



QUARTERLY STATEMENT AS OF SEPTEMBER 30, 2017 OF THE CONDITION AND AFFAIRS OF THE National Mortgage Insurance Corporation

NAIC Group Code <u>4760</u> , <u>4760</u> <small>(current period) (prior period)</small>	NAIC Company Code <u>13695</u>	Employer's ID Number <u>27-0471418</u>
Organized under the Laws of <u>Wisconsin</u> ,	State of Domicile or Port of Entry <u>WI</u>	
Country of Domicile <u>United States of America</u>		
Incorporated/Organized <u>06/30/2009</u>	Commenced Business <u>05/04/2013</u>	
Statutory Home Office <u>8040 Excelsior Drive, Suite 200</u> <small>(Street and Number)</small>	<u>Madison, WI, US 53717</u> <small>(City or Town, State, Country and Zip Code)</small>	
Main Administrative Office <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number)</small>	<u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small>	
	<u>(855)873-2584</u> <small>(Area Code)(Telephone Number)</small>	
Mail Address <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number or P.O. Box)</small>	<u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small>	
Primary Location of Books and Records <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number)</small>	<u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small>	
	<u>(855)873-2584</u> <small>(Area Code)(Telephone Number)</small>	
Internet Website Address <u>www.nationalmi.com</u>		
Statutory Statement Contact <u>Debbie Fan</u> <small>(Name)</small>	<u>(510)858-0530</u> <small>(Area Code)(Telephone Number)(Extension)</small>	
<u>debbie.fan@nationalmi.com</u> <small>(E-Mail Address)</small>	<u>(510)225-3832</u> <small>(Fax Number)</small>	

OFFICERS

Name	Title
Bradley M Shuster	Chief Executive Officer
William J Leatherberry	Chief Legal Officer
Claudia J Merkle	Chief Operating Officer
Adam Pollitzer	Chief Financial Officer #

VICE- PRESIDENTS

Patrick L Mathis, EVP, Chief Risk Officer Christopher G Brunetti, SVP, General Counsel and Secretary Michael J Dirrane, Senior Managing Director, Chief Sales Officer Julie Norberg, VP, Controller # Mark N Daly, SVP, National Accounts	Mary L Sharp, SVP, Chief Human Resources Officer Norman P Fitzgerald, SVP, Field Sales Laura E Amato, SVP, Strategic Ops. Initiatives & Servicing Ops. Robert O Smith, SVP, Pricing and Portfolio Analytics Nicholas Ondrejka, SVP, Chief Information Officer #
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DIRECTORS OR TRUSTEES

Patrick L Mathis Bradley M Shuster Adam Pollitzer #	Claudia J Merkle William J Leatherberry
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State of California
County of Alameda ss

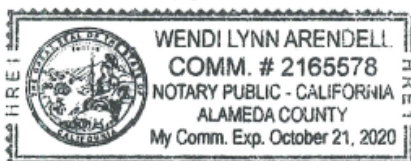
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

 _____ (Signature) Bradley M Shuster (Printed Name) 1. Chief Executive Officer (Title)	 _____ (Signature) Christopher G Brunetti (Printed Name) 2. SVP, General Counsel and Secretary (Title)	 _____ (Signature) Adam Pollitzer (Printed Name) 3. Chief Financial Officer (Title)
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Subscribed and sworn to before me this 10th day of November, 2017

a. Is this an original filing? Yes[X] No[]
 b. If no, 1. State the amendment number _____
 2. Date filed _____
 3. Number of pages attached _____

(Notary Public Signature)



ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	595,724,518		595,724,518	507,702,041
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....6,434,905), cash equivalents (\$.....4,893,855) and short-term investments (\$.....4,490,618)	15,819,378		15,819,378	59,552,824
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	3,172,018		3,172,018	
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets	79,031	79,031		
12. Subtotals, cash and invested assets (Lines 1 to 11)	614,794,945	79,031	614,715,914	567,254,865
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	4,242,334		4,242,334	3,105,467
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	21,055,569	8,919	21,046,650	13,720,689
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	71,688,511	28,213,523	43,474,988	50,757,600
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	23,461		23,461	0
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets				
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	711,804,820	28,301,473	683,503,347	634,838,622
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	711,804,820	28,301,473	683,503,347	634,838,622
DETAILS OF WRITE-INS				
1101. Prepaid Expenses	79,031	79,031		
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)	79,031	79,031		
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....3,473,537)	4,704,525	2,421,360
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	59,353	58,563
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	25,863	50,684
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	102,194	189,417
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....40,182,338 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)	121,161,682	114,713,335
10. Advance premium	793	863
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	2,799,041	1,949,290
13. Funds held by company under reinsurance treaties	33,105,463	30,633,127
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$.....0 certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	12,774,270	9,094,369
20. Derivatives		
21. Payable for securities	1,195,104	
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities	155,493,258	88,690,184
26. TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25)	331,421,546	247,801,192
27. Protected cell liabilities		
28. TOTAL liabilities (Lines 26 and 27)	331,421,546	247,801,192
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	2,530,000	2,530,000
31. Preferred capital stock		
32. Aggregate write-ins for other-than-special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	494,573,352	494,573,352
35. Unassigned funds (surplus)	(145,021,551)	(110,065,922)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0)		
36.2 .....0 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	352,081,801	387,037,430
38. TOTALS (Page 2, Line 28, Col. 3)	683,503,347	634,838,622
DETAILS OF WRITE-INS		
2501. Statutory Contingency Reserve	150,522,425	83,858,717
2502. Deferred Ceding Commission	4,970,833	4,831,467
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	155,493,258	88,690,184
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned			
1.1 Direct (written \$.....142,134,038)	133,695,466	78,900,274	115,829,692
1.2 Assumed (written \$.....0)			
1.3 Ceded (written \$.....40,337,869)	38,347,643	8,628,336	18,551,767
1.4 Net (written \$.....101,796,169)	95,347,823	70,271,938	97,277,925
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....3,473,537)			
2.1 Direct	3,834,701	1,636,762	2,611,549
2.2 Assumed			
2.3 Ceded	926,406	218,637	466,307
2.4 Net	2,908,295	1,418,125	2,145,242
3. Loss adjustment expenses incurred	11,680	39,752	63,799
4. Other underwriting expenses incurred	51,972,433	66,060,803	79,998,275
5. Aggregate write-ins for underwriting deductions	66,663,708	36,578,681	54,954,900
6. TOTAL underwriting deductions (Lines 2 through 5)	121,556,116	104,097,361	137,162,216
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(26,208,293)	(33,825,423)	(39,884,291)
INVESTMENT INCOME			
9. Net investment income earned	764,744	9,071,379	12,357,458
10. Net realized capital gains (losses) less capital gains tax of \$.....160,059	35,115	(257,212)	(224,523)
11. Net investment gain (loss) (Lines 9 + 10)	799,859	8,814,167	12,132,935
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. TOTAL other income (Lines 12 through 14)			
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(25,408,434)	(25,011,256)	(27,751,356)
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(25,408,434)	(25,011,256)	(27,751,356)
19. Federal and foreign income taxes incurred	4,291,564	609,987	746,913
20. Net income (Line 18 minus Line 19) (to Line 22)	(29,699,998)	(25,621,243)	(28,498,269)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	387,037,430	366,890,055	366,890,055
22. Net income (from Line 20)	(29,699,998)	(25,621,243)	(28,498,269)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0			
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	13,925,989		58,860,461
27. Change in nonadmitted assets	(19,181,620)	(6,718)	(10,214,817)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(34,955,629)	(25,627,961)	20,147,375
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	352,081,801	341,262,094	387,037,430
DETAILS OF WRITE-INS			
0501. Statutory Contingency Reserve	66,663,708	36,578,681	54,954,900
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	66,663,708	36,578,681	54,954,900
1401.			
1402. Services			
1403. 0			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701. Quasi-reorganization of net loss cumulative and prior to acquisition by NMI Holdings, Inc.			
3702.			
3703. Other			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	95,319,890	90,356,216	122,033,275
2. Net investment income	685,400	9,121,710	12,844,987
3. Miscellaneous income			
4. TOTAL (Lines 1 to 3)	96,005,290	99,477,926	134,878,262
5. Benefit and loss related payments	625,130	204,564	333,123
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	113,805,236	95,065,938	125,831,484
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$..... 160,059 tax on capital gains (losses)	4,451,623	456,650	618,857
10. TOTAL (Lines 5 through 9)	118,881,989	95,727,152	126,783,464
11. Net cash from operations (Line 4 minus Line 10)	(22,876,699)	3,750,774	8,094,798
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	67,920,362	58,929,074	71,951,253
12.2 Stocks			
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds		10,367,064	31,912
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7)	67,920,362	69,296,138	71,983,165
13. Cost of investments acquired (long-term only):			
13.1 Bonds	156,805,185	106,474,819	136,289,626
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	1,976,914		
13.7 TOTAL investments acquired (Lines 13.1 to 13.6)	158,782,099	106,474,819	136,289,626
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(90,861,737)	(37,178,681)	(64,306,461)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	70,004,990	55,896,930	80,546,402
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	70,004,990	55,896,930	80,546,402
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(43,733,446)	22,469,023	24,334,739
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	59,552,824	35,218,085	35,218,085
19.2 End of period (Line 18 plus Line 19.1)	15,819,378	57,687,108	59,552,824

