates employment with the employer due to disability shall receive a benefit payable at Normal Retirement Date which reflects continued Service and Annual Compensation beyond the date of disability. For those with less than 10 years of Service at the time of disability, Service and Compensation continues for a period of 30 months or until the Normal Retirement Date, if earlier. For those with 10 or more years of Service at the time of disability, Service and Annual compensation continues until the Normal Retirement Date. Service and Annual Compensation will cease if a Participant elects to retire prior to the expiration of the dates listed. Accruals under this portion will not extend past December 31, 2017.

Severance Benefit

Upon the termination of employment after 5 or more years of Service a participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity, a life annuity. If a married participant does not elect the normal form of annuity or does not elect one of the Optional Methods of Settlement described below, then the participant's retirement benefit shall automatically be paid under option [2] below with the participant's spouse as his beneficiary. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with one-quarter the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with one-half the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with three-fourths the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (4) A reduced benefit to be paid during the participant's lifetime with the same reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (5) A reduced benefit to be paid for 60 months certain and thereafter for life.
- (6) A reduced benefit to be paid for 120 months certain and thereafter for life.
- (7) For participants in the plan before January 1, 2002, a reduced benefit to be paid during the participant's lifetime with a lump sum amount payable to his beneficiary upon his death.
- (8) Social Security Leveling Options (SSLO), options which provide benefits on a single life annuity or 50% joint and survivor basis which would provide a level income when combined with an estimated Social Security benefit commencing at age 65.
- (9) A lump sum payment shall be made if such amount does not exceed \$25,000.

Schedule SB Attachment (Form 5500)—2021 Plan Year

Motorists Mutual Retirement Plan

EIN: 31-4259550 PN: 001

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity on a unisex basis based on a 7% interest rate on the UP 1984 Mortality Table, except for the lump sum and SSLO options which use the applicable mortality table and interest rates for the first month for the calendar quarter preceding the calendar quarter containing the annuity start date.

Iowa Mutual Plan Benefit

All former participants in the Iowa Mutual plan as of December 31, 2004 shall have that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2004. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2004.

American Hardware Plan Benefit

All former participants in the American Hardware plan as of December 31, 2011 shall have that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2011. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2011.

Phenix Plan Benefit

All former participants in the Phenix Mutual plan as of December 31, 2010 had that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2010. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2010.

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards or is unable to pay benefits when due.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure, and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan document.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Under the American Rescue Plan Act of 2021 (ARPA), the stabilized interest rates for certain purposes will be adjusted once the ARPA stabilization is applied. By default, this stabilization would have applied starting with the 2020 plan year.

This Schedule SB reflects stabilized 2021 minimum funding interest rates that are adjusted for ARPA. Via this filing, Motorists Mutual Insurance Group will irrevocably commit the Motorists Mutual Retirement Plan to use of those rates for the 2021 plan year.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes

- A change in the expected return on assets from 4.70% for 2020 to 3.52% for 2021.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 26—Schedule of Active Participant Data as of January 1, 2021

**Schedule SB, Line 26—Schedule of Active Participant Data
As of January 1, 2021**

**Encova Mutual Insurance Group
Motorists Mutual Retirement Plan
Active Employees**

EIN: 31-4259550 PN: 001

Attained Age	Number of Participants Years of Credited Service									
	<1	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+
<25		1								
25-29		20								
30-34		29								
35-39		23								
40-44		22			2	2				
45-49		24			2	3	1			
50-54		20			4	11	3	2		
55-59		14		1	9	12	12	19	14	
60-64		8		1	3	3	2	4	5	2
65-69		2						1		
70+										

N-281

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installments	Valuation Date Established	Remaining Years in Amortization Period	Amortization Amount
Shortfall	\$1,686,615	January 1, 2021	15	\$157,263

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 19—Discounted Employer Contributions

Year applied for contributions: 2021

Date	Amount	Days to Discount to 1/1/2021 at 5.64%	Interest Adjusted Contribution
July 22, 2022	\$ 3,130,000	567	\$ 2,874,278
Total Contribution	\$ 3,130,000		\$ 2,874,278

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 22—Description of Weighted Average Retirement Age

The average retirement age shown in line 22 has been calculated by assuming the following retirement rates and no decrements other than retirement for this calculation. All retirements are assumed to occur at beginning of year.

(a)	(b)	(c)	(d)
Age	Rate	Weight	Product (a) × (b) × (c)
55	2.00%	1.0000	1.10
56	2.00%	0.9800	1.10
57	2.00%	0.9604	1.09
58	5.00%	0.9412	2.73
59	5.00%	0.8941	2.64
60	8.00%	0.8494	4.08
61	15.00%	0.7815	7.15
62	15.00%	0.6643	6.18
63	20.00%	0.5646	7.11
64	20.00%	0.4517	5.78
65	30.00%	0.3614	7.05
66	40.00%	0.2529	6.68
67	50.00%	0.1518	5.08
68	75.00%	0.0759	3.87
69	75.00%	0.0190	0.98
70	100.00%	0.0047	0.33
Weighted Average			62.95

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, Part V—Summary of Plan Provisions

The following summary describes principal plan provisions assumed in calculating the cost of your pension plan:

