



# MEMBERS REPORT

EIM's most recent three-year strategic plan concluded on December 31, 2019, closing out a successful 36-month span that saw surplus grow from \$1.028 billion to a projected 2019 balance of \$1.127 billion after taxes and \$215 million in annual and supplemental distributions. Average annual investment return reached just over 6%, and the three-year net combined ratio totaled 102%. Given the nature of EIM's excess of loss underwriting portfolio, there was volatility embedded in the company's three-year performance, particularly for 2019 but, once again, the resiliency of an excess of loss portfolio showed through as EIM not only withstood the periodic spike in claim activity, but offset this impact with strong investment returns. This enabled EIM to maintain adequate surplus while still returning capital to members.

The following summarizes EIM's original three-year strategic targets, discusses performance on the key metrics outlined in the strategic plan, and highlights anticipated performance on these key metrics over the ensuing three years.

## The Original Plan

Key metrics supporting the 2017-2019 strategic plan included seven elements: (1) surplus growth, (2) net loss ratio, (3) net premium, (4) investment yield, (5) net expense ratio; (6) three-year average surplus growth; and (7) risk capacity. Key benchmarks outlined in EIM's 2017-2019 strategic plan are summarized at right.

## Performance on Key Metrics

Strong underwriting results in 2017 and 2018 were followed by a significant increase in loss activity for 2019. However, EIM was able to offset the 2019 underwriting losses with solid investment returns. Similarly, below-budget investment performance in 2018 was countered by an excellent net combined ratio of 78%. Surplus, originally projected to reach \$1.088 billion by year-end 2019, is expected to be at \$1.127 billion, after accounting for \$215 million in policyholder distributions over the last three years.

	2017	2018		2019		
	Actual	Original Plan	Actual	Original Plan	Revised Plan	Projected
<b>Surplus*</b>	\$1169m	\$1062m	\$1135m	\$1088m	\$1134m	\$1127m
<b>Net Loss Ratio</b>	59%	90%	72%	90%	90%	153%
<b>Net Expense Ratio</b>	8%	8%	6%	8%	7%	8%
<b>Net Premium Earned</b>	\$144m	\$144m	\$156m	\$149m	\$152m	\$161m
<b>Investment Total Return</b>	9%	4%	-1%	4%	4%	11%
<b>3-Yr Avg. Surplus Growth**</b>	8%	4%	9%	4%	7%	10%
<b>Risk Capacity</b>	188%	100%	168%	100%	150%	135%

\*All surplus figures are after tax and post-distribution.

\*\*Returns are pre-distribution and exclude the 2017 tax reform one-time adjustment of \$40 million.

Projected net premium earned for 2019 of \$161 million is ahead of original projections, driven by new business and loss surcharges for accounts experiencing loss activity, along with hardening casualty and property markets.

Risk capacity, targeted at 100%, dropped from 188% in 2017 to 135% in 2019, reflecting EIM's commitment to returning capital to members.

Apart from the net loss ratio where EIM averaged a 95% net loss ratio against a target of 90%, the company met or exceeded all key metrics highlighted in the expiring three-year plan.

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### Where We are Headed

Based on EIM's updated strategic plan (which will run from 2020-2022) the following targets have been established:

**Surplus:** Available surplus in excess of EIM's risk tolerance will continue to be allocated for distributions and additional member risk management needs over the next three years. As EIM expands its GL limits beyond \$100 million in response to member company demand it will continue its quarterly dialogue with the Board and IAC to ensure that surplus remains sufficient to take on additional risk in the form of expanded GL and Property limits while continuing to provide annual distributions. Any surplus over and above these measures will be allocated back to the membership in the form of supplemental distributions.

**Net Loss Ratio:** EIM's most recent three-year average loss ratio of 95% is in line with the company's target of a 90% net loss ratio. The underwriting volatility exhibited in 2019 highlights the inherent variability associated with EIM's excess of loss portfolio. EIM's commitment to offering additional GL capacity excess of \$100 million, along with expanding Property and Cyber coverages all have the potential to contribute to greater volatility and a higher loss ratio.

**Net Premium:** There will be an increase in net written premium between 2020 and 2022 due to increased loss frequency projections on GL and D&O lines of business. Premium adjustments will be evaluated on a case by case basis at each renewal. Members who experience losses can expect to see premium adjustments commensurate with their overall loss ratios, particularly those with loss ratios above 150%.