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001			
20.0002			

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of National Mortgage Insurance Corporation (“NMIC” or the “Company”), are presented on the basis of accounting practices prescribed or permitted by the Wisconsin Office of the Commissioner of Insurance (“Wisconsin OCI”).

The Wisconsin OCI recognizes only statutory accounting practices prescribed or permitted by the State of Wisconsin for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Wisconsin Insurance Statutes. The National Association of Insurance Commissioners’ (“NAIC”) *Accounting Practices and Procedures* manual, version effective January 1, 2001, (“NAIC SAP”) has been adopted as a component of prescribed or permitted practices by the State of Wisconsin. The state of Wisconsin has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. Specifically, Wisconsin-domiciled mortgage insurance companies record changes in the contingency reserve through the income statement as an underwriting deduction. In NAIC SAP, changes in the contingency reserve are recorded directly to unassigned surplus.

The Wisconsin Commissioner of Insurance (the “Commissioner”) has the right to permit other specific practices that deviate from prescribed practices.

A reconciliation of net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of Wisconsin is shown below:

	<u>State of Domicile</u>	<u>Nine months ended September 30, 2017</u>	<u>Year ended December 31, 2016</u>
Net Income/(Loss)			
(1) State basis (Page 4, Line 20, Columns 1 & 3)	WI	\$ (29,699,998)	\$ (28,498,269)
(2) State prescribed practices that increase/(decrease) NAIC SAP			
Change in contingency reserves	WI	(66,663,708)	(54,954,900)
(3) NAIC SAP (1 - 2 = 3)	WI	<u>\$ 36,963,710</u>	<u>\$ 26,456,631</u>
 SURPLUS			
(4) State basis (Page 3, Line 37, Columns 1 & 2)	WI	\$ 352,081,801	\$ 387,037,430
(5) State prescribed practices that increase/(decrease) NAIC SAP		—	—
(6) NAIC SAP (4 - 5 = 6)	WI	<u>\$ 352,081,801</u>	<u>\$ 387,037,430</u>

B. Use of Estimates in the Preparation of the Financial Statements

No significant change from year end 2016.

C. Accounting Policy

The Company uses the following accounting policies:

- (1) - (2) No significant change from year end 2016.
- (3) - (5) Not applicable.
- (6) No significant change from year end 2016.
- (7) - (9) Not applicable.
- (10) - (12) No significant change from year end 2016.
- (13) Not applicable.

D. Going Concern

No change from year end 2016.

2. Accounting Changes and Corrections of Errors

No significant change from year end 2016.

3. Business Combinations and Goodwill

Not applicable.

4. Discontinued Operations

Not applicable.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

Not applicable.

B. Debt Restructuring

Not applicable.

C. Reverse Mortgages

Not applicable.

D. Loan-Backed Securities

(1) The Company uses widely accepted models for prepayment assumptions in valuing loan-backed securities with inputs from major third party data providers. The Company's investment policy complies with SSAP No.43R - *Loan-backed and Structured Securities* set forth by the Wisconsin OCI.

(2) The Company has not recognized any other-than-temporary impairments.

(3) The Company has not recognized any other-than-temporary impairments.

(4) All impaired loan-backed securities where fair value is less than cost or amortized cost for which an other-than-temporary impairment has not been recognized in earnings as a realized loss,

(a) The aggregate amount of unrealized losses:

1. Less than 12 Months	\$	(775,096)
2. 12 Months or Longer		(1,179,244)

(b) The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$	130,454,629
2. 12 Months or Longer		56,640,857

(5) Management regularly reviews the value of the Company's investments. If the value of any investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination for each security, the Company considers its intent to sell the security and whether it is more likely than not that the Company would be required to sell the security before recovery, as well as the extent and duration of the valuation decline, failure of the issuer to make scheduled interest or principal payments, change in rating below investment grade and adverse conditions specifically related to the security, an industry, or a geographic area.

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, an impairment charge is recorded within net realized capital gains (losses) in the statement of income in the period the determination is made. For the quarter ended September 30, 2017, the Company held no other-than-temporarily impaired securities. The impaired security disclosed for the quarter ended March 31, 2017 was liquidated as of June 30, 2017.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable.

F. Real Estate

Not applicable.