General Information

Original Effective Date:	December 14, 1945
Effective Date of Last Amendment:	June 1, 2018
Plan Year:	January 1 to December 31
Employer Fiscal Year:	January 1 to December 31
Employer ID Number:	31-4259550
Plan Administrator's ID Number:	31-4259550
Plan Number:	001
Plan Administrator:	Encova Mutual Insurance Group Benefit Committee

Motorists Mutual Plan Benefit

Eligibility

All employees of the Employer are eligible to participate in the Plan at the later of completion of one year of service and the attainment of age 21. Former Phenix Mutual associates were eligible to enter the plan as of January 1, 2011 if these conditions had been met using their employment at Phenix Mutual. Former Consumers USA associates were eligible to enter the plan as of January 1, 2016 if these conditions had been met using their employment at Consumers USA. No new participants will be permitted entry into the plan after December 31, 2017.

Service

Service, both for vesting and benefit accrual purposes, is equal to the period of continuous service with the Employer. Phenix Mutual associates receive only vesting service for their employment at Phenix Mutual prior to January 1, 2011. Consumers USA associates only receive vesting service for their employment at Consumers USA prior to January 1, 2016. Service for benefit accruals will cease to accrue after December 31, 2017.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Normal Retirement Date

Normal Retirement Date is the first day of the month coincident with or next following the later of the attainment of age 65 and the fifth anniversary of the date of participation.

Normal Retirement Benefit

For participants hired prior to April 1, 2010, the amount of the monthly benefit to be paid for life is the sum of (1) plus (2):

- (1) 1.25% of Average Compensation times years of credited service not in excess of 40 years.
- (2) 0.75% of Average Compensation in excess of covered compensation times years of credited service not in excess of 35 years. The 0.75% decreases to 0.70% for participants born in 1939 to 1954 and to 0.65% for participants born after 1954.

For participants hired on or after April 1, 2010, the amount of the benefit to be paid for life is the sum of (1) plus (2):

- (1) 1.00% of Average Compensation times years of credited service not in excess of 40 years.
- (2) 0.50% of Average Compensation in excess of covered compensation times years of credited service not in excess of 35 years.

Former Phenix Mutual, Motorists Commercial Mutual, and Consumers USA associates earn benefits using the formula for participants hired on or after April 1, 2010.

Delayed Retirement

A participant may continue in the employment of the Employer after his Normal Retirement Date. In such event he will receive at actual retirement or death, the greater of a benefit based upon salary and Service through his actual date of retirement and the actuarial equivalent of his Normal Retirement Benefit.

Annual Compensation

The Participant's total cash remuneration, including overtime, paid for services to the company, excluding bonuses, incentive compensation, stock options, disability payments and other forms of irregular payments.

Average Compensation

The average of a participant's monthly compensation during the highest five consecutive Plan Years of employment. Annual Compensation earned after December 31, 2017 will not be considered for the Average Compensation calculation.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Accrued Benefit

(1) times (2) divided by (3), but not less than (4).

- (1) A Participant's expected normal retirement pension assuming: (1) that he continued to work to Normal Retirement Date, (2) that his final Average Compensation is the same as at his date of determination and (3) the Social Security Taxable Wage Base will remain unchanged from the date of this determination.
- (2) Credited service accrued to date of determination.
- (3) Credited service projected to Normal Retirement Date.
- (4) For participants in the Prior Plan, the accrued monthly pension provided by the plan as of December 31, 1988.

Former Iowa Mutual participants had their prior plan benefit frozen as of December 31, 2004 and will receive an additional benefit for Motorists service after December 31, 2004 using the formula for participants hired prior to April 1, 2010.

Former Motorists Commercial Mutual participants had their prior plan benefit frozen as of December 31, 2011 and will receive an additional benefit for Motorists service after December 31, 2011 using the formula for participants hired on or after April 1, 2010.

Former Phenix Mutual participants had their prior plan benefit frozen as of December 31, 2010 and will receive an additional benefit for Motorists service after December 31, 2010 using the formula for participants hired on or after April 1, 2010.

Accrued Benefits are frozen as of December 31, 2017.

Early Retirement Benefit

Upon the completion of 5 years of Service and the attainment of age 55, a participant may elect to retire. He may receive a monthly benefit for life beginning at his Normal Retirement Date equal to the benefit accrued at early retirement date. Payments may begin before the Normal Retirement Date, with the part (1) portion of the Normal Retirement Benefit being reduced 1/3 of 1% for each month preceding the Normal Retirement Date and the part (2) portion of the Normal Retirement Benefit being reduced 1/180th for each of the first 60 months and 1/360th for each of the next 60 months for which the benefit commencement date precedes the Normal Retirement Date.

The prior plans' provisions for normal and early retirement apply to the frozen benefits as of December 31, 2004 and December 31, 2011 for former Iowa Mutual, Motorists Commercial Mutual, and Phenix Mutual participants, respectively.

Death Benefit

In the event of a vested active participant's death, a spouse's benefit will be payable assuming the participant had terminated on the day prior to death and elected a joint and one-half contingent annuitant survivor benefit commencing at the earliest possible retirement date. In the past, former participants were charged for this coverage between their date of termination and date of first payment. As of January 1, 2018, former participants are no longer charged for this coverage between their date of termination and date of first payment.