**Investment Return:** Despite the strong investment portfolio performance over the last three years, EIM will continue to budget a 4% return in its updated strategic plan. 2018 was a reminder of the mercurial nature of the investment market and the need for a conservative approach to invested assets.

## EIM Increases November 2019 Supplemental Distribution

At its November 14, 2019 meeting, the EIM Board of Directors increased from \$25 million to \$50 million the supplemental distribution of Policyholders' Surplus to member companies of record at September 30, 2019. The distribution was paid to members on November 21, 2019.

The supplemental distribution was in addition to the \$50 million annual distribution provided to Members in March 2019, bringing paid out distributions for the year to \$100 million.

**Net Expense Ratio:** EIM's budgeted expense ratio will remain at 7-9% for the foreseeable future, reflecting low overhead and an ongoing commitment to operational efficiency.

**Three-Year Average Surplus Growth:** EIM average surplus is expected to decline as the company takes steps to return capital to members, while balancing the increasing risk management needs of the membership.

**Risk Capacity:** Risk capacity, the ratio designed to reflect maintenance of sufficient capital and surplus to withstand a 1:200 TVaR (Tail Value-at-Risk) event while still maintaining an "A" rating from A.M. Best, is targeted at 125%. EIM is projected to close 2019 with a risk capacity ratio of 135%, down from 168% in 2018, and expects to see risk capacity continue to trend toward 125%.

EIM has wrapped up the 2017-2019 strategic plan in fine shape, with a strong financial base, expanded underwriting commitments and the ability to withstand the vagaries of an excess of loss risk profile and volatile investment environment while still providing members with a return on their capital. The next three years will be challenging, but EIM firmly believes that its business model, strategic vision and commitment to excellence will enable the company to continue providing meaningful value to its members.

*Scott Goodell, President and  
Chief Executive Officer*





*David E. Meador*  
*Vice Chairman and Chief*  
*Administrative Officer,*  
*DTE Energy*

EIM's newest board member, David E. Meador, is vice chairman and chief administrative officer of Detroit-based DTE Energy. David oversees information technology, procurement, fleet, facilities, corporate communications, government, corporate and public affairs, as well as the company's philanthropic giving.

David joined DTE Energy in 1997 as vice president and controller. He also served as senior vice president, treasurer and chief financial officer before the board of directors elected him to his current position in 2013. Prior to joining DTE Energy, he held financial and accounting positions at Chrysler Corporation and was an auditor with Coopers & Lybrand.

David was appointed to the Michigan Economic Development Corporation Executive Committee by Governor Rick Snyder in 2014 and is an executive committee member of the Detroit Economic Growth Corporation. He was named 2008 CFO of the Year for Large Public Companies by Crain's Detroit Business, and is co-chair of Mayor Duggan's Detroit Workforce Development Board. His involvement in various community and civic activities includes chairing the Board of Trustees of the Autism Alliance of Michigan, which he co-founded, the Hudson-Webber Foundation, Downtown Detroit Partnership and Business Leaders for Michigan.

David serves on the Michigan Humane Society Executive Committee as Vice Chair, the Wayne State University Foundation Board and is an Emeritus

Director of the Detroit Institute of Arts. He is also on the board of Amerisure Companies, one of the nation's leading providers of commercial insurance.

In addition to holding a bachelor's degree in accounting and a master of business administration degree from Wayne State University, David is a Certified Public Accountant and member of the MACPA, AICPA and FEI.

When asked about serving on the EIM Board of Directors, David responds, "DTE Energy has been a member of EIM for over 30 years. The significant block of limits, breadth of coverage and financial assurance provided by EIM continues to be a cornerstone of our insurance program. A primary reason for EIM's uninterrupted success has been the result of listening to its members and using that information to efficiently employ company assets to achieve mutual goals."



David recognizes the challenge of meeting members' needs for expanded coverages and increased limits to address changing technologies, emerging risks and expanding risk appetites, while maintaining a strong capital base with effective corporate governance.

"While it can be difficult for a business to expand product lines and maintain financial stability, EIM's mutual membership offers a unique opportunity to solve this problem, using the substantial data, assets and underwriting knowledge of its thriving industry insurance companies, EIM, NEIL and AEGIS. These companies can and should continue to work together closely to create stable, sustainable and accessible capacity for their members."

Please join us in welcoming and supporting David in his new role on the EIM Board.



