

QUARTERLY STATEMENT

OF THE

National Mortgage Insurance Corporation

of **Sun Prairie**

in the state of **Wisconsin**

TO THE

Insurance Department

OF THE

STATE OF

Wisconsin

FOR THE QUARTER ENDED

March 31, 2013

PROPERTY AND CASUALTY

2013



13695201320100101

QUARTERLY STATEMENT

AS OF MARCH 31, 2013
OF THE CONDITION AND AFFAIRS OF THE

National Mortgage Insurance Corporation

NAIC Group Code 4760, NAIC Company Code 13695, Employer's ID Number 27-0471418, Organized under the Laws of Wisconsin, State of Domicile or Port of Entry Wisconsin, Country of Domicile United States of America, Statutory Home Office 1834 Steven Street, Sun Prairie, Wisconsin US 53590-3530, Main Administrative Office 2100 Powell Street, 12th Floor, Emeryville, California US 94608, Mail Address 2100 Powell Street, 12th Floor, Emeryville, California US 94608, Primary Location of Books and Records 2100 Powell Street, 12th Floor, Emeryville, California US 94608, Internet Website Address www.nationalmi.com, Statutory Statement Contact Brian McIntosh, 510-858-0403, brian.mcintosh@nationalmi.com

OFFICERS

Table with 2 columns: Name, Title. 1. Bradley M Shuster, Chief Executive Officer and President; 2. Glen S Corso, General Counsel and Assistant Secretary; 3. John (Jay) M Sherwood Jr., Chief Financial Officer and Treasurer.

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. Patrick L Mathis (EVP, Chief Risk Officer), Peter C Pannes (EVP, Chief Sales Officer), Christopher G Brunetti (SVP, Deputy General Counsel, Secretary), Joseph M Francesconi (VP, Controller), Stanley M Pachura (EVP, Chief Information Officer), Michael J Dirrane # (SVP, National Accounts & GSE Relations), Claudia J Merkle (SVP, Customer Operations & Underwriting), Bridget E Williams (SVP, Field Sales).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Patrick L Mathis (Stanley M Pachura), Bradley M Shuster (Glen S Corso), Peter C Pannes (John (Jay) M Sherwood Jr.), Claudia J Merkle #.

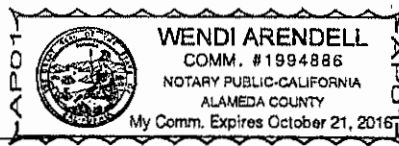
State of California

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.

Signatures and titles of Bradley M. Shuster (Chief Executive Officer and President), Christopher G. Brunetti (Deputy General Counsel and Secretary), and John (Jay) M. Sherwood Jr. (Chief Financial Officer and Treasurer).

Subscribed and sworn to before me this 8th day of May 2013, Wendi Arendell



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

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	132,614,231		132,614,231	
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	10,003,891		10,003,891	10,000,107
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 (\$ 5,389,944), cash equivalents (\$ 0), and short-term investments (\$ 61,892,660)	67,282,604		67,282,604	200,002,044
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	209,900,726		209,900,726	210,002,151
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	324,674		324,674	1,542
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
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				
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				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	3,000,891	3,000,891		
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
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)	213,226,291	3,000,891	210,225,400	210,003,693
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	213,226,291	3,000,891	210,225,400	210,003,693

DETAILS OF WRITE-IN LINES				
1101.				
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)				
2501. Prepaid Expenses				
2502. Escrow and other receivables				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 0)		
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)		
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 \$ 0 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)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties		
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	5,120,237	
20. Derivatives		
21. Payable for securities		
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		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	5,120,237	
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	5,120,237	
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	210,492,345	216,118,760
35. Unassigned funds (surplus)	(7,917,182)	(8,645,067)
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)	205,105,163	210,003,693
38. Totals (Page 2, Line 28, Col. 3)	210,225,400	210,003,693

DETAILS OF WRITE-IN LINES		
2501.	NONE	
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)		
2901.	NONE	
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.	NONE	
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	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 0)			
1.2 Assumed (written \$ 0)			
1.3 Ceded (written \$ 0)			
1.4 Net (written \$ 0)			
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 0):			
2.1 Direct			
2.2 Assumed			
2.3 Ceded			
2.4 Net			
3. Loss adjustment expenses incurred			
4. Other underwriting expenses incurred	5,053,217	4,541	21,347
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	5,053,217	4,541	21,347
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(5,053,217)	(4,541)	(21,347)
INVESTMENT INCOME			
9. Net investment income earned	131,383		3,479
10. Net realized capital gains (losses) less capital gains tax of \$ 0	19,520		
11. Net investment gain (loss) (Lines 9 + 10)	150,903		3,479
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)	(4,902,314)	(4,541)	(17,868)
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)	(4,902,314)	(4,541)	(17,868)
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19) (to Line 22)	(4,902,314)	(4,541)	(17,868)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	210,003,693	(1,449,562)	(1,449,562)
22. Net income (from Line 20)	(4,902,314)	(4,541)	(17,868)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	3,784		107
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax			
27. Change in nonadmitted assets		4,433	(86,145)
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			2,529,990
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			209,029,591
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			(2,420)
38. Change in surplus as regards policyholders (Lines 22 through 37)	(4,898,530)	(108)	211,453,255
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	205,105,163	(1,449,670)	210,003,693

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Services			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701. Other			(2,420)
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			(2,420)