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Disability Benefit

A Participant who terminates employment with the employer due to disability shall receive a benefit payable at Normal Retirement Date which reflects continued Service and Annual Compensation beyond the date of disability. For those with less than 10 years of Service at the time of disability, Service and Compensation continues for a period of 30 months or until the Normal Retirement Date, if earlier. For those with 10 or more years of Service at the time of disability, Service and Annual compensation continues until the Normal Retirement Date. Service and Annual Compensation will cease if a Participant elects to retire prior to the expiration of the dates listed. Accruals under this portion will not extend past December 31, 2017.

Severance Benefit

Upon the termination of employment after 5 or more years of Service a participant shall have a vested interest in his Accrued Benefit which will be payable at Normal Retirement Date. The percentage vested shall be:

Years of Service	Vested Percent
Fewer than 5	0%
5 or more	100%

Optional Methods of Settlement

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity, a life annuity. If a married participant does not elect the normal form of annuity or does not elect one of the Optional Methods of Settlement described below, then the participant's retirement benefit shall automatically be paid under option [2] below with the participant's spouse as his beneficiary. The options are:

- (1) A reduced benefit to be paid during the participant's lifetime with one-quarter the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (2) A reduced benefit to be paid during the participant's lifetime with one-half the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (3) A reduced benefit to be paid during the participant's lifetime with three-fourths the reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (4) A reduced benefit to be paid during the participant's lifetime with the same reduced benefit to be continued to his beneficiary for the beneficiary's lifetime after his death.
- (5) A reduced benefit to be paid for 60 months certain and thereafter for life.
- (6) A reduced benefit to be paid for 120 months certain and thereafter for life.
- (7) For participants in the plan before January 1, 2002, a reduced benefit to be paid during the participant's lifetime with a lump sum amount payable to his beneficiary upon his death.
- (8) Social Security Leveling Options (SSLO), options which provide benefits on a single life annuity or 50% joint and survivor basis which would provide a level income when combined with an estimated Social Security benefit commencing at age 65.
- (9) A lump sum payment shall be made if such amount does not exceed \$25,000.

Schedule SB Attachment (Form 5500)—2021 Plan Year

Motorists Mutual Retirement Plan

EIN: 31-4259550 PN: 001

All Optional Methods of Settlement are actuarially equivalent to the normal form of annuity on a unisex basis based on a 7% interest rate on the UP 1984 Mortality Table, except for the lump sum and SSLO options which use the applicable mortality table and interest rates for the first month for the calendar quarter preceding the calendar quarter containing the annuity start date.

Iowa Mutual Plan Benefit

All former participants in the Iowa Mutual plan as of December 31, 2004 shall have that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2004. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2004.

American Hardware Plan Benefit

All former participants in the American Hardware plan as of December 31, 2011 shall have that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2011. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2011.

Phenix Plan Benefit

All former participants in the Phenix Mutual plan as of December 31, 2010 had that plan's benefit frozen as of this date and will receive an additional benefit for Motorists service after December 31, 2010. Plan provisions of the prior plan apply to the accrued benefit as of December 31, 2010.

Amendment or Termination of Plan

The Employer reserves the right to amend or terminate the Plan at any time. Generally, the Pension Benefit Guaranty Corporation reserves the right to terminate the Plan if the Employer fails to meet the minimum funding standards or is unable to pay benefits when due.

If the Plan is terminated, the Plan assets will be distributed among the Plan participants based upon a priority allocation procedure, and the Employer shall be liable for any unfunded vested benefits to the extent required by law.

Additional Information

The above description is a summary only; for additional details, reference should be made to the formal Plan document.

Other Information to Fully and Fairly Disclose the Actuarial Position of the Plan

Due to software limitations with the electronic filing process, information filed electronically cannot be controlled by the Enrolled Actuary. The values on the signed Schedule SB will govern to the extent there are any differences in the entries filed electronically and the actual data contained on the signed Schedule SB.

Under the American Rescue Plan Act of 2021 (ARPA), the stabilized interest rates for certain purposes will be adjusted once the ARPA stabilization is applied. By default, this stabilization would have applied starting with the 2020 plan year.

This Schedule SB reflects stabilized 2021 minimum funding interest rates that are adjusted for ARPA. Via this filing, Motorists Mutual Insurance Group will irrevocably commit the Motorists Mutual Retirement Plan to use of those rates for the 2021 plan year.

Motorists Mutual Retirement Plan

Financial Report
December 31, 2021

Contents

Independent auditor's report	1-4
Financial statements	
Statements of net assets for benefits	5
Statements of changes in net assets available for benefits	6
Notes to financial statements	7-17
Supplemental schedules	
Schedule H, Line 4(i) – Schedule of assets (held at end of year)	18
Schedule H, Line 4(j) – Schedule of reportable transactions	19

Independent Auditor's Report

Board of Directors and Plan Administrator
Motorists Mutual Retirement Plan

Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements

We have performed an audit of the financial statements of Motorists Mutual Retirement Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), as permitted by ERISA Section 103(a)(3)(C) (ERISA Section 103(a)(3)(C) audit). The financial statements comprise the statement of net assets available for benefits as of December 31, 2021, the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements (2021 financial statements).