Energy Insurance Services (EIS), along with Energy Captive Management (ECM), hosted its annual Policyholder Advisory Committee (PAC) conference, November 4 through November 7, 2019, at The Sanctuary on Kiawah Island, South Carolina. More than 64 business guests and staff joined in individual PAC meetings and enjoyed the Wednesday morning general session, which featured a wide array of topics focused on effective risk financing through alternative risk solutions.

The annual conference provides a venue to conduct annual PAC meetings for the fifteen active Mutual Business Programs (MBPs), involving 19 EIS Participants. The annual PAC meetings highlight financial, operational, investment and regulatory performance of their respective MBPs over the course of the year and map out anticipated underwriting and related activities for the upcoming year. In addition to annual PAC meetings, the conference offers an opportunity for Energy Insurance Mutual (EIM) members contemplating the creation of a protected cell to meet with staff and MBP Participants in order to better understand the potential value delivered by a captive structure.

We were extremely pleased with the turnout and participation of Member Companies at this year's conference. With a hardening commercial insurance market, many members have found alternative risk financing opportunities to more effectively and efficiently manage pricing and coverage terms.

### Recent Developments

Aside from the individual PAC meetings, participants also attended a Wednesday morning general session designed to address current issues in the captive insurance space. Randy Martin opened the morning by moderating a panel of captive specialists that included Jay Branum, Captive Division Director of the South Carolina Department of Insurance (SCDOI). Attendees were updated on recent developments at the SCDOI, including the recently enacted Captive Managers' Code of Conduct and SCDOI Director Ray Farmer's term as President



*From left: Randy Martin, EIS; Jay Branum, South Carolina Department of Insurance; John Prescott, Johnson Lambert; Alex Murray, Johnson Lambert; Sarah Stubbs, Johnson Lambert*

of the National Association of Insurance Commissioners, beginning January 2020. The SCDOI Captive Division continues to focus on “continuity, commitment and sustained momentum.”

Johnson Lambert LLP (JL), outside auditor for EIS and ECM, was represented on the panel by John Prescott, Managing Partner, Alex Murray, Senior Manager, and Sarah Stubbs, Principal. John and Alex updated the group on the 2019 ECM SOC-1 report, which will be finalized shortly, as well as on the 2020 audit plan. John highlighted JL's recent development, testing and implementation of a Robotic Process Application (RPA), which is designed to streamline the audit process and provide administrative and cost efficiencies. Sarah provided an update on recent federal tax reform and its impact on captives, including a reduced tax rate to 21%, lower deductibility for dividends received, and changes in loss reserves. She also highlighted recent court decisions addressing the evolving definition of “insurance” for tax purposes.

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Tobias Burke, VP and CAO of ECM, then chaired a panel discussion focused on EIS and ECM emerging issues. The discussion included an overview from Kevin Wolff, VP, General Counsel and Secretary of EIM and EIS, highlighting recent court proceedings involving premium tax and single parent captive operations, particularly in the state of Washington.

Kim Jenkins, Senior Accountant - ECM, discussed PAC transactional 'best practices' involving policy issuance, reinsurance placement, and claims. Jeff Tkacz, Controller -ECM, provided an overview of the EIS general account enterprise risk management heat map and pointed out the changes in the top ten risks that are tracked and measured. Tommy Bolton, EIM and EIS VP and CFO, previewed highlights of the 2020-2022 strategic plan being finalized by EIM, EIS and ECM.

Following the operations update, the session turned its focus to new developments on the captive front. Pete Nadel, Manager-Insurance of First Energy Corporation, outlined a newly created excess umbrella aggregate policy added to First Energy's MBP. The policy covers excess general liability, cyber, crime and fiduciary exposures. By creating a multi-line cover, First Energy was able to recognize cost savings, pricing control, and flexibility.

Nuclear Electric Insurance Limited (NEIL) highlighted captive collaboration, reviewing several instances where EIS and NEIL have worked together to provide cost-efficient capacity to companies who are members of both mutuals. Similarly, the Nuclear Industry Reinsurance Association (NIRA), a part of the European Mutual Association for Nuclear Insurance based in Luxembourg, discussed how NIRA is supporting EIS protected cell captives by providing additional capacity via reinsurance support.

### Future Developments

The general session wrapped up with presentations from three speakers focused on the future. Karin Landry, Managing Director of Spring Consulting, updated the group on a pending request for a Department of Labor opinion on the ability to use protected cell captives to insure employee benefit plan risks. Alan Maude, of Strategic Risk Solutions at Zurich North America, outlined integrated risk management solutions that can provide multi-line coverage under a single insurance policy.