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance			
2. Net investment income	(93,294)		1,937
3. Miscellaneous income			
4. Total (Lines 1 to 3)	(93,294)		1,937
5. Benefit and loss related payments			
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	5,053,217	4,541	21,347
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)			
10. Total (Lines 5 through 9)	5,053,217	4,541	21,347
11. Net cash from operations (Line 4 minus Line 10)	(5,146,511)	(4,541)	(19,410)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	9,652,370		
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			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	9,652,370		
13. Cost of investments acquired (long-term only):			
13.1 Bonds	142,345,538		
13.2 Stocks			10,000,000
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	3,784		
13.7 Total investments acquired (Lines 13.1 to 13.6)	142,349,322		10,000,000
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)	(132,696,952)		(10,000,000)
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			210,000,000
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)	5,124,023	4,433	4,626
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	5,124,023	4,433	210,004,626
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)	(132,719,440)	(108)	199,985,216
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	200,002,044	16,828	16,828
19.2 End of period (Line 18 plus Line 19.1)	67,282,604	16,720	200,002,044

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001	Net assets contributed upon ownership change			1,319,821
20.0002	Note payable paid by parent			239,760
20.0003				

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of National Mortgage Insurance Corporation, prior to January 2012 MAC Assurance Corporation (“MAC”, “NMIC” or the “Company”), are presented on the basis of accounting practices prescribed or permitted by the Wisconsin Office of the Commissioner of Insurance (“OCI”).

The 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 has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. As of March 31, 2013, the Company did not have any balances or transactions that were affected by these differences. The Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

The Company had no net income and capital and surplus that created differences between NAIC SAP and practices prescribed and permitted by the State of Wisconsin.

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

No significant change from year-end 2012.

2. Accounting Changes and Corrections of Errors

No significant change from year-end 2012.

3. Business Combinations and Goodwill

No significant change from year-end 2012.

4. Discontinued Operations

No significant change from year-end 2012.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

No significant change from year-end 2012.

B. Debt Restructuring

No significant change from year-end 2012.

C. Reverse Mortgages

No significant change from year-end 2012.

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.

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

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

(4) The Company’s portfolio does not have any unrealized losses on loan-backed securities as of March 31, 2013.

(5) The Company’s portfolio does not have any unrealized losses on loan-backed securities as of March 31, 2013.

E. Repurchase Agreements and/or Securities Lending Transactions

No significant change from year-end 2012.

F. Write Downs for Impairments of Real Estate, Real Estate Sales, Retail Land Sales Operations and Real Estate with Participating Mortgage Loan Features

No significant change from year-end 2012.

G. Low-income housing tax credits (“LIHTC”)

No significant change from year-end 2012.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change from year-end 2012.

7. Investment Income

No significant change from year-end 2012.

8. Derivative Instruments

No significant change from year-end 2012.

9. Income Taxes

No significant change from year-end 2012.

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

A. Nature of Relationships

NMIC and National Mortgage Reinsurance Inc One (“NMRI One”) (prior to January 2012 Mortgage Assurance Reinsurance Inc One) are wholly-owned by MAC Financial Holding Corporation, which, prior to April 24, 2012, was wholly-owned by MAC Financial Ltd., a Bermuda holding company.

National Mortgage Reinsurance Inc Two (“NMRI Two”) (prior to January 2012 Mortgage Assurance Reinsurance Inc Two) is wholly-owned by the Company.

On April 24, 2012, MAC Financial Holding Corporation was acquired by NMI Holdings, Inc., a Delaware corporation (“NMI”). For additional information see Note 21 – Other Items – A – Extraordinary.

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

No significant change from year-end 2012.

C. Change in Terms of Intercompany Arrangements

See Note 21 – Other Items – A – Extraordinary.

D. Amounts Due to or from Related Parties

Commencing on February 1, 2013, NMI began allocating expenses to the Company per the Cost Allocation Agreement. As of March 31, 2013 NMI has allocated \$5.1 million to the Company. See Note 21 - A - Extraordinary Items.

E. Guarantees or Undertaking for Related Parties

No significant change from year-end 2012.

F. Management, Service contracts, Cost Sharing Arrangements

See Note 21 – Other Items – A – Extraordinary.

G. Nature of Relationships that Could Affect Operations

See Note 21 – Other Items – A – Extraordinary.

H. Amount deducted for investment in Upstream Company

No significant change from year-end 2012.

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

No significant change from year-end 2012.

J. Write downs for Impairment of Investments in Affiliates

No significant change from year-end 2012.

K. Foreign Subsidiary Valued Using CARVM

No significant change from year-end 2012.

L. Downstream Holding Company Valued Using Look-Through Method

No significant change from year-end 2012.

11. Debt

No significant change from year-end 2012.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.

No significant change from year-end 2012.

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

A. Outstanding Shares

The company has 63,250,000 shares of \$0.04 par value, common stock authorized and 63,250,000 issued and outstanding. The Company has no preferred stock authorized, issued or outstanding. See Note 21 – Other Items – A – Extraordinary.

NOTES TO FINANCIAL STATEMENTS

B. Dividend Rate of Preferred Stock

No significant change from year-end 2012.

C. Dividend Restrictions

The Company's ability to pay dividends to its parent is limited by insurance laws of the State of Wisconsin and certain other states. Wisconsin law provides that the Company may pay out dividend without the prior approval of the Wisconsin Commissioner of Insurance in an amount, when added to other shareholder distributions made in the prior 12 months, not to exceed the lesser of (a) 10% of the insurer's surplus as regards to policyholders as of the prior December 31, or (b) its net income (excluding realized capital gains) for the twelve month period ending December 31 of the immediately preceding calendar year. In determining net income, an insurer may carry forward net income from the previous calendar years that has not already been paid out as a dividend. California prohibits dividends except from undivided profits remaining on hand over and above its paid-in capital, paid-in surplus and contingency reserves. Additionally, minimum capital requirements may limit the amount of dividend that the Company may pay. 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. Although NMIC is not licensed in the State of Florida, it has applied for a license there.