G. Low-income housing tax credits ("LIHTC")

Not applicable.

H. Restricted Assets

No significant change from year end 2016.

I. Working Capital Finance Investments

Not applicable.

J. Offsetting and Netting of Assets and Liabilities

Not applicable.

K. Structured Notes

Not applicable.

L. 5* Securities

Not applicable.

6. Joint Ventures, Partnerships and Limited Liability Companies

Not applicable.

7. Investment Income

No significant change from year end 2016.

8. Derivative Instruments

Not applicable.

9. Income Taxes

No significant change from year end 2016.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of Relationships

No significant change from year end 2016.

B. Detail of Transactions Greater than ½% of Admitted Assets

The Company did not have any transactions greater than 1/2% of its admitted assets for the quarter ended September 30, 2017.

C. Change in Terms of Intercompany Arrangements

In May 2017, NMIC entered into an aggregate excess of loss reinsurance agreement (the “XOL Agreement”) with Oaktown Re, Ltd. (“Oaktown Re”). Concurrent with the establishment of the XOL Agreement, NMIC amended the terms of its intercompany reinsurance agreement with National Mortgage Reinsurance Inc One (“Re One”). The reinsurance premium rate previously paid by NMIC to Re One was adjusted by a factor of 0.9231 to account for the benefit that Re One receives under the XOL Agreement. Reinsurance coverage provided by Oaktown Re to NMIC under the XOL Agreement inures to the benefit of Re One as losses ceded to Oaktown Re under the XOL Agreement are gross of any affiliate reinsurance.

D. Amounts Due to or from Related Parties

As of September 30, 2017, the Company reported \$12,580,961, \$119,234 and \$74,075 due to affiliate companies NMI Holdings, Inc. (“NMIH”), Re One, and NMI Services, Inc. (“NMIS”), respectively, compared to \$9,094,369 due to NMIH on December 31, 2016.

As of September 30, 2017 and December 31, 2016, the Company reported \$23,461 and \$0 due from affiliate company NMIH, respectively.

E. Guarantees or Undertaking for Related Parties

Not applicable.

F. Management, Service contracts, Cost Sharing Arrangements

NMIH received approval from the State of Wisconsin to begin allocating the interest expense on its Term Loan to NMIC in the first quarter of 2017, consistent with the benefits NMIC received from the loan proceeds.

G. Nature of Relationships that Could Affect Operations

No significant change from year end 2016.

H. Amount Deducted for Investment in Upstream Company

Not applicable.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

Not applicable.

Notes to Financial Statement

- J. Write downs for Impairment of Investments in Affiliates

Not applicable.

- K. Foreign Subsidiary Valued Using CARVM

Not applicable.

- L. Downstream Holding Company Valued Using Look-Through Method

Not applicable.

- M. SCA Investments

Not applicable.

- N. A reporting entity that reports an investment in an insurance SCA

Not applicable.

11. Debt

- A. Debt, including capital notes

Not applicable.

- B. Funding Agreements with the Federal Home Loan Bank ("FHLB")

Not applicable.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-Retirement Benefit Plans

- A. Defined Benefit Plan

Not applicable.

- B. Narrative Description of Investment Policies and Strategies

Not applicable.

- C. Fair Value of Each Class of Plan Assets

Not applicable.

- D. Basis Used to Determine Overall Expected Long Term Rate of Return on Assets

Not applicable.

- E. Defined Contribution Plans

Not applicable.

- F. Multiemployer Plans

Not applicable.

- G. Consolidated/Holding Company Plans

Not applicable.

- H. Post-employment Benefits and Compensated Absences

Not applicable.

- I. Impact of Medicare Modernization Act on Post-retirement Benefits

Not applicable.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

- A. Outstanding Shares

No significant change from year end 2016.

- B. Dividend Rate of Preferred Stock

Not applicable.

- C. Dividend Restrictions

NMIC's ability to pay dividends to its parent is limited by insurance laws of the State of Wisconsin and certain other states. Under Wisconsin law, NMIC may pay dividends up to specified levels (i.e., "ordinary" dividends) with 30 days' prior notice to the Wisconsin OCI. Dividends in larger amounts, or "extraordinary" dividends, are subject to the Wisconsin OCI's prior approval. Under Wisconsin insurance laws, an ordinary dividend is defined as any payment or distribution that

Notes to Financial Statement

together with other dividends and distributions made within the preceding 12 months does not exceed the lesser of (i) 10% of the insurer's statutory policyholders' surplus as of the preceding December 31 or (ii) adjusted net income for the 12-month period ending the preceding December 31. Adjusted net income is calculated excluding realized capital gains and carries forward adjusted net income from the previous two calendar years that has not been paid out in dividends. Dividends that exceed this amount are extraordinary.

California and New York require ordinary dividends to be paid from positive unassigned funds (surplus). Additionally, other states have minimum capital requirements that may limit the Company's dividend capacity in certain circumstances. For example, the State of Florida requires mortgage guaranty insurers to hold capital and surplus not less than the lesser of (i) 10% of its total liabilities, or (ii) \$100 million.

D. Dates and Amounts of Dividends Paid

NMIC has never paid any dividends to NMIH. NMIC reported a statutory net loss for the twelve months ended December 31, 2016 and cannot pay any dividends to NMIH through December 31, 2017 without the prior approval of the Wisconsin OCI.

E. Amount of Ordinary Dividends That May Be Paid

See Item D above.

F. Restrictions of Unassigned Funds

No significant change from year end 2016.

G. Mutual Surplus Advance

Not applicable.

H. Company Stock held for Special Purposes

Not applicable.

I. Changes in Special Surplus Funds

Not applicable.

J. Changes in Unassigned Funds

No significant change from year end 2016.

K. Surplus Notes

No significant change from year end 2016.

L. The Impact of any Restatement due to Prior Quasi-Reorganizations

No significant change from year end 2016.

M. The Effective Date(s) of all Quasi-Reorganizations in the Prior 10 Years

No significant change from year end 2016.

14. Contingencies

No significant change from year end 2016.

15. Leases

No significant change from year end 2016.

16. Information About Financial Instruments with Off-Balance-Sheet Risk and Financial Instruments with Concentrations of Credit Risk

Not applicable.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable.

B. Transfer and Servicing of Financial Assets

Not applicable.

C. Wash Sales

Not applicable.

Notes to Financial Statement

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Not applicable.

20. Fair Value Measurements**A. Inputs Used for Assets and Liabilities at Fair Value**

The Company measures and reports assets or liabilities at fair value in the statement of financial position after initial recognition. The valuation techniques used by the Company to determine the fair value of financial instruments are described as follows.