Management, having determined it is permissible in the circumstances, has elected to have the audit of the 2021 financial statements performed in accordance with ERISA Section 103(a)(3)(C) pursuant to 29 CFR 2520.103-8 of the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. As permitted by ERISA Section 103(a)(3)(C), our audit need not extend to any statements or information related to assets held for investment of the Plan (investment information) by a bank or similar institution or insurance carrier that is regulated, supervised, and subject to periodic examination by a state or federal agency, provided that the statements or information regarding assets so held are prepared and certified to by the bank or similar institution or insurance carrier in accordance with 29 CFR 2520.103-5 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA (qualified institution).

Management has obtained a certification from qualified institutions as of and for the year ended December 31, 2021, stating that the certified investment information, as described in Note 4 to the financial statements, is complete and accurate.

Opinion on the 2021 Financial Statements

In our opinion, based on our audit and on the procedures performed as described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section:

- The amounts and disclosures in the accompanying 2021 financial statements, other than those agreed to or derived from the certified investment information, are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).
- The information in the accompanying 2021 financial statements related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Basis for Opinion on the 2021 Financial Statements

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 2021 Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our ERISA Section 103(a)(3)(C) audit opinion.

Responsibilities of Management for the 2021 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error. Management's election of the ERISA Section 103(a)(3)(C) audit does not affect management's responsibility for the financial statements.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the 2021 Financial Statements

Except as described in the Scope and Nature of the ERISA Section 103(a)(3)(C) Audit of the 2021 Financial Statements section of our report, our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

Our audit did not extend to the certified investment information, except for obtaining and reading the certifications, comparing the certified investment information with the related information presented and disclosed in the 2021 financial statements, and reading the disclosures relating to the certified investment information to assess whether they are in accordance with the presentation and disclosure requirements of U.S. GAAP.

Accordingly, the objective of an ERISA Section 103(a)(3)(C) audit is not to express an opinion about whether the financial statements as a whole are presented fairly, in all material respects, in accordance with U.S. GAAP.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matters

2021 Supplemental Schedules Required by ERISA

The supplemental schedules of Schedule of Assets (Held at End of Year) and Schedule of Reportable Transactions, are presented for purposes of additional analysis and are not a required part of the financial statements but are supplementary information required by the DOL's Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information included in the supplemental schedules, other than that agreed to or derived from the certified investment information, has been subjected to auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. For information included in the supplemental schedules that agreed to or is derived from the certified investment information, we compared such information to the related certified investment information.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, other than the information agreed to or derived from the certified investment information, including their form and content, are presented in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion:

- The form and content of the supplemental schedules, other than the information in the supplemental schedules that agreed to or is derived from the certified investment information, are presented, in all material respects, in conformity with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.
- The information in the supplemental schedules related to assets held by and certified to by qualified institutions agrees to, or is derived from, in all material respects, the information prepared and certified by institutions that management determined meet the requirements of ERISA Section 103(a)(3)(C).

Auditor's Report on the 2020 Financial Statements

We were engaged to audit the 2020 financial statements of the Plan. As permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the plan administrator instructed us not to perform and we did not perform any auditing procedures with respect to the information certified by qualified institutions. In our report dated August 2, 2021, we indicated that (a) because of the significance of the information that we did not audit, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion and accordingly, we did not express an opinion on the 2020 financial statements, and (b) the form and content of the information included in the 2020 financial statements other than that derived from the certified information were presented in compliance with the DOL's Rules and Regulations for Reporting and Disclosure under ERISA.

RSM US LLP

Columbus, Ohio
August 19, 2022

Motorists Mutual Retirement Plan

Statements of Net Assets Available for Benefits December 31, 2021 and 2020

	2021	2020
Assets		
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
Total investments	68,582,671	68,604,999
Assets held for Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Total assets	88,345,930	88,885,078
Liabilities		
Amounts due to Motorists Mutual Insurance Company:		
Group Health and Welfare Benefits Plan - 401(h) account	19,763,259	20,280,079
Net assets available for benefits	\$ 68,582,671	\$ 68,604,999

See notes to the financial statements.

Motorists Mutual Retirement Plan

Statements of Changes in Net Assets Available for Benefits Years Ended December 31, 2021 and 2020

	2021	2020
Investment income:		
Interest and dividends	\$ 499,475	\$ 244,332
Net appreciation in fair value of investments	806,874	9,113,175
Total investment income	1,306,349	9,357,507
Refund from insurance company	147,586	-
	1,453,935	9,357,507
Deductions:		
Pension benefits paid directly to participants and beneficiaries	1,272,009	1,182,198
Administrative expenses	204,254	216,071
Total deductions	1,476,263	1,398,269
Net (decrease) increase	(22,328)	7,959,238
Net assets available for benefits:		
Beginning	68,604,999	60,645,761
Ending	\$ 68,582,671	\$ 68,604,999

See notes to financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 1. Description of the Plan

The following description of the Motorists Mutual Retirement Plan (the Plan) is provided for general informational purposes only. Participants should refer to the plan document for a more complete description of the Plan's provisions.