No ordinary dividends have or may be paid. The Company has entered into commitments with the California Insurance Department, the Missouri Department of Insurance, the New York State Department of Financial Services and the Texas Commissioner of Insurance not to pay or declare any dividends for the three year period ending January 16, 2016. The Company may enter into similar commitments with other state insurance departments.

In addition to state dividend limitations, the Company is restricted from paying any dividends to affiliates or to any holding company until December 31, 2015 by separate agreement with Fannie Mae and Freddie Mac (collectively the "GSE's").

D. Dates and Amounts of Dividends Paid

No significant change from year-end 2012.

E. Amount of Ordinary That May Be Paid

See Item C – Dividend Restrictions above.

F. Restrictions of Unassigned Funds

No significant change from year-end 2012.

G. Mutual Surplus Advances

No significant change from year-end 2012.

H. Company Stock held for Special Purposes

No significant change from year-end 2012.

I. Changes in Special Funds

No significant change from year-end 2012.

J. Changes in Unassigned Funds

No significant change from year-end 2012.

K. Surplus Notes

No significant change from year-end 2012.

L. The impact of any restatement due to prior quasi-reorganizations

On April 19, 2013, NMIC received approval from the Wisconsin Commissioner of Insurance to record a quasi-reorganization during the first quarter of 2013 to reclassify the cumulative net losses of \$5.6 million generated prior to acquisition in the second quarter of 2012. The adjustment had the following effect on unassigned funds. Gross paid-in and contributed funds remained unchanged:

Beginning unassigned funds balance at 12/31/12	\$(8,645,067)
Net Loss cumulative and prior to 6/30/12	\$ 5,626,415
Ending unassigned funds balance at 12/31/12	\$(3,018,652)

The ending adjusted unassigned funds balance of \$3,018,652 consists of \$3,000,891 in non-admitted EDP, net losses at 12/31/12 of \$17,868, and a change in unrealized capital gains of \$107. The offset running through Gross paid in and contributed surplus is:

Beginning gross paid in and contributed surplus at 12/31/12	\$216,118,168
Net Loss cumulative and prior to 6/30/12	\$(5,626,415)
Adjusted gross paid in and contributed surplus at 12/31/12	\$210,492,345

NOTES TO FINANCIAL STATEMENTS

Assets and liabilities were not changed by this adjustment. Surplus as regards policyholders also remained unchanged at \$210 million. The quasi-reorganization was recorded as of March 31, 2013 - no 2012 balances have been restated.

- M. The effective date(s) of all quasi-reorganizations in the prior 10 years
The Company recorded a quasi-reorganization effective March 31, 2013 to reclassify cumulative net losses generated prior to acquisition in the second quarter of 2012.

14. Contingencies

No significant change from year-end 2012.

15. Leases

A. Lessee Operating Lease

Facilities:

NMI entered into an office facility lease effective July 1, 2012 for a term of two years. This facility is fully furnished and allows for expansion based on projected staffing growth. However, under the terms of the agreement, NMI could have elected to terminate the lease by giving written notice to the landlord, if NMIC was unable to obtain GSE approval by March 15, 2013. The lease would have then terminated (as if by expiration) on March 31, 2013. This option terminated upon receipt of GSE approval on January 16, 2013.

B. Lessor Leases

No significant change from year-end 2012.

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

No significant change from year-end 2012.

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

A. Transfers of Receivables Reported as sales

No significant change from year-end 2012.

B. Transfers and services of Financial Assets

No significant change from year-end 2012.

C. Wash Sales

The Company did not have any transfers of receivables reported as sales, transfers, and servicing of financial assets or wash sales.

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

No significant change from year-end 2012.

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

No significant change from year-end 2012.

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities at Fair Value

The Company does not measure and report any assets or liabilities at fair value in the statement of financial position after initial recognition.

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 excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three-levels as described below.

Level 1 – Quoted prices in Active Markets for Identical Assets and Liabilities: This category includes cash and US Treasury Securities.

Level 2 – Significant Other Observable Inputs: This category is for items measured at fair value on a recurring basis, including common stock, which are not exchange-traded.

Level 3 – Significant Unobservable Inputs: The Company has no assets or liabilities in this category.

NOTES TO FINANCIAL STATEMENTS

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Financial instruments - assets						
Bonds	133,028,810	132,614,232	133,028,810		-	-
Preferred stocks	-	-	-	-	-	-
Common stocks	10,003,891	10,003,891	-	10,003,891	-	-
Mortgage loans	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	67,282,762	67,282,604	67,282,762	-	-	-
Other	-	-	-	-	-	-
Total assets	210,315,463	209,900,726	200,311,572	10,003,891		
Financial instruments - liabilities	-	-	-	-	-	-
Total liabilities	-	-	-	-	-	-

D. Reasons Not Practical to Estimate Fair Values
Not Applicable

21. Other Items

A. Extraordinary

In 2009 MAC, now NMIC, was incorporated and licensed in the State of Wisconsin without the usual requisite minimum capital and surplus in order to facilitate the lengthy review for qualified insurer status with both the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation, as well as the due diligence and capital-raising efforts of the original principals of NMIC. NMIC entered into a Stipulation and Order, whereby NMIC agreed that it would not issue insurance policies or otherwise engage in the acceptance of any form of insurance risk until such time as it provided adequate documentation to the OCI of sufficient capital funding, a walkthrough review of its completed information systems development and that the forgoing facts were verified and acknowledged by the OCI. Following an OCI Organizational Examination, the Stipulation and Order was rescinded on September 26, 2012. NMIC has no orders or restrictions of any kind on its certificate of authority in Wisconsin.

NMI was formed in May 2011 with the intention of transacting private mortgage guaranty insurance through a wholly-owned mortgage guaranty subsidiary. Beginning in May 2011 NMI's activities were focused on raising capital, seeking to acquire the assets and necessary approvals for its subsidiaries to commence operations.