The Company established a fair value hierarchy by prioritizing 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 this standard are described below:

- Level 1 - Fair value measurements based on quoted prices in active markets that the Company has the ability to access for identical assets or liabilities. Market price data generally is obtained from exchange or dealer markets. The Company does not adjust the quoted price for such instruments.
- Level 2 - Fair value measurements based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs include quoted prices for similar assets and liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, and inputs other than quoted prices that are observable for the asset or liability, such as interest rates and yield curves that are observable at commonly quoted intervals.
- Level 3 - Fair value measurements based on valuation techniques that use significant inputs that are unobservable. Both observable and unobservable inputs may be used to determine the fair values of positions classified in Level 3. The circumstances for using these measurements include those in which there is little, if any, market activity for the asset or liability. Therefore, the Company must make certain assumptions, which require significant management judgment or estimation about the inputs a hypothetical market participant would use to value that asset or liability.

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, the level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

B. Other Fair Value Disclosures

Not Applicable.

C. Fair Values for All Financial Instruments by Levels 1, 2, and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are also categorized into the three levels as described above.

As of September 30, 2017

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Financial instruments - assets						
Bonds	\$ 601,587,933	\$ 595,724,518	\$ 50,738,203	\$ 550,849,730	\$ —	—
Preferred stocks	—	—	—	—	—	—
Common stocks	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—
Cash, cash equivalents and short term investments	15,819,376	15,819,378	15,819,378	—	—	—
Other	—	—	—	—	—	—
Total assets	\$ 617,407,311	\$ 611,543,896	\$ 66,557,581	\$ 550,849,730	\$ —	—
Financial instruments - liabilities						
Total liabilities	\$ —	\$ —	\$ —	\$ —	\$ —	—

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the nine months ended September 30, 2017.

D. Reasons Not Practical to Estimate Fair Values

Not Applicable.

21. Other Items

A. Unusual or Infrequent Items

Not applicable.

A. Troubled Debt Restructuring: Debtors

Not applicable.

B. Other Disclosures and Unusual Items

No significant change from year end 2016.

C. Business Interruption Insurance Recoveries

Not applicable.

D. State Transferable and Non-transferable Tax Credits

Not applicable.

E. Subprime Mortgage Related Risk Exposure

Not applicable.

G. Insurance - Linked Securities (ILS) Contracts

No change from year end 2016.

22. Events Subsequent

There were no subsequent events identified through November 10, 2017.

23. Reinsurance

Excess of loss reinsurance

In May 2017, NMIC entered into a reinsurance agreement with Oaktown Re that provides for up to \$211.3 million of aggregate excess of loss reinsurance coverage at inception for new delinquencies on an existing portfolio of mortgage insurance policies written from 2013 through December 31, 2016. For the coverage period, NMIC will retain the first layer of \$126.8 million of aggregate losses and Oaktown Re will then provide second layer coverage up to the outstanding reinsurance coverage amount. NMIC will then retain losses in excess of the outstanding reinsurance coverage amount. The outstanding reinsurance coverage amount decreases over a ten-year period as the underlying covered mortgages amortize and was \$185 million as of September 30, 2017. The outstanding reinsurance coverage amount will stop amortizing if certain credit enhancement or delinquency thresholds are triggered.

Oaktown Re financed the coverage by issuing mortgage insurance-linked notes in an aggregate amount of \$211.3 million to unaffiliated investors (the Notes). The Notes mature on April 26, 2027. All of the proceeds paid to Oaktown Re from the sale of the Notes were deposited into a reinsurance trust to collateralize and fund the obligations of Oaktown Re to NMIC under the reinsurance agreement. At all times, funds in the reinsurance trust account are required to be invested in high credit quality money market funds. We refer collectively to NMIC's reinsurance agreement with Oaktown Re and the issuance of the Notes by Oaktown Re as the 2017 ILN Transaction. Under the terms of the 2017 ILN Transaction, NMIC makes risk premium payments for the applicable outstanding reinsurance coverage amount and pays Oaktown Re for anticipated operating expenses (capped at \$300 thousand per year). For the three and nine months ended September 30, 2017, NMIC paid risk premiums of \$1.9 million and \$3.3 million, respectively. NMIC did not cede any losses to Oaktown Re.

Quota share reinsurance

In September 2016, NMIC entered into a quota-share reinsurance transaction with a panel of third-party reinsurers (2016 QSR Transaction). Each of the third-party reinsurers has an insurer financial strength rating of A- or better by Standard and Poor's Rating Services (S&P), A.M. Best or both.

Under the 2016 QSR Transaction, NMIC ceded premiums related to:

- 25% of its existing risk written on eligible policies as of August 31, 2016;
- 100% of its existing risk under the pool agreement with Fannie Mae; and
- 25% of risk on eligible policies written from September 1, 2016 through December 31, 2017.

A. Unsecured Reinsurance Recoverable - Not applicable.

B. Reinsurance Recoverables in Dispute - Not applicable.

C. Reinsurance Assumed and Ceded

Notes to Financial Statement

(1) The maximum amount of return commission that would have been due reinsurers if they or the Company had canceled the reinsurance agreement as of September 30, 2017 with the return of unearned premium reserves is as follows:

As of September 30, 2017	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
Type of Financial Instrument						
a. Affiliates	\$ —	\$ —	\$ 267,255	\$ 53,451	\$(267,255)	\$(53,451)
b. All Other	—	—	39,915,082	7,983,016	(39,915,082)	(7,983,016)
c. Total	—	—	40,182,337	8,036,467	(40,182,337)	(8,036,467)

d. Direct Unearned Premium Reserve - \$161,344,020

(2) The additional or return commission, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements - Not applicable

(3) Protected Cells - Not applicable.

(D) - (J) - Not applicable.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

(A) - (F) - Not applicable.

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company incurred claims and claim adjustment expenses (net of reinsurance) of \$2,919,975 and \$1,457,877 for the nine months ended September 30, 2017 and 2016, respectively. There was a \$553,562 favorable prior year loss development (net of reinsurance) during the nine months ended September 30, 2017. Loss reserves remaining as of September 30, 2017 for defaults occurring (net of reinsurance) in prior years have been reduced to \$1,290,341, following re-estimation of unpaid claims and claim adjustment expenses. The increase in loss reserves as of the end of the period is the result of current year defaults. Original loss reserve estimates will be increased or decreased as additional information becomes known regarding individual claims, and as claims are settled.

The Company's practice is to establish claim reserves only for loans in default. The Company does not consider a loan to be in default for claim reserve purposes until we receive notice from the servicer that a borrower has failed to make two consecutive regularly scheduled payments and is at least sixty days in default. The Company also reserves for claims incurred but not yet reported. However, and consistent with the industry, the Company does not establish claim reserves for anticipated future claims on insured loans that are not currently in default. The Company does not adjust premiums of policies currently in-force based on past claim activity.

26. Intercompany Pooling Arrangements

Not applicable.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

Not applicable.

31. High Deductibles

Not applicable.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

Not applicable.

33. Asbestos/Environmental Reserves

Not applicable.