General: The Plan is a defined benefit pension plan covering a portion of the employees of Motorists Mutual Insurance Company and its subsidiaries (the Sponsor). It is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan is also subject to the relevant provisions of the Pension Protection Act of 2006 (PPA), the Worker, Retiree and Employer Recovery Act of 2008 (WRERA), the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA), the Moving Ahead for Progress in the 21st Century Act (MAP-21), the Highway and Transportation Funding Act of 2014 (HATFA), the Bipartisan Budget Act of 2015, the Coronavirus Aid, Relief and Economic Security Act (CARES Act), the Setting Every Community Up for Retirement Enhancement (SECURE) and the American Rescue Plan Act.

On August 11, 2017, the Board of Directors of Motorists Mutual Insurance Company adopted a resolution to freeze participation in and benefit accruals for plan participants effective December 31, 2017.

Effective January 1, 2021 the companies collectively referred to as Encova Insurance were reorganized into a mutual holding company structure with Encova Mutual Insurance Group, Inc. as the ultimate parent. Affiliated mutual insurance companies of the group were converted into stock companies that are wholly owned by Encova Holdings, Inc., a stock subsidiary of Encova Mutual Insurance Group, Inc. Stock subsidiaries of the former affiliated companies remained as subsidiaries of those companies. This reorganization did not have any effect on the plan.

Pension benefits: Participants are eligible to receive pension benefits upon reaching age 65; or, subject to certain age and length of service requirements, a participant may elect an early retirement at a reduced benefit. The normal form of benefit is a life annuity and optional forms of payment of benefits are available at the election of the participant. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. Employees are 100% vested after 5 years of service. Survivor benefits are distributed in the event of pre-retirement death. Death benefits are paid to the beneficiaries of active and retired employees in accordance with the Plan. Active participants who become disabled continue to accrue pension benefits subject to certain limitations, as defined by the Plan; however, the Plan does not provide disability benefits. Effective December 18, 2017, the Plan was amended to allow single lump-sum benefits (up to \$25,000) to all participants, beneficiaries and alternate payees.

Medical benefits: The Plan provides partial funding for future retiree health benefits under section 401(h) of the Internal Revenue Code (401(h) account). A separate account has been established and maintained in the Plan for the net assets related to the medical benefits component. In addition to the Plan's normal retirement benefits, certain employees who retire after December 31, 1999, and their spouses and dependents, are eligible for medical benefits. The medical benefits are provided by the Motorists Mutual Insurance Company Group Health and Welfare Benefits Plan (Health Care Plan). No key employees, as outlined by the Internal Revenue Service (IRS), will participate in these benefits. This plan feature allows an additional annual contribution to the Plan for medical benefits not to exceed certain limitations as defined by the Internal Revenue Code (IRC). Plan participants do not contribute to the 401(h) account.

Funding: Contributions are made by the Sponsor in such amounts as have been actuarially determined to fund current costs. Minimum funding requirements as set forth in ERISA have been met.

Basis of accounting: The accompanying financial statements have been prepared on the accrual basis of accounting.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies

Concentration risk: The Plan maintains investment balances, which at times, may exceed federally insured limits. Management believes it is not exposed to any significant credit risk on these investments.

Investment valuation and income recognition: Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 5 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Contributions: The Sponsor's contributions are recognized on an accrual basis.

Benefits: Benefit payments to participants and beneficiaries are recorded upon distribution.

401(h) account: The assets held for the Health Care Plan represent investments that are held for future benefit of the Health Care Plan under the 401(h) account (see Note 1). The investment income, contributions, distributions, gains and losses related to this account are reflected in the financial statements of the Health Care Plan. The related obligations for health benefits are not included in this Plan's Actuarial Present Value of Accumulated Plan Benefits disclosure (Note 3) but are reflected as obligations in the financial statements of the Health Care Plan. In accordance with the IRC, the Plan's investment in the 401(h) account may not be used for, or diverted to, any purpose other than providing health and welfare benefits for retirees and participants.

Administrative expenses: Administrative expenses represent fees for investment management and benefit payment services. Administrative expenses are recorded on an accrual basis. The Sponsor pays certain administrative expenses directly.

Actuarial present value of accumulated plan benefits: Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to services rendered by the employees to the valuation date. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on employees' average monthly compensation received during the five complete consecutive years with the highest compensation levels. The accumulated plan benefits for active employees are based on their average compensation during the five years ending on the date of which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date. Effective December 31, 2017, the Plan was frozen in relation to plan participation and benefit accruals. In November 2018, the Plan purchased an annuity contract for certain groups of participants. Allocated benefits, to be provided via annuity contracts, are excluded from plan assets and the related liabilities are excluded from accumulated plan benefits.

Use of estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make certain estimates and assumptions that affect the reported amounts of plan assets available for benefits and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates. The Plan uses an actuary to determine the actuarial present value of accumulated plan benefits. A change in the actuarial assumptions used could significantly change the amount of the actuarial present value of accumulated plan benefits reported in the accompanying financial statements.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 2. Summary of Significant Accounting Policies (Continued)

Risks and uncertainties: The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and such changes could materially affect the participants' account balances and amounts reported in the statements of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates, and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Subsequent events: The Plan Administrator has evaluated subsequent events through August 19, 2022, the date the financial statements were available to be issued.