In a transaction that closed in April, 2012, NMI successfully offered 55.0 million shares of its common stock at an issue price of \$10.00 per share. Gross proceeds from the offering were \$550.0 million. Net proceeds from the offering, after an approximate 7% underwriting fee and offering expenses, were approximately \$510.3 million.

Following the capital raise, pursuant to a share purchase agreement by and between NMI and MAC Financial Ltd., NMI acquired one hundred percent (100%) of MAC Financial Holding Corporation, together with its subsidiaries, NMIC, a Wisconsin-domiciled insurance company, NMRI One, a Wisconsin-domiciled insurance company, and NMRI Two, a Wisconsin-domiciled insurance company, for approximately \$8.5 million in cash, common stock and warrants ("MAC Acquisition").

Capitalization of the Company:

On June 29, 2012, NMI capitalized the Company with \$210.0 million. Also, on June 29, 2012, NMIC capitalized its direct, wholly-owned subsidiary NMRI Two with \$10.0 million.

Effective June 30, 2012 NMIC's shareholder and Board of Directors amended its Articles of Incorporation to authorize NMIC to issue 63,250,000 shares at \$.04 par value common stock. On or about the same date, NMIC issued all 63,250,000 common shares to MAC Financial Holding Corporation in consideration for the \$210.0 million capitalization and MAC's surrender of the share certificate evidencing 250 shares previously issued by NMIC to MAC.

Interaffiliate Reinsurance:

Certain states limit the amount of risk a mortgage guaranty insurer may retain on a single loan to 25% of the indebtedness to the insured and as a result the portion of such insurance in excess of 25% must be reinsured. The Company has entered into a primary excess share reinsurance agreement with NMRI One effective August 1, 2012. The Company will cede premiums and losses to NMRI One on an excess share basis for any primary policy which offers coverage greater than 25%. The Company will use reinsurance provided by NMRI One solely for purposes of compliance with statutory

NOTES TO FINANCIAL STATEMENTS

coverage limits. To date, nothing has been ceded under this reinsurance contract, as the Company has not commenced insurance operations.

Tax Sharing Agreement:

The Company entered into a Tax Sharing Agreement dated August 23, 2012, by and among the Company, NMI, MAC Financial Holding Corporation, NMRI One and NMRI Two. Under this agreement, each of the parties mutually agrees to file a consolidated federal income tax return for 2012 and subsequent tax years, with NMI as the direct tax payer. The tax liability of each insurer that is party to the agreement is limited to the amount of liability it would incur if it filed a separate tax return. All settlements under this agreement between NMI and any insurer that is party to the agreement shall be made within 30 days of the filing of the applicable federal corporate income tax return with the Internal Revenue Service ("IRS"), including subsequent amended filings and IRS adjustments, except when a refund is due to an insurer, in which case payment shall be made to the insurer within 30 days after NMI's receipt of the applicable tax refund.

Cost Allocation Agreement:

The cost allocation agreement is by and among the Company, NMI, MAC Financial Holding Corporation, NMRI One and NMRI Two, hereinafter collectively referred to as "Parties", and singularly as "Party". All Parties to this agreement may also be referred to as "Affiliate". All of the parties to the agreement may provide any of the following services to anyone in the agreement including general management, underwriting, customer service, claims processing, legal, accounting and actuarial services.

For 3rd party goods and/or services purchased by a Party for an Affiliate, the allocation of costs shall be determined solely by the invoice from the 3rd party. For 3rd party goods and/or services purchased by a Party for more than one Affiliate (which may include the Party itself), the allocation of costs shall be determined by: (i) an invoice directly from the 3rd party providing the good and/or service, and (ii) an allocation of such costs developed using appropriate quantifiable measures supporting the goods received and/or services performed. For services provided solely by one or more Parties to one or more Affiliates (i.e., inter-company related services) the charges will be determined by direct employee costs including salaries, bonuses, incentives, benefits, payroll taxes and related out-of-pocket expenses actually incurred by the employee. In all 3 examples, all charges and fees for any goods or services provided to the Affiliates shall not exceed the actual costs incurred by the Parties. Currently NMI is the principal employer of personnel among the parties. Settlements are required no later than 60 days after each calendar quarter.

The Cost Allocation Agreement was amended on January 9, 2013, retroactive to August 1, 2012, such that all parties to the Agreement agreed that no costs would be allocated from NMI to any party to the Agreement until such time as GSE approval was received. Additionally, the parties agreed that share-based compensation and certain bonus payments paid or accrued prior to June 30, 2013 are to be allocated solely to NMI. The OCI declined to disapprove of this amendment and it became effective on January 10, 2013. Costs were allocated per the amended agreement beginning on February 1, 2013.

Organizational Examination:

The OCI completed an Organizational Examination of NMIC on September 27, 2012. The period under exam was June 30, 2009 through June 30, 2012. The examination was conducted using a risk-focused approach in accordance with the NAIC Financial Condition Examiners' Handbook, which sets forth guidance for planning and performing an examination to evaluate the financial condition and identify prospective risks of an insurer. This approach includes the obtaining of information about the company including corporate governance, the identification and assessment of inherent risks within the company, and the evaluation of system controls and procedures used by the company to mitigate those risks. The examination also included an assessment of the principles used and significant estimates made by management, as well as an evaluation of the overall financial statement presentation and management's compliance with statutory accounting principles, annual statement instructions and Wisconsin laws and regulations. The examination consisted of a review of all major phases of the Company's operations and included the following areas: history, management control, corporate records, conflict of interest, fidelity bonds and other insurance, employees' welfare and pension plans, territory and plan of operations, affiliated companies, growth of company, reinsurance, financial statements, accounts and records and data processing.