34. Subscriber Savings Accounts

Not applicable.

Notes to Financial Statement

35. Multiple Peril Crop Insurance

Not applicable.

36. Financial Guaranty Insurance

Not applicable.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[] No[] N/A[X]

- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change:

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[]
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
.....

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[] No[] N/A[X]
If yes, attach an explanation.

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 06/30/2012
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/27/2012
- 6.4 By what department or departments?
Wisconsin Office of the Commissioner of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]

- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[] No[X]
- 7.2 If yes, give full information

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] No[X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[] No[X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 23,461

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?
 14.2 If yes, please complete the following:

Yes No

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages Loans on Real Estate		
14.26 All Other		
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)		
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above		

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
 If no, attach a description with this statement.

Yes No
 Yes No N/A

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2
 16.3 Total payable for securities lending reported on the liability page

\$ 0
 \$ 0
 \$ 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?
 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

Yes No

1 Name of Custodian(s)	2 Custodian Address
Wells Fargo Bank, N.A.	600 California Street, San Francisco, CA 94108

17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter?
 17.4 If yes, give full and complete information relating thereto:

Yes No

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. [" that have access to the investment accounts"; " handle securities"]

1 Name of Firm or Individual	2 Affiliation
First Republic Securities Co., LLC	U
Wells Capital Management Incorporated	U

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?
 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets?
 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

Yes No

Yes No

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105108	First Republic Securities Co., LLC		SEC	NO

GENERAL INTERROGATORIES (Continued)

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
108559	First Republic Investment Management, Inc.		SEC	NO
104973	Wells Capital Management Incorporated	549300B3H21002L85190	SEC	DS

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes[X] No[]

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?
If yes, attach an explanation. Yes[] No[] N/A[X]
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation. Yes[] No[X]
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes[] No[X]
3.2 If yes, give full and complete information thereto
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes[] No[X]
4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
04.2999 Total										

5. Operating Percentages:
 5.1 A&H loss percent 0.000%
 5.2 A&H cost containment percent 0.000%
 5.3 A&H expense percent excluding cost containment expenses 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes[] No[X]
 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0
 6.3 Do you act as an administrator for health savings accounts? Yes[] No[X]
 6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**Current Year to Date - Allocated by States and Territories**

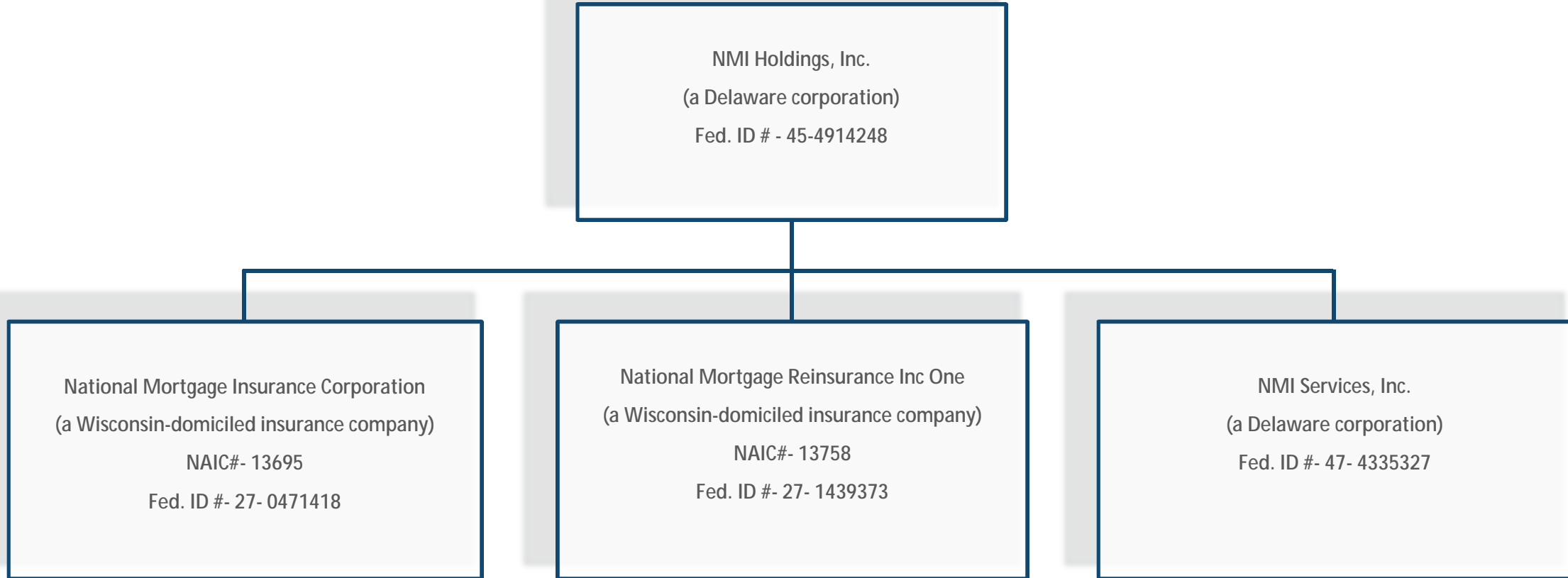
	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama (AL)	L	612,981	367,269			14,722	16,570
2. Alaska (AK)	L	79,179	69,272		33,464		
3. Arizona (AZ)	L	6,767,019	4,365,017			132,346	15,447
4. Arkansas (AR)	L	582,483	614,864				
5. California (CA)	L	19,937,535	17,256,232	250,620		637,527	313,346
6. Colorado (CO)	L	4,302,670	3,635,063			99,493	9,415
7. Connecticut (CT)	L	821,537	539,096			96,623	34,845
8. Delaware (DE)	L	261,319	146,862				
9. District of Columbia (DC)	L	3,265,540	3,539,444				
10. Florida (FL)	L	5,915,486	4,378,485			311,599	87,158
11. Georgia (GA)	L	2,949,736	3,478,651			60,754	
12. Hawaii (HI)	L	520,357	334,174				10,173
13. Idaho (ID)	L	1,421,241	891,238			15,361	
14. Illinois (IL)	L	4,855,459	4,077,886			294,518	14,952
15. Indiana (IN)	L	2,172,592	1,301,904			45,283	35,212
16. Iowa (IA)	L	928,641	962,522			28,681	
17. Kansas (KS)	L	1,014,236	756,986	109,134		152,419	49,835
18. Kentucky (KY)	L	454,099	551,781			9,089	
19. Louisiana (LA)	L	971,766	734,812			152,775	
20. Maine (ME)	L	309,842	164,756			32,659	
21. Maryland (MD)	L	3,758,425	4,433,999			10,344	
22. Massachusetts (MA)	L	2,212,758	1,082,750			66,117	
23. Michigan (MI)	L	10,037,576	19,875,840	162,786	160,651	1,467,486	395,787
24. Minnesota (MN)	L	4,857,642	2,027,266			121,734	16,443
25. Mississippi (MS)	L	169,653	118,102			2,882	
26. Missouri (MO)	L	2,348,806	2,835,492		631	95,785	44,189
27. Montana (MT)	L	476,562	378,637			14,025	12,613
28. Nebraska (NE)	L	807,430	536,421			24,260	46,132
29. Nevada (NV)	L	2,165,513	1,139,121			60,795	23,644
30. New Hampshire (NH)	L	647,466	320,251			7,787	
31. New Jersey (NJ)	L	4,304,501	4,023,700			276,572	53,952
32. New Mexico (NM)	L	510,164	291,632			56,117	51,235
33. New York (NY)	L	3,061,671	1,754,697			157,502	217,514
34. North Carolina (NC)	L	3,048,095	2,120,549			188,363	66,051
35. North Dakota (ND)	L	91,496	47,967				
36. Ohio (OH)	L	3,629,714	2,849,341	26,854		120,365	62,669
37. Oklahoma (OK)	L	587,915	396,715			99,515	
38. Oregon (OR)	L	1,920,303	1,539,104			50,271	48,335
39. Pennsylvania (PA)	L	4,325,812	3,260,318			328,348	83,648
40. Rhode Island (RI)	L	612,422	964,818				
41. South Carolina (SC)	L	2,028,351	1,554,477	110,266		69,582	20,003
42. South Dakota (SD)	L	360,648	314,821			19,591	
43. Tennessee (TN)	L	1,951,759	2,685,093			99,279	14,039
44. Texas (TX)	L	10,850,451	6,276,084	47,488	8,634	263,981	230,618
45. Utah (UT)	L	5,233,894	5,852,608	11,122		58,181	46,654
46. Vermont (VT)	L	68,121	52,134				
47. Virginia (VA)	L	5,895,653	14,154,107		21,522	104,557	10,147
48. Washington (WA)	L	3,624,280	1,956,248			53,685	7,323
49. West Virginia (WV)	L	847,809	465,548			43,682	27,026
50. Wisconsin (WI)	L	3,303,453	1,863,227			66,579	25,900
51. Wyoming (WY)	L	251,977	188,161			35,355	
52. American Samoa (AS)	N						
53. Guam (GU)	N						
54. Puerto Rico (PR)	N						
55. U.S. Virgin Islands (VI)	N						
56. Northern Mariana Islands (MP)	N						
57. Canada (CAN)	N						
58. Aggregate other alien (OT)	X X X						
59. Totals	(a) 51	142,134,038	133,525,539	718,270	224,901	6,046,589	2,090,875
DETAILS OF WRITE-INS							
58001write-in description 1 for line 580	X X X						
58002write-in description 2 for line 580	X X X						
58003write-in description 3 for line 580	X X X						
58998Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile - see DSLI); (D) DSLI - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write Surplus Lines in the state of domicile; (N) None of the above - Not allowed to write business in the state.