Bill Diaz, CEO, and Kristi McFarlin, VP Analytics, from Ventiv Technology, shared their views on data analytics and the evolving role of software solutions for risk management and claim administration. By combining and exploring the relationship between multiple data sources, companies can enhance predictive analytics and refine business intelligence capabilities.

All general session materials are available on the EIM website at [2019 PAC Conference](#).

In closing the general session, Scott Goodell, EIS President and CEO, remarked on the innovative thinking that was taking place within the captive space and the inspired solutions—both implemented and contemplated—being driven by such forward thinking.

With Kiawah Island as the backdrop, the conference provided a great opportunity to network with fellow risk managers, take time out for golf, fishing or spa treatments, and enjoy Low Country hospitality. Next year's conference will be held in Historic Downtown Charleston, South Carolina, from October 26th to 29th.

We look forward to seeing you in 2020.

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*Randall Martin, Vice President and  
Chief Operating Officer at EIS*

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*Frank Stanbrough  
Vice President/Risk Management  
and Compliance Officer,  
Southwest Gas Corporation*

Resources in 2011. He became Director/Risk Management and Compliance Officer in 2013 and assumed his current position as Vice President/Risk Management and Compliance Officer in 2015.

Frank earned a Bachelor of Science in Accounting from the University of Nevada, Las Vegas. In addition, he is a Certified Public Accountant and a Certified Corporate Compliance and Ethics Professional. He holds membership in the American Institute of Certified Public Accountants,

Frank Stanbrough, EIM's newest IAC Committee Member, is Vice President/Risk Management and Compliance Officer of Southwest Gas Corporation. Southwest provides natural gas service to more than two million customers in Arizona, Nevada and portions of California. Frank is responsible for overseeing the company's risk management, safety, corporate compliance, business continuity, infrastructure protection and enterprise risk management activities.

Frank joined Southwest in 1994 as a Corporate Accountant II and served in numerous accounting positions before he was promoted to Director/Administration for the Southern Nevada Division in 2009 and Director/Corporate Human

the Society of Corporate Compliance and Ethics, the Risk and Insurance Management Society, the American Gas Association's Risk Management Committee and the Evolving Risks Committee of Associated Electric and Gas Insurance Services. Frank also serves as a board member and the treasurer/secretary for Create a Change Now, a Las Vegas-based charity providing resources to fight childhood obesity and related diseases.

When asked about his service as an IAC member, Frank responded, "I expect that my diverse work experience will complement the other IAC members, helping the IAC continue to be an effective liaison contributing to the success of both EIM and its members."

In his free time, Frank enjoys being outdoors, golfing and cooking. He also takes frequent ocean and river cruises with his wife. They have completed 15 so far and have an additional two booked for 2020.



*Photo courtesy of Southwest Gas Corporation*





## TRANS MOUNTAIN

EIM's newest member, Trans Mountain, has a 65-year history of delivering safe and reliable energy transportation. Headquartered in Calgary, Alberta, with regional offices along the pipeline system in Alberta and British Columbia, Trans Mountain operates Canada's only pipeline system transporting oil products to the West Coast.

The company delivers approximately 300,000 barrels of petroleum products each day through 1,150 kilometers of pipeline in Alberta and British Columbia, and 111 kilometers of pipeline in Washington state. The Trans Mountain Expansion Project (TMEP), currently being undertaken by the company, will provide increased capacity to support Canadian crude oil production growth and ensure access to global energy markets.

TMEP is the largest project in Trans Mountain's history. It involves the installation of approximately 980 kilometers of new pipeline, new and modified facilities, including pump stations and terminals, and a new dock complex at Westridge Marine Terminal in Burnaby, British Columbia. When completed, the project will provide western Canadian crude oil producers with an additional 590,000 barrels per day of crude oil transportation capacity and tidewater access.

Trans Mountain is accountable to the Canadian Parliament through the Canada Development Investment Corporation (CDEV) and is a wholly-owned subsidiary of CDEV, governed by an independent Board of Directors.

Please join us in extending a warm welcome to Trans Mountain.

### Retiring IAC Members

We extend our heartfelt thanks, congratulations and best wishes to Forrest Strachan, PJM Interconnect, and L. D. Wade, Dominion Energy, who have retired from the Insurance Advisory Committee (IAC) upon their retirement from their respective companies. Forrest retired from PJM in April 2019 while L.D. retired from Dominion in August 2019.