The Examination Report concluded that NMIC has sound key IT controls in place and appeared to be ready for production. The Examination did not result in any recommendations. The Examination did not make any reclassification of or adjustment to the balances reported by the company. The Company has no orders or restrictions of any kind on its certificate of authority in Wisconsin. The stipulation and order issued by the OCI in connection with the licensure of the Company that prohibited NMIC from transacting insurance business was rescinded based on the findings of this Examination.

NOTES TO FINANCIAL STATEMENTS

Deposit:

On July 12, 2012, NMIC lodged a US Treasury bill with an approximate maturity value of \$3.46 million as a statutory deposit with the State of Wisconsin. This deposit is held by Wisconsin for the benefit of NMIC's policyholders. In addition, through March 31, 2013 the Company placed an additional \$3.0 million in US Treasury bills as statutory deposits in connection with various state licensing. See Note 22 - Subsequent Events.

Licensing:

On June 27, 2012, our Expansion Application to obtain licenses in all states outside of Wisconsin was accepted into the Review of Electronic Application Coordination and Processing ("REACAP") process by the NAIC. As of May 8, 2013, we have been approved in 47 states and the District of Columbia. The states pending approval are as follows: Alabama, Florida, and Wyoming. See Note 22 - Subsequent Events.

GSE Approval:

The Company was approved as an eligible mortgage guaranty insurer by Freddie Mac and Fannie Mae, on January 15, 2013 and January 16, 2013, respectively, subject to maintaining certain conditions.

Litigation:

On August 8, 2012, Germaine Marks, as Receiver, and Truitte Todd, as Special Deputy Receiver, of PMI Mortgage Insurance Co. ("PMI"), an Arizona insurance company in receivership, have filed a complaint ("the PMI Complaint") against the Company, NMI and certain named individuals. The litigation is at an early stage of review and evaluation and the Company has filed an answer to PMI's complaint denying all allegations. Because the litigation and related discovery are in an early stage, the Company does not have sufficient information to determine or predict the ultimate outcome or estimate the range of possible losses, if any. Accordingly, no provision for litigation losses has been included in the accompanying financial statements.

On January 30, 2013, a case management conference took place among the parties in the PMI Complaint. The conference resulted in the setting of a trial date on February 3, 2014.

- B. Troubled Debt Restructuring for Debtors
No significant change from year-end 2012.
- C. Other Disclosures
No significant change from year-end 2012.
- D. Uncollectible Premiums Receivable
No significant change from year-end 2012.
- E. Business Interruption Insurance Recoveries
No significant change from year-end 2012.
- F. State Transferable tax Credits
No significant change from year-end 2012.
- G. Subprime Mortgage Related Risk Exposure
No significant change from year-end 2012.

22. Subsequent Events

Subsequent to the balance sheet date, the Company has been approved in the following states: Alaska, Arizona, and New Mexico.

During April 2013, the Company placed an additional \$200 thousand in US Treasury bills as statutory deposits in connection with various state licensing.

On April 25, 2013 a hearing was held on several motions filed by the parties to the lawsuit. The Court partially granted a defense motion and dismissed two of the six counts cited by the defendants. The court also ordered the plaintiffs to more specifically describe the trade secrets alleged in the plaintiff's complaint and ordered plaintiff's discovery efforts stayed until June 13, 2013. Finally the court ordered the defense and plaintiffs to resolve several discovery disputes and scheduled a follow up hearing for June 13, 2013. Our strategy remains the same and the litigation and related discovery are still in an early stage. The Company does not have sufficient information to determine or predict the ultimate outcome or estimate the range of possible losses, if any.

The Company has considered subsequent events through May 8, 2013.

23. Reinsurance

No significant change from year-end 2012.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination.

No significant change from year-end 2012.

NOTES TO FINANCIAL STATEMENTS

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company incurred no losses and recorded no loss adjustment expenses for the first three months of 2013. The Company made no changes in the provision for incurred loss and loss adjustment expenses attributable to insured events for prior years, as the Company has not yet commenced insurance operations.

26. Intercompany Pooling Arrangements

No significant change from year-end 2012.

27. Structured Settlements

No significant change from year-end 2012.

28. Health Care Receivables

No significant change from year-end 2012.

29. Participating Policies

No significant change from year-end 2012.

30. Premium Deficiency Reserves

No significant change from year-end 2012.

31. High Deductibles

No significant change from year-end 2012.

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

No significant change from year-end 2012.

33. Asbestos/Environmental Reserves

No significant change from year-end 2012.

34. Subscriber Savings Accounts

No significant change from year-end 2012.

35. Multiple Peril Crop Insurance

No significant change from year-end 2012.

36. Financial Guaranty Insurance

The Company is a mono-line mortgage guaranty insurer and does not engage in the business of writing financial guaranty insurance.

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

1.2 If yes, has the report been filed with the domiciliary state? Yes No

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

2.2 If yes, date of change: 03/15/2013

3.1 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes No

3.2 If the response to 3.1 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

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
 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. 06/30/2012

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

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A

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

7.2 If yes, give full information

GENERAL INTERROGATORIES

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
.....
.....

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?

- (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.

Yes [X] No []

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 [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____

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:

.....

GENERAL INTERROGATORIES

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ _____

13. Amount of real estate and mortgages held in short-term investments: \$ _____

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ _____	\$ _____
14.22 Preferred Stock	\$ _____	\$ _____
14.23 Common Stock	\$ 10,000,107	\$ 10,003,891
14.24 Short-Term Investments	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate	\$ _____	\$ _____
14.26 All Other	\$ _____	\$ _____
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 10,000,107	\$ 10,003,891
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? Yes No

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

16. For the reporting entity's security lending program, state the amount of the following as 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 \$ _____

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? Yes No

17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Wells Capital Management Inc.	525 Market Street, San Francisco, CA 94105
.....