(a) Insert the number of D and L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER
MEMBERS OF A HOLDING COMPANY GROUP
PART 1 - ORGANIZATIONAL CHART

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SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
.....	.....	00000	45-4914248	.....	0001547903	NASDAQ Global Market	NMI Holdings, Inc.	DE	UDP					N	
4760	NMI Holdings Grp	13695	27-0471418	.....			National Mortgage Insurance Corporation	WI	RE	NMI Holdings, Inc.	Ownership	100.0	NMI Holdings, Inc.	N	
4760	NMI Holdings Grp	13758	27-1439373	.....			National Mortgage Reinsurance Inc One	WI	IA	NMI Holdings, Inc.	Ownership	100.0	NMI Holdings, Inc.	N	
4760	NMI Holdings Grp	00000	47-4335327	.....			NMI Services, Inc	DE	UDP	NMI Holdings, Inc.	Ownership	100.0	NMI Holdings, Inc.	N	

Asterisk	Explanation
0000001
0000002

STATEMENT AS OF **September 30, 2017** OF THE **National Mortgage Insurance Corporation**
PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty	133,695,466	3,834,701	2.868	2.075
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims made				
19.1 19.2 Private passenger auto liability				
19.3 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	133,695,466	3,834,701	2.868	2.075
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty	56,217,345	142,134,038	133,525,539
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability - occurrence			
17.2 Other liability - claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability - occurrence			
18.2 Products liability - claims made			
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	56,217,345	142,134,038	133,525,539
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			

PART 3 (000 omitted)
LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2017 Loss and LAE Payments on Claims Reported as of Prior Year-End	2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2017 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2014 + Prior													
2. 2015	391		391								(391)		(391)
3. Subtotals 2015 + Prior	391		391								(391)		(391)
4. 2016	1,920	169	2,089	636		636	1,290			1,290	6	(169)	(163)
5. Subtotals 2016 + Prior	2,311	169	2,480	636		636	1,290			1,290	(385)	(169)	(554)
6. 2017	X X X	X X X	X X X	X X X			X X X	2,991	483	3,474	X X X	X X X	X X X
7. Totals	2,311	169	2,480	636		636	1,290	2,991	483	4,764	(385)	(169)	(554)
8. Prior Year-End Surplus As Regards Policyholders											Col. 11, Line 7 As % of Col. 1 Line 7 1..... (16.660)	Col. 12, Line 7 As % of Col. 2 Line 7 2..... (100.000)	Col. 13, Line 7 As % of Col. 3 Line 7 3..... (22.339)
													Col. 13, Line 7 Line 8 4.....

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STATEMENT AS OF **September 30, 2017** OF THE **National Mortgage Insurance Corporation**
SCHEDULE A - VERIFICATION

Real Estate

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other-than-temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 - 7 - 8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest point		
9. Total foreign exchange change in book value/recorded investment		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other-than-temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	507,702,041	444,824,027
2. Cost of bonds and stocks acquired	156,805,185	136,289,824
3. Accrual of discount	282,791	329,020
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	338,781	(438,234)
6. Deduct consideration for bonds and stocks disposed of	67,920,362	71,951,252
7. Deduct amortization of premium	1,483,918	1,351,344
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	595,724,518	507,702,041
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	595,724,518	507,702,041

SCHEDULE D - PART 1B

**Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	480,296,934	28,844,733	21,221,904	(358,600)	470,413,301	480,296,934	487,561,163	458,682,814
2. NAIC 2 (a)	104,614,015	14,379,720	3,295,429	(23,161)	99,741,891	104,614,015	115,675,145	88,690,475
3. NAIC 3 (a)								2,949,226
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	584,910,949	43,224,453	24,517,333	(381,761)	570,155,192	584,910,949	603,236,308	550,322,515
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	584,910,949	43,224,453	24,517,333	(381,761)	570,155,192	584,910,949	603,236,308	550,322,515