Note 3. Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service employees have rendered prior to the Plan freeze effective December 31, 2017. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are accumulated based on employees' compensation during each year of credited service. The accumulated plan benefits for active employees will equal the accumulation, with interest, of the annual benefit accruals as of the benefit information date. Benefits payable under all circumstances—retirement, death, disability, and termination of employment—are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, withdrawal, or retirement) between the valuation date and the expected date of payment.

The actuarial present values of accumulated plan benefits as of December 31, are as follows, excluding any consideration for the medical benefits provided for under the 401(h) account (described in Notes 1 and 2) that are reflected in the financial statements of the Health Care Plan:

	2021	2020
Vested benefits:		
Participants currently receiving benefits	\$ 19,430,374	\$ 18,439,809
Other participants	46,807,520	49,188,695
	66,237,894	67,628,504
Nonvested accrued benefits	176,070	191,333
Total actuarial present value of accumulated plan benefits	\$ 66,413,964	\$ 67,819,837

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

The actuarial present value increased due to the following:

	2021	2020
Actuarial present value of accumulated plan benefits, beginning:		
Interest	\$ 67,819,837	\$ 55,987,849
Change in actuarial assumptions	2,365,065	2,603,966
Benefits accumulated	(2,818,768)	10,514,139
Benefits paid	319,839	(103,919)
Net (decrease) increase	(1,272,009)	(1,182,198)
	<u>(1,405,873)</u>	<u>11,831,988</u>
Actuarial present value of accumulated plan benefits, ending	<u>\$ 66,413,964</u>	<u>\$ 67,819,837</u>

The actuarial present value presented at December 31, 2021 and 2020, used January 1, 2022 and 2021 data, respectively, which was not materially different.

Significant assumptions underlying the actuarial computations as of December 31, 2021 and 2020, include:

Assumed rate of return on investments of 3.82% and 3.52%, respectively.

Retirement at varying rates beginning at age 55 with all participants retired at age 70.

Significant assumption changes underlying the actuarial computations as of December 31, 2021, include:

A change in the interest rate assumption from segment rates as of September 2020 to segment rates as of September 2021, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2021 Static Mortality Table for Annuitants and Non-Annuitants to the 2022 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 2.34% for the 2021 expense to 2.69% for the 2022 expense.

A change in retirement rates for active participants.

A change in the COLA increase rate from 2.50% for 2021 to 2.25% for 2022.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 3. Actuarial Present Value of Accumulated Plan Benefits (Continued)

Significant assumption changes underlying the actuarial computations as of December 31, 2020, include:

A change in the interest rate assumption from segment rates as of September 2019 to segment rates as of September 2020, each adjusted as applicable to fall within the 25-year average interest rate stabilization corridor.

A change in the mortality assumption from the 2020 Static Mortality Table for Annuitants and Non-Annuitants to the 2021 Static Mortality Table for Annuitants and Non-Annuitants.

A change in the single equivalent discounts rate from 3.12% for the 2020 expense to 2.34% for the 2021 expense.

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

Note 4. Information Certified and Provided by The Huntington National Bank (HNB) and State Street Bank and Trust Company (SSB)

The following is a summary of the plan's asset information as of December 31, 2021 and 2020, and for the years then ended, included throughout the Plan's financial statements and ERISA-required supplemental schedules, obtained by management and agreed to or derived from information certified by HNB (trustee and custodian) and SSB (custodian) of the Plan. The Plan Administrator has obtained certifications from the trustee and the custodians that information provided to the Plan Administrator by the trustee and the custodians related to the following assets is complete and accurate to the best of their knowledge and belief. Accordingly, as permitted by 29 CFR 2520.103-8 of the DOL's Rules and Regulations for Reporting and Disclosure under ERISA, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to information which appears throughout the financial statements and ERISA-required supplemental schedules related to the following assets:

	2021	2020
Investments at fair value:		
Mutual funds	\$ 8,964,841	\$ 13,778,292
Common/collective trusts	59,617,830	54,826,707
	<u>\$ 68,582,671</u>	<u>\$ 68,604,999</u>
Group Health and Welfare Benefits Plan - 401(h) account:		
Investments at fair value:		
Mutual funds	\$ 2,412,795	\$ 4,117,591
Common/collective trusts	17,350,464	16,162,488
	<u>\$ 19,763,259</u>	<u>\$ 20,280,079</u>

HNB and SSB also certified as to the completeness and accuracy of net appreciation in fair value of investments of \$806,874 and \$9,113,175, and of interest and dividend income of \$499,475 and \$244,332 for the years ended December 31, 2021 and 2020, respectively. Amounts are exclusive of the changes in the assets held for the 401(h) account.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements

The Financial Accounting Standards Board (FASB) guidance establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under FASB guidance are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in inactive markets
- Inputs other than quoted prices that are observable for the asset or liability
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodology used at December 31, 2021 and 2020.

Mutual funds: Valued by published market sources at the net asset value (NAV) of shares held by the Plan at year-end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables set forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31:

	2021			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 11,377,636	\$ -	\$ -	\$ 11,377,636
Total assets in the fair value hierarchy	\$ 11,377,636	\$ -	\$ -	11,377,636
Investments measured at NAV ^(a)				76,968,294
Investments at fair value				\$ 88,345,930

	2020			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 17,895,883	\$ -	\$ -	\$ 17,895,883
Total assets in the fair value hierarchy	\$ 17,895,883	\$ -	\$ -	17,895,883
Investments measured at NAV ^(a)				70,989,195
Investments at fair value				\$ 88,885,078

^(a) In accordance with Subtopic 820-10, certain investments that were measured at NAV per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statements of net assets available for benefits.