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? Yes No

GENERAL INTERROGATORIES

17.4 If yes, give full and complete information relating thereto:

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

17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
105108	First Republic Securities Co., LLC	111 Pine Street, San Francisco, CA 94111
104973	Wells Capital Management Inc.	525 Market Street, San Francisco, CA 94105

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation 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? Yes [] No [] N/A [X]
 If yes, attach an explanation.

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? Yes [] No [X]
 If yes, attach an explanation.

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
.....
.....
.....
TOTAL		

5. Operating Percentages:

5.1. A&H loss percent _____ %

5.2. A&H cost containment percent _____ %

5.3. A&H expense percent excluding cost containment expenses _____ %

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. \$ _____

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. \$ _____

NONE **Schedule F**

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - Allocated by States and Territories

States, Etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date
1. Alabama	AL	N					
2. Alaska	AK	L					
3. Arizona	AZ	L					
4. Arkansas	AR	L					
5. California	CA	L					
6. Colorado	CO	L					
7. Connecticut	CT	L					
8. Delaware	DE	L					
9. District of Columbia	DC	L					
10. Florida	FL	N					
11. Georgia	GA	L					
12. Hawaii	HI	L					
13. Idaho	ID	L					
14. Illinois	IL	L					
15. Indiana	IN	L					
16. Iowa	IA	L					
17. Kansas	KS	L					
18. Kentucky	KY	L					
19. Louisiana	LA	L					
20. Maine	ME	L					
21. Maryland	MD	L					
22. Massachusetts	MA	L					
23. Michigan	MI	L					
24. Minnesota	MN	L					
25. Mississippi	MS	L					
26. Missouri	MO	L					
27. Montana	MT	L					
28. Nebraska	NE	L					
29. Nevada	NV	L					
30. New Hampshire	NH	L					
31. New Jersey	NJ	L					
32. New Mexico	NM	L					
33. New York	NY	L					
34. North Carolina	NC	L					
35. North Dakota	ND	L					
36. Ohio	OH	L					
37. Oklahoma	OK	L					
38. Oregon	OR	L					
39. Pennsylvania	PA	L					
40. Rhode Island	RI	L					
41. South Carolina	SC	L					
42. South Dakota	SD	L					
43. Tennessee	TN	L					
44. Texas	TX	L					
45. Utah	UT	L					
46. Vermont	VT	L					
47. Virginia	VA	L					
48. Washington	WA	L					
49. West Virginia	WV	L					
50. Wisconsin	WI	L					
51. Wyoming	WY	N					
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)	48					

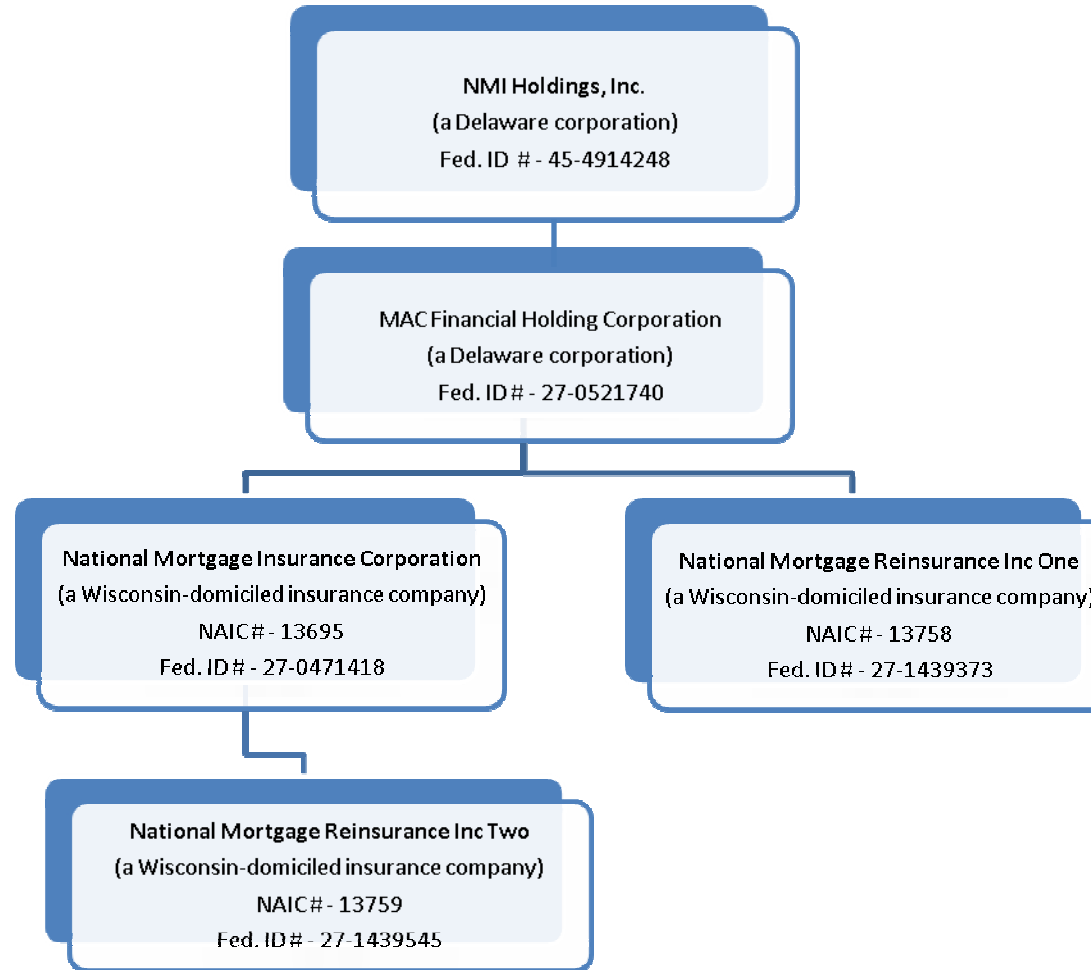
DETAILS OF WRITE-INS		1	2	3	4	5	6	7
58001.		X X X						
58002.		X X X						
58003.		X X X						
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						

NONE

(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: (N) None of the above - Not allowed to write business in the state.
 (a) Insert the number of 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



NONE Part 1 and 2

NONE Part 3

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	NO

Explanation:

- Question 1: Not Applicable
.....
.....
.....
- Question 2: Not Applicable
.....
.....
.....
- Question 3: Not Applicable
.....
.....
.....
- Question 4: Not Applicable
.....
.....
.....