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....5,115,628; NAIC 2 \$.....2,396,164; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

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SCHEDULE DA - PART 1**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals	4,490,618	X X X	4,490,616	31,415	

SCHEDULE DA - Verification**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	42,795,827	12,892,357
2. Cost of short-term investments acquired	155,924,077	199,593,761
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	194,229,286	169,690,291
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	4,490,618	42,795,827
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	4,490,618	42,795,827

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SCHEDULE E - Verification
(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year		
2.	Cost of cash equivalents acquired	19,677,707	9,991,413
3.	Accrual of discount		
4.	Unrealized valuation increase (decrease)		
5.	Total gain (loss) on disposals		
6.	Deduct consideration received on disposals	14,783,852	9,991,413
7.	Deduct amortization of premium		
8.	Total foreign exchange change in book/adjusted carrying value		
9.	Deduct current year's other-than-temporary impairment recognized		
10.	Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	4,893,855	
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	4,893,855	

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
49474FNY2	KING CNTY WASH		07/11/2017	MORGAN STANLEY & CO.	X X X	2,479,940	2,000,000	11,944	1FE
6122218B0	MONTCLAIR TWP N J		08/02/2017	RBC DAIN RAUSCHER INC	X X X	1,071,230	1,000,000		1FE
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions					X X X	3,551,170	3,000,000	11,944	X X X
Bonds - U.S. Special Revenue, Special Assessment									
13067WCE0	CALIFORNIA ST DEPT WTR RES CEN		08/01/2017	CHASE SECURITIES	X X X	2,000,000	2,000,000		1FE
45203HZ62	ILLINOIS FIN AUTH REV		07/25/2017	CITIGROUP	X X X	1,233,730	1,000,000	7,917	1FE
57587AWD6	MASSACHUSETTS ST HSG FIN AGY H		07/20/2017	WELLS FARGO	X X X	1,000,000	1,000,000		1FE
67766WXB3	OHIO ST WTR DEV AUTH WTR POLLU		08/11/2017	MERRIL LYNCH	X X X	2,635,626	2,100,000	21,875	1FE
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment					X X X	6,869,356	6,100,000	29,792	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)									
023135AX4	AMAZON COM INC 144A		08/15/2017	CHASE SECURITIES	X X X	997,410	1,000,000		2FE
00206REM0	AT&T INC		07/27/2017	J.P. MORGAN SECURITIES INC.	X X X	3,993,080	4,000,000		2FE
06051GGL7	BANK AMER CORP		09/26/2017	BANK OF AMERICA SEC LLC	X X X	2,751,921	2,700,000	42,793	2FE
06051GGT0	BANK AMER CORP		09/22/2017	US BANKCORP	X X X	1,993,980	2,000,000	1,375	2FE
09256BAJ6	BLACKSTONE HLDGS FIN L L C 144A		09/25/2017	BANK OF AMERICA SEC LLC	X X X	1,195,104	1,200,000		1FE
165183AV6	CHESAPEAKE FDG II LLC 2017-3 144A		08/01/2017	RBC DAIN RAUSCHER INC	X X X	1,939,944	1,940,000		1FE
21051AAA9	CONSUMER LN BD CR TR 2017-P1 144A		09/15/2017	CITIGROUP	X X X	2,999,909	3,000,000		1FE
25470DAQ2	DISCOVERY COMMUNICATIONS LLC		09/07/2017	GOLDMAN SACHS & COMPANY	X X X	2,247,165	2,250,000		2FE
518887AC8	DRB 17B BFX		07/26/2017	BANK OF AMERICA SEC LLC	X X X	1,499,997	1,500,000		1FE
46620VAA2	HENDR 172 A		08/01/2017	BARCLAYS CAPITAL INC	X X X	2,748,759	2,750,000		1FE
42771LAB8	HERO FDG 2017-2 144A	D	07/26/2017	MORGAN STANLEY & CO	X X X	999,870	1,000,000		1FE
76133JAN8	RETIREMENT HSG FNDTN OBLIGATED GRO		08/23/2017	B.C. ZIEGLER & CO	X X X	2,000,000	2,000,000		1FE
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					X X X	25,367,139	25,340,000	44,168	X X X
8399997 Subtotal - Bonds - Part 3					X X X	35,787,665	34,440,000	85,904	X X X
8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
8399999 Subtotal - Bonds					X X X	35,787,665	34,440,000	85,904	X X X
8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly)					X X X	X X X	X X X	X X X	X X X
9899999 Subtotal - Preferred and Common Stocks					X X X	X X X	X X X	X X X	X X X
9999999 Total - Bonds, Preferred and Common Stocks					X X X	35,787,665	X X X	85,904	X X X