Forrest was an IAC member for six years, from February 2013 through February 2019. During that time, he served on the Cyber and Emerging Risks task forces, chairing Emerging Risks from 2018 until his retirement. Forest also updated and oversaw circulation of the IAC Member survey in 2015 and 2016.

L.D. joined the IAC in December 2018, serving as a member of the Emerging Risk and Renewables task forces.

Forrest and L.D. are consummate professionals who helped the IAC provide ongoing guidance and insight to EIM management regarding emerging risk management issues, as well as offering valuable insights to ensure EIM's ongoing responsiveness to member companies.

We will miss both and wish them happiness and health in their retirements.

*From left: Scott Goodell, EIM; Forrest Strachan, PJM Interconnect; L. D. Wade, Dominion Energy; Jill Dominguez, EIM*







Scott Goodell  
10 Years

Scott Goodell, EIM President and Chief Executive Officer, still remembers, “like it was yesterday,” the day he joined EIM in January 2010. “It was a new experience for me,” he recalls. “I was moving across the country from Seattle to Tampa, joining a company I had been aware of for many years, but never had the opportunity to work with, and meeting new people by the scores. I was hoping that I had made a good decision.”

Now, ten years later, Scott’s initial uncertainty, apprehension and doubt have long since given way to respect and appreciation for EIM, its staff, member companies and business partners. “Knowing EIM

as I do today, I would have been campaigning to join the organization many, many years ago. I feel fortunate to have spent the last ten years here,” he reflects.

In August 2019, Scott announced that he will be retiring in May 2020. He will be succeeded by Tommy Bolton, EIM’s current Vice President-Chief Financial Officer. Commenting on the transition, Scott observes, “While it seems like only yesterday that I joined the EIM team, much has transpired over the last ten years. We’re financially sound, with exceptional underwriting and claims professionals, supported by talented administrative and information technology staff, all of whom are committed to delivering value to our members.

The steps that we have taken over the last decade have positioned us well for Tommy’s seamless transition and EIM’s ongoing success.”

“I’m pleased to be celebrating a ten-year anniversary, but even more proud of the opportunity to work with the wonderful people who make EIM such an extraordinary company,” Scott notes. “While my future with EIM lies largely in the past, I’m confident that the EIM staff, Board, Insurance Advisory Committee, member company representatives and business partners will carry forward the mission and vision articulated by the company’s founders more than 30 years ago, ensuring a bright and meaningful future. It has been a great experience. Thanks for letting me be a part of it.”

On behalf of everyone at EIM, we thank Scott for his decade-long service to our company, congratulate him on his 10th anniversary, and wish him all the best on his upcoming retirement.

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***“Knowing EIM as I do today, I would have been campaigning to join the organization many, many years ago. I feel fortunate to have spent the last ten years here.”***

## CONGRATULATIONS TO TOBIAS BURKE AND JEFF TKACZ ON THEIR ANNIVERSARIES



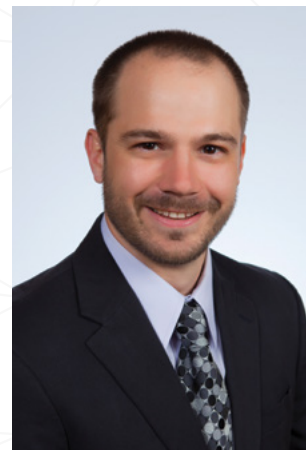
*Tobias Burke*  
5 Years

Tobias Burke joined EIM in January 2015 as Chief Accounting Officer of Energy Captive Management, LLC (ECM) a wholly-owned subsidiary which was formed in Charleston to provide management services to Energy Insurance Services, Inc. (EIS).

Prior to that, beginning in 2006, he was responsible for the captive management of EIS while working for USA Risk Group, Inc. in Greenville, SC. He has worked in the alternative insurance marketplace since 1985 in New York, Vermont and South Carolina. He began his career at AIG in its pioneering Risk Management division before moving to Vermont to begin managing captives.

Tobias enjoys working with the team in Charleston that have ensured continued success for EIS after its move to South Carolina and its transition to a self-managed protected cell company. At the same time, EIS/ECM has benefited from the essential support provided by EIM colleagues in Tampa. ECM also benefits from the collaborative efforts of the member participants in EIS.

Tobias has a B.A. from Columbia University (NYC) and an MBA in public accounting from St. John's University (NYC.) He lives in Mount Pleasant with his wife Jane. He enjoys reading and spending time with his family.