Bar Code:



OVERFLOW PAGE FOR WRITE-INS

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 points and commitment fees		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest		
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	10,000,107	
2. Cost of bonds and stocks acquired	142,345,538	10,000,000
3. Accrual of discount	6,729	
4. Unrealized valuation increase (decrease)	3,784	107
5. Total gain (loss) on disposals	19,520	
6. Deduct consideration for bonds and stocks disposed of	9,652,370	
7. Deduct amortization of premium	105,186	
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)	142,618,122	10,000,107
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	142,618,122	10,000,107

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by Rating Class

S102

	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. Class 1 (a)	4,863,647	634,404,956	444,664,600	(97,112)	194,506,891			4,863,647
2. Class 2 (a)								
3. Class 3 (a)								
4. Class 4 (a)								
5. Class 5 (a)								
6. Class 6 (a)								
7. Total Bonds	4,863,647	634,404,956	444,664,600	(97,112)	194,506,891			4,863,647
PREFERRED STOCK								
8. Class 1								
9. Class 2								
10. Class 3								
11. Class 4								
12. Class 5								
13. Class 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	4,863,647	634,404,956	444,664,600	(97,112)	194,506,891			4,863,647

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated, short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	61,892,660	X X X	61,889,296	1,551	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	4,863,647	
2. Cost of short-term investments acquired	492,059,418	4,861,628
3. Accrual of discount	1,345	2,019
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	435,031,750	
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)	61,892,660	4,863,647
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	61,892,660	4,863,647

- NONE Schedule DB - Part A and B Verification**
- NONE Schedule DB - Part C - Section 1**
- NONE Schedule DB - Part C - Section 2**
- NONE Schedule DB - Verification**
- NONE Schedule E Verification**
- NONE Schedule A - Part 2 and 3**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
912828-QG-8	UNITED STATES TREAS NTS		01/24/2013	FIRST REPUBLIC BANK		1,093,856	1,000,000.00	6,236	1
912828-UM-0	UNITED STATES TREAS NTS		03/08/2013	BANK OF AMERICA SEC LLC		7,990,938	8,000,000.00	1,989	1
912828-UR-9	UNITED STATES TREAS NTS		03/08/2013	DEUTSCHE BANK SECURITIES		6,946,914	7,000,000.00	1,732	1
0599999	Total Bonds U. S. Government				X X X	16,031,708	16,000,000.00	9,957	X X X
13063B-N7-3	CALIFORNIA ST		03/14/2013	GOLDMAN SACHS & COMPANY		3,511,830	3,500,000.00		1FE
1799999	U.S. Total Bonds States, Territories and Possessions				X X X	3,511,830	3,500,000.00		X X X
3133EC-HG-2	FEDERAL FARM CR BKS		03/15/2013	MIZHUO SECURITIES USA		4,990,000	5,000,000.00	507	1
313379-DD-8	FEDERAL HOME LOAN BANKS		03/06/2013	RBC DAIN RAUSCHER INC		5,056,900	5,000,000.00	10,556	1
313380-L9-6	FEDERAL HOME LOAN BANKS		02/11/2013	NOMURA SEC INTL		6,514,100	6,500,000.00	7,403	1
3199999	U.S. Total Bonds Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	16,561,000	16,500,000.00	18,466	X X X
E04 018490-AP-7	ALLERGAN INC		03/07/2013	GOLDMAN SACHS & COMPANY		1,995,860	2,000,000.00		1FE
03027W-AH-5	AMERICAN TOWER TR 2013-1-2		03/06/2013	MORGAN STANLEY & CO		3,000,000	3,000,000.00		1FE
03523T-BN-7	ANHEUSER BUSCH INBEV WORLDWIDE		02/06/2013	US BANKCORP		3,011,680	3,000,000.00	2,750	1FE
00206R-BM-3	AT&T INC		02/01/2013	CREDIT SUISSE SECURITIES		1,487,085	1,500,000.00	3,150	1FE
00206R-BS-0	AT&T INC		02/07/2013	UBS SECURITIES		6,000,000	6,000,000.00		1FE
05377R-BD-5	AVIS BUDGET RENTAL FDG 2013-1		02/05/2013	DEUTSCHE BANK SECURITIES		3,398,554	3,400,000.00		1FE
056752-AA-6	BAIDU INC	R	02/01/2013	UBS SECURITIES		752,685	750,000.00	3,141	1FE
06406H-CH-0	BANK NEW YORK MTN BK ENT		03/04/2013	CITIGROUP		2,500,000	2,500,000.00		1FE
06406H-CJ-6	BANK NEW YORK MTN BK ENT		03/04/2013	GOLDMAN SACHS & COMPANY		2,499,275	2,500,000.00		1FE
073902-RU-4	BEAR STEARNS COS INC		02/12/2013	CHEMICAL SECURITIES INC		3,734,520	3,000,000.00	8,458	1FE
084670-BH-0	BERKSHIRE HATHAWAY INC DEL		01/29/2013	GOLDMAN SACHS & COMPANY		2,596,386	2,600,000.00		1FE
09256B-AA-5	BLACKSTONE HLDGS FIN L L C		02/01/2013	GOLDMAN SACHS & COMPANY		5,301,640	4,400,000.00	138,370	1FE
111320-AE-7	BROADCOM CORP		02/12/2013	RBC DAIN RAUSCHER INC		2,799,699	2,650,000.00	20,670	1FE
141784-DK-1	CARGILL INC MTN BE 144A		02/04/2013	BARCLAYS CAPITAL INC		773,448	600,000.00	18,498	1FE
191216-BA-7	COCA COLA CO		03/01/2013	GOLDMAN SACHS & COMPANY		2,494,600	2,500,000.00		1FE
24422E-SB-6	DEERE JOHN CAP CORP MTNS BE		03/06/2013	BANK OF AMERICA SEC LLC		2,494,225	2,500,000.00		1FE
36962G-W7-5	GENERAL ELEC CAP CORP MTN BE		02/01/2013	BANK OF AMERICA SEC LLC		1,575,000	1,750,000.00		1FE
38141G-RC-0	GOLDMAN SACHS GROUP INC		02/01/2013	GOLDMAN SACHS & COMPANY		803,024	800,000.00	633	1FE
36246M-AK-5	GTP ACQ PARTNERS 2011-2		03/04/2013	MIZHUO SECURITIES USA		2,148,560	2,000,000.00	5,313	1FE
40428H-PH-9	HSBC USA INC NEW		02/13/2013	KGS ALPHA CAP MKTS		999,000	1,000,000.00	2,663	1FE
449786-AT-9	ING BANK NV	R	02/06/2013	BANK OF AMERICA SEC LLC		3,372,493	3,310,000.00	8,247	1FE
459200-HJ-3	INTERNATIONAL BUSINESS MACHS		02/05/2013	HSBC SECURITIES INC		4,750,000	4,750,000.00		1FE
46623E-JV-2	J P MORGAN CHASE & CO MTN BE		02/21/2013	CHEMICAL SECURITIES INC		1,000,000	1,000,000.00		1FE
46625H-JG-6	JPMORGAN CHASE & CO		02/01/2013	KGS ALPHA CAP MKTS		797,232	800,000.00	360	1FE
49327M-2A-1	KEYBANK NATIONAL ASSOCIATION		01/29/2013	MCDONALD & CO.		1,748,320	1,750,000.00		1FE
55608P-AA-2	MACQUARIE BK LTD	R	02/21/2013	SUNTRUST CAP MKTS		5,204,483	4,750,000.00	102,396	1FE