Changes in Fair Value Levels

To assess the appropriate classification of investments within the fair value hierarchy, the availability of market data is monitored. Changes in economic conditions or valuation techniques may require the transfer of investments from one fair value level to another. In such instances, the transfer is reported at the end of the reporting period.

For the years ended December 31, 2021 and 2020, there were no significant transfers in or out of Levels 1, 2, or 3.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 5. Fair Value Measurements (Continued)

The following tables summarize investments for which fair value is measured using the NAV per share practical expedient as of December 31, 2021 and 2020, respectively.

	2021			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 76,968,294</u>	\$ -	Daily	None

	2020			
	Fair Value	Unfunded Commitment	Redemption Frequency	Redemption Notice Period
Common/collective trusts *	<u>\$ 70,989,195</u>	\$ -	Daily	None

* These investments are direct filing entity funds which no longer requires a disclosure in regards to the investment strategy in accordance with Subtopic 820-10.

Note 6. Related-Party Transactions

HNB and SSB are trustees and/or custodians as defined by the Plan; therefore, these transactions qualify as party-in-interest. Fees paid by the Plan for services provided by HNB amounted to \$55,254 and \$49,241, and by SSB amounted to \$149,000 and \$166,830 for the years ended December 31, 2021 and 2020, respectively.

Note 7. Plan Termination

Under the terms of the Plan, the Sponsor has the right to terminate the Plan. While the Sponsor has not expressed any intent to terminate the Plan or to discontinue contributions, it is free to do so at any time, subject to the provisions set forth in ERISA. Should the Plan be terminated at some future time, all participants become 100% vested in benefits earned as of the termination date.

In the event the Plan terminates, the net assets of the Plan will be allocated as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

1. Benefits attributable to employee contributions, taking into account those paid out before termination.
2. Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under plan provisions in effect at any time during the five years preceding plan termination.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 7. Plan Termination (Continued)

3. Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a U.S. government agency) up to the applicable limitations (discussed below).
4. All other vested benefits (that is, vested benefits not insured by the PBGC).
5. All nonvested benefits.

Certain benefits under the Plan are insured by the PBGC if the Plan terminates. Generally the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling, which is adjusted periodically, on the amount of an individual's monthly benefit that the PBGC guarantees. For plan terminations occurring during 2021 that ceiling is \$6,034 per month. The ceiling applies to those pensioners who elect to receive their benefits in the form of a single-life annuity and are at least 65 years old at the time of retirement or plan termination (whichever comes later). For younger annuitants or for those who elect to receive their benefits in some form more valuable than a single-life annuity, the corresponding ceilings are actuarially adjusted downward.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at the time, of the Plan's net assets to provide for accumulated benefit obligations and may also depend on the financial condition of the Sponsor and the level of benefits guaranteed by the PBGC.

If, however, the Plan is terminated for any reason other than the bankruptcy or near bankruptcy of the Sponsor and the Plan has sufficient assets, the Sponsor will be required to pay to the Plan an amount that, together with Plan assets, will satisfy all benefits accumulated to the date of the Plan's termination.

Note 8. Tax Status

The IRS has determined and informed the Sponsor by a letter dated May 29, 2017, that the Plan and related trust are designed in accordance with applicable sections of the IRC. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan is designed and is being operated in compliance with the applicable provisions of the IRC.

Note 9. Reconciliation of the Financial Statements to the Form 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	2021	2020
Net assets available for benefits per financial statements:	\$ 68,582,671	\$ 68,604,999
401(h) account assets held included on Form 5500	19,763,259	20,280,079
Contribution receivable included on Form 5500	3,130,000	-
Net assets available for benefits per the Form 5500	<u>\$ 91,475,930</u>	<u>\$ 88,885,078</u>

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 9. Reconciliation of the Financial Statements to the Form 5500 (Continued)

Following are the reconciliations of the changes in net assets per the financial statements to the Form 5500 for the years ended December 31:

	2021	2020
Net appreciation in fair value of investments per financial statements	\$ 806,874	\$ 9,113,175
401(h) account included on Form 5500	199,249	2,974,824
Net appreciation in fair value of investments per the Form 5500	\$ 1,006,123	\$ 12,087,999
Interest and dividend income per financial statements	\$ 499,475	\$ 244,332
401(h) account included on Form 5500	125,157	73,632
Interest and dividend income per the Form 5500	\$ 624,632	\$ 317,964
Pension benefits paid per the financial statements	\$ 1,272,009	\$ 1,182,198
401(h) account included on Form 5500	824,656	1,456,064
Benefits paid per the Form 5500	\$ 2,096,665	\$ 2,638,262
Administrative expenses per financial statements	\$ 204,254	\$ 216,071
401(h) account included on Form 5500	16,570	26,989
Administrative expenses per the Form 5500	\$ 220,824	\$ 243,060
Sponsor's contribution per financial statements	\$ -	\$ -
Current year contribution receivable included on Form 5500	3,130,000	-
Sponsor's contribution per the Form 5500	\$ 3,130,000	\$ -

The net assets of the 401(h) account included in the Form 5500 are not available to pay pension benefits but can be used only to pay retiree health and welfare benefits as defined by the Health Care Plan. The related obligations are not a component of this Plan's obligations but are reflected as obligations in the Health Care Plan's financial statements.