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

QE04

SCHEDULE D - PART 4

**Show All Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed of
During the Current Quarter**

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.								
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
03065CAE9	AMERICREDIT AUTO RECV 2013-4		09/08/2017	PRINCIPAL RECEIPT	X X X	855,872	855,872	855,657	855,851				21		21	855,872				15,261	09/09/2019	1FE
05352NA00	AVANT LOANS FDG TR 2017-A 144A		09/15/2017	PRINCIPAL RECEIPT	X X X	808,975	808,975	808,934				41		41	808,975				4,600	03/15/2021	1FE	
09256BAA5	BLACKSTONE HLDGS FIN L L C 144A		09/29/2017	TENDER OFFER	X X X	3,146,935	2,900,000	3,496,240	3,153,762	(69,939)			(69,939)		3,083,824		63,111	63,111	217,208	08/15/2019	1FE	
12189PAK8	BURLINGTON NORTH SF 2001-2		07/15/2017	PRINCIPAL RECEIPT	X X X	982	982	1,134				(59)		(59)	982				42	01/15/2021	1FE	
17290HAA3	CITI HELD ASSET ISSN 2015-PM 144A		07/15/2017	PRINCIPAL RECEIPT	X X X	156,617	156,617	156,591	156,557			60		60	156,617				2,548	05/16/2022	1FE	
125634AA8	CLI FDG V LLC 2014-2 144A		09/18/2017	PRINCIPAL RECEIPT	X X X	147,273	147,273	137,245	138,226			9,047		9,047	147,273				2,939	10/18/2029	1FE	
19260MAA4	COINSTAR FDG LLC 2017-144A		07/25/2017	PRINCIPAL RECEIPT	X X X	5,438	5,438	5,438							5,438					04/25/2047	2AM	
24703BAE5	DELL EQUIP FIN TR 2015-1 144A		09/22/2017	PRINCIPAL RECEIPT	X X X	8,765	8,765	8,763	8,764			1		1	8,765				159	03/23/2020	1FE	
34530EAG2	FORD CREDIT AUTO TR 2013-B		07/15/2017	PRINCIPAL RECEIPT	X X X	590,000	590,000	589,976	589,993			7		7	590,000				6,264	11/15/2019	1FE	
34528QCB8	FORD CREDIT FLRPLN TR A 2012-5		09/15/2017	PRINCIPAL RECEIPT	X X X	1,400,000	1,400,000	1,386,273	1,397,080			2,920		2,920	1,400,000				22,470	09/15/2019	1FE	
42771LAB8	HERO FDG 2017-2 144A	D	09/20/2017	PRINCIPAL RECEIPT	X X X	11,760	11,760	11,759				2		2	11,760				50	09/20/2048	1FE	
45685EAE6	ING U S INC		08/11/2017	CALLED	X X X	3,284,129	3,261,000	3,295,534			(15,500)		(15,500)		3,280,034		4,096	4,096	67,819	02/15/2018	2FE	
543190AA0	LONGTRAIN LEASING III 2015-3 144A		09/15/2017	PRINCIPAL RECEIPT	X X X	46,312	46,312	45,992	46,002			310		310	46,312				815	01/15/2045	1FE	
68267JAA1	ONEMAIN FINL ISSUE TR 2015-2 144A		09/18/2017	PRINCIPAL RECEIPT	X X X	290,545	290,545	288,607	289,036			1,509		1,509	290,545				4,460	07/18/2025	1FE	
78447CAB6	SLM PRIV ED LN TR 2012-D 144A		09/15/2017	PRINCIPAL RECEIPT	X X X	352,729	352,729	372,072	355,487			(2,758)		(2,758)	352,729				6,583	02/15/2046	1FE	
78443CAZ7	SLM PRIVATE ST LN TR 2003-C		09/15/2017	PRINCIPAL RECEIPT	X X X	89,517	89,517	88,188	89,121			396		396	89,517				1,025	09/15/2020	1FE	
83401LAB0	SOFI PRFSSNAL LN PRGRM 2015-A		09/25/2017	PRINCIPAL RECEIPT	X X X	94,536	94,536	94,016	93,923			613		613	94,536				1,375	03/25/2030	1FE	
78470NAB2	SOFI PRFSSNAL LN PRGRM 2015-D		09/25/2017	PRINCIPAL RECEIPT	X X X	135,886	135,886	135,197	135,128			758		758	135,886				2,193	10/25/2036	1FE	
84474YAA4	SOUTHWEST AIRLINES 2007-1		08/01/2017	PRINCIPAL RECEIPT	X X X	179,344	179,344	203,221	198,003			(18,659)		(18,659)	179,344				11,030	02/01/2024	1FE	
87407PAP5	TAL ADVANTAGE V LLC 2014-2 144 A		09/20/2017	PRINCIPAL RECEIPT	X X X	19,427	19,427	19,116	19,191			235		235	19,427				422	05/20/2039	1FE	
89679HAA3	TRITON CONTAIN FIN VI 2017-1 144A		09/20/2017	PRINCIPAL RECEIPT	X X X	93,498	93,498	93,481	93,481			17		17	93,498				509	06/20/2042	1FE	
90932QAA4	UNITED AIRLINES PT CERT 2014-2		09/03/2017	PRINCIPAL RECEIPT	X X X	118,429	118,429	120,206	120,029			(1,600)		(1,600)	118,429				2,221	03/03/2028	1FE	
95058XAB4	WENDYS FDG LLC 2015-1		09/15/2017	PRINCIPAL RECEIPT	X X X	7,458	7,458	7,442	7,444			14		14	7,458				153	06/15/2045	2AM	
95058XAC2	WENDYS FDG LLC 2015-1 144A		09/15/2017	PRINCIPAL RECEIPT	X X X	2,500	2,500	2,487	2,489			11		11	2,500				56	06/15/2045	2AM	
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	11,846,927	11,576,862	12,223,569	7,657,127			(92,553)		(92,553)	11,779,721		67,207	67,207	370,202	X X X	X X X	
8399997	Subtotal - Bonds - Part 4				X X X	11,846,927	11,576,862	12,223,569	7,657,127			(92,553)		(92,553)	11,779,721		67,207	67,207	370,202	X X X	X X X	
8399998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X			X X X		X X X	X X X		X X X	X X X	X X X	X X X	X X X	X X X
8399999	Subtotal - Bonds				X X X	11,846,927	11,576,862	12,223,569	7,657,127			(92,553)		(92,553)	11,779,721		67,207	67,207	370,202	X X X	X X X	
8999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X			X X X		X X X	X X X		X X X	X X X	X X X	X X X	X X X	X X X
9799998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X			X X X		X X X	X X X		X X X	X X X	X X X	X X X	X X X	X X X
9899999	Subtotal - Preferred and Common Stocks				X X X	X X X	X X X	X X X	X X X			X X X		X X X	X X X		X X X	X X X	X X X	X X X	X X X	X X X
9999999	Total - Bonds, Preferred and Common Stocks				X X X	11,846,927	X X X	12,223,569	7,657,127			(92,553)		(92,553)	11,779,721		67,207	67,207	370,202	X X X	X X X	

QE05

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues0.

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity NONE

E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity NONE

E10 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E11 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
First Republic Bank	San Francisco, CA					7,332,408	10,607,080	6,346,696	X X X
Wells Fargo Bank	San Francisco, CA					625,601	1,172,511	77,074	X X X
.....	.....								X X X
.....	.....								X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X			7,958,009	11,779,591	6,423,770	X X X
suspended depositories									
.....	.....					11,135	11,135	11,135	
.....								
.....								
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X			11,135	11,135	11,135	X X X
0399999 Total Cash On Deposit		X X X	X X X			7,969,144	11,790,726	6,434,905	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X			7,969,144	11,790,726	6,434,905	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
Bonds - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations							
INSTITUTIONAL SECD FDG JERSEY		09/28/2017	0.000	10/23/2017	2,497,691	277	
UNITED TECHNOLOGIES CORP -CP		09/26/2017	0.000	11/07/2017	2,396,164	456	
3299999 Subtotals - Bonds - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					4,893,855	733	
3899999 Subtotals - Bonds - Industrial & Miscellaneous (Unaffiliated)					4,893,855	733	
7799999 Subtotals - Bonds - Total Bonds - Issuer Obligations					4,893,855	733	
7899999 Subtotals - Bonds - Total Bonds - Residential Mortgage-Backed Securities							
7999999 Subtotals - Bonds - Total Bonds - Commercial Mortgage-Backed Securities							
8099999 Subtotals - Bonds - Total Bonds - Other Loan-Backed and Structured Securities							
8199999 Subtotals - Bonds - SVO Identified Funds							
8399999 Subtotals - Bonds - Total Bonds					4,893,855	733	
8499999 Sweep Accounts							
8599999 Other Cash Equivalents							
8699999 Total - Cash Equivalents					4,893,855	733	

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