*Jeff Tkacz*  
5 Years

Jeff Tkacz joined EIM as Controller of Energy Captive Management on January 1, 2015, after previously working as the lead on the external audit of EIM subsidiary, EIS. His current responsibilities include EIS day-to-day operations and serving as the lead for its annual audit and Service Organization Control Report.

Previously, Jeff worked for audit and accounting firm Johnson Lambert, LLP, where he was a senior manager performing audits of insurance companies and examinations of captive insurance companies for the state of South Carolina on a contract basis. Prior to Johnson Lambert he worked at KPMG working on audits of large insurance companies in Hartford, CT.

Before that, he gained a rounded schooling in business at Babson College in Wellesley, Massachusetts.

Since joining EIM, Jeff has come to appreciate the “great network of people” who surround him. He not only respects his coworkers and brokers, he especially likes working with our members and adding value wherever possible. As he grows with the company, he looks forward to seeing where the industry and the future will lead EIM.

Outside the office, Jeff enjoys traveling and exploring with his wife, Corinne, and their two children, Connell and Miller. He's also an avid outdoorsman who enjoys hiking, running, boating, fishing, crabbing and pretty much any activity involving nature.

## Balance Sheets

(Expressed in Thousands of U.S. Dollars)

	09/30/2019	09/30/2018
<b>Assets</b>		
Investments	\$1,814,345	\$1,742,976
Cash and cash equivalents	27,735	52,930
Reinsurance recoverables on losses	359,502	228,573
Prepaid reinsurance premiums	19,652	18,725
Premiums receivable	4,220	6,484
Income taxes recoverable	7,250	2,218
Other assets	11,042	11,717
<b>Total assets</b>	<b>\$2,243,746</b>	<b>\$2,063,623</b>
<b>Liabilities and policyholders' surplus</b>		
Reserves for losses and loss adjustment expenses	\$819,783	\$646,918
Unearned premiums	155,122	121,762
Reinsurance premiums payable and funds held	10,373	7,208
Net deferred tax liability	47,835	50,647
Accounts payable and accrued expenses	10,323	11,781
Income taxes payable	-	-
<b>Total liabilities</b>	<b>1,068,436</b>	<b>863,316</b>
Members' account balance	1,136,319	956,486
Accumulated other comprehensive income	38,991	243,821
<b>Total policyholders' surplus</b>	<b>1,175,310</b>	<b>1,200,307</b>
<b>Total liabilities and policyholders' surplus</b>	<b>\$2,243,746</b>	<b>\$2,063,623</b>

## Statements of Income and Comprehensive Income

(Expressed in Thousands of U.S. Dollars)

	09/30/2019	09/30/2018
<b>Underwriting revenue</b>		
Net premiums earned	\$121,472	\$116,227
Other underwriting income	1,618	1,644
<b>Total underwriting revenue</b>	<b>123,090</b>	<b>117,871</b>
<b>Underwriting expenses</b>		
Net losses and loss adjustment expenses	191,255	96,421
Policy acquisition costs	2,181	1,510
Administrative expenses	9,073	7,469
<b>Total underwriting expenses</b>	<b>202,509</b>	<b>105,400</b>
(Loss) income from underwriting	(79,419)	12,471
Investment income	111,341	64,232
Income before policyholders' distribution and income taxes	31,922	76,703
Policyholder distribution	25,000	25,000
Income before income taxes	6,922	51,703
Income tax expense	(418)	(159)
<b>Net income</b>	<b>7,340</b>	<b>51,862</b>
Other comprehensive income (loss)	32,800	(20,394)
<b>Comprehensive income</b>	<b>\$40,140</b>	<b>\$31,468</b>

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## Statements of Changes in Policyholders' Surplus (Expressed in Thousands of U.S. Dollars)

	Accumulated Other Comprehensive Income	Members' Account Balance	Total Policyholders' Surplus
Balance at January 1, 2018	\$ 264,215	\$ 904,625	\$ 1,168,840
Other comprehensive loss, net of tax	(77,323)	-	(77,323)
Net income	-	43,653	43,653
Balance at December 31, 2018	186,892	948,278	1,135,170
Impact of adoption of ASU 2016-01	(180,701)	180,701	-
Other comprehensive income, net of tax	32,800	-	32,800
Net income	-	7,340	7,340
Balance at September 30, 2019	<u>\$ 38,991</u>	<u>\$ 1,136,319</u>	<u>\$ 1,175,310</u>

*EIM's Members Report is electronically published four times per year. Comments, questions, and suggested subjects from Members are sincerely welcomed.*

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