The contributions on the Form 5500 reflect all contributions attributable to the plan year for actuarial funding purposes. However, a contribution receivable reported on the Form 5500 is not recognized on the financial statements because a formal funding commitment was not made by the end of the plan year.

Motorists Mutual Retirement Plan

Notes to Financial Statements

Note 10. COVID-19 Pandemic, Economic Uncertainty

On January 30, 2020, the World Health Organization declared the coronavirus (COVID-19) outbreak a “Public Health Emergency of International Concern” and on March 11, 2020, declared it a pandemic. The coronavirus and actions taken to mitigate the spread of it have and are expected to have an adverse impact on the economies and financial markets of many countries, including the United States of America. On March 27, 2020, CARES Act was enacted to, amongst other provisions, provide emergency assistance for individuals, families and businesses affected by the coronavirus pandemic. It is unknown how long the adverse conditions associated with the coronavirus will last and what the complete financial effect will be to the Plan.

Note 11. Subsequent Event

The Sponsor made a contribution in July 2022 of \$3,130,000 attributable to the 2021 plan year that was not committed to be funded prior to December 31, 2021.

Supplemental Schedules

Motorists Mutual Retirement Plan
EIN 31-4259550, Plan No. 001
Schedule H - Line 4(i) - Schedule of Assets (Held at End of Year)
Year Ended December 31, 2021

(a)	(b)	(c)	(d)	(e)
Identity of Issue or Borrower, or Similar Part:	Description of Investment, including Maturity Date, Rate of interest, Collateral, Par or Maturity Value	Shares	Cost	Current Value
Motorists Mutual Retirement Plan				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	63,204	\$ 2,301,286	\$ 2,678,600
Federated	Federated Prime Obligations Fund	72,501	72,501	72,501
Vanguard	Vanguard S&P Small Cap 600 Index	3,251	916,265	1,373,756
Vanguard	Vanguard Institutional Index	10,742	2,970,215	4,358,845
Vanguard	Vanguard Treasury Money Market	481,139	481,139	481,139
			6,741,406	8,964,841
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	191,500	18,181,012	20,896,111
BlackRock	BlackRock LT Long Credit Bond Fund	1,977,734	23,962,025	31,723,627
BlackRock	BlackRock 20+ Years Strips Fund	117,885	3,320,588	3,720,193
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	301,821	3,140,001	3,277,899
			48,603,626	59,617,830
Assets held for Motorists Mutual Insurance Company Group				
Health and Welfare Benefits Plan - 401(h) account				
Shares of mutual funds:				
Artisan	Artisan International Value Fund	16,004	570,988	678,253
Federated	Federated Prime Obligations Fund	400,387	400,387	400,387
Vanguard	Vanguard S&P Small Cap 600 Index	953	247,141	402,643
Vanguard	Vanguard Institutional Index	2,296	625,186	931,512
			1,843,702	2,412,795
Shares of common/collective trusts:				
BlackRock	BlackRock US Long Term Bond Index Fund	55,671	5,123,500	6,074,670
BlackRock	BlackRock LT Long Credit Bond Fund	576,031	6,756,426	9,239,755
BlackRock	BlackRock 20+ Years Strips Fund	34,421	960,759	1,086,237
BlackRock	Blackrock intermediate duration corporate screened non lendable fund	87,455	911,679	949,802
			13,752,364	17,350,464
			\$ 70,941,098	\$ 88,345,930

Note: The above information has been certified as complete and accurate by The Huntington National Bank, trustee and custodian of the Plan, and State Street Bank and Trust Company, custodian of the Plan.

Motorists Mutual Retirement Plan

EIN 31-4259550, Plan No. 001

Schedule H - Line 4(j) - Schedule of Reportable Transactions

Year Ended December 31, 2021

(a)		(b)	(c)	(d)	(g)	(h)	(i)
Identity of Party Involved	Description of Assets	Transaction Count	Purchase Price	Selling Price	Cost of Assets	Current Value of Assets on Transaction Date	Net Gain / (Loss) on Sales
Category (i) - single transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	1	4,880,000	-	4,880,000	4,731,187	(148,813)
Category (iii) - series of transactions in excess of 5 percent of plan assets:							
BlackRock US Long Term Bond Index Fund	Common/Collective Trusts	2	6,250,000	-	6,250,000	6,059,410	(190,590)

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 32—Schedule of Amortization Bases

Type of Base	Present Value of Installments	Valuation Date Established	Remaining Years in Amortization Period	Amortization Amount
Shortfall	\$1,686,615	January 1, 2021	15	\$157,263

Schedule SB Attachment (Form 5500)—2021 Plan Year
Motorists Mutual Retirement Plan
EIN: 31-4259550 PN: 001

Schedule SB, line 24—Change in Actuarial Assumptions

The funding valuation reflects the following assumption changes

A change in the expected return on assets from 4.70% for 2020 to 3.52% for 2021.