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	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)
585055-BA-3	MEDTRONIC INC		03/19/2013	GOLDMAN SACHS & COMPANY		2,496,250	2,500,000.00		1FE
59217G-AY-5	METROPOLITAN LIFE GLOBAL FDG I		02/06/2013	BARCLAYS CAPITAL INC		1,989,080	2,000,000.00	2,583	1FE
674599-CD-5	OCCIDENTAL PETE CORP DEL		02/01/2013	CREDIT SUISSE SECURITIES		1,655,808	1,650,000.00	15,331	1FE
68389X-AG-0	ORACLE CORP		02/04/2013	CREDIT SUISSE SECURITIES		3,576,900	3,000,000.00	12,083	1FE
69371R-L3-8	PACCAR FINL CORP SR MTNS BK EN		02/05/2013	CHEMICAL SECURITIES INC		5,000,000	5,000,000.00		1FE
718172-AX-7	PHILIP MORRIS INTL INC		03/01/2013	GOLDMAN SACHS & COMPANY		5,000,000	5,000,000.00		1FE
80283F-AE-6	SANTANDER DRIVE AUTO 2013-1		02/12/2013	RBC DAIN RAUSCHER INC		3,063,701	3,050,000.00		1FE
78447C-AB-6	SLM PRIV ED LN TR 2012-D		02/08/2013	BARCLAYS CAPITAL INC		2,995,744	2,840,000.00	6,516	1FE
78443C-AZ-7	SLM PRIVATE ST LN TR 2003-C		02/01/2013	CITIZENS BANK		2,014,039	2,044,385.19	2,022	1FE
87407P-AA-8	TAL ADVANTAGE V LLC 2013-1		02/20/2013	BANK OF AMERICA SEC LLC		1,249,816	1,250,000.00		1FE
91324P-CB-6	UNITEDHEALTH GROUP INC		02/25/2013	DEUTSCHE BANK SECURITIES		2,489,975	2,500,000.00		1FE
92857W-BB-5	VODAFONE GROUP PLC NEW		02/11/2013	MITSUBISHI SECURITIES		5,000,000	5,000,000.00		1FE
92933W-AB-4	WEA FIN LLC / WT FIN AUST PTY		02/06/2013	CITIZENS BANK		2,471,920	2,000,000.00	58,875	1FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				X X X	106,241,002	102,644,385.19	412,059	X X X
8399997	Total Bonds Part 3				X X X	142,345,540	138,644,385	440,482	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	142,345,540	138,644,385.19	440,482	X X X
9999999	Totals				X X X	142,345,540	X X X	440,482	X X X

E04.1

(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	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 Desig- nation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ 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.								
00206R-BS-0	AT&T INC		02/07/2013	FUJI SECURITIES INC		2,005,720	2,000,000.00	2,000,000							2,000,000		5,720	5,720		02/12/2016	1FE	
718172-AX-7	PHILIP MORRIS INTL INC		03/01/2013	GOLDMAN SACHS & C		2,500,250	2,500,000.00	2,500,000							2,500,000		250	250		02/26/2015	1FE	
78443C-AZ-7	SLM PRIVATE ST LN TR 2003-C		03/15/2013	PRINCIPAL RECEIPT		122,433	122,433.38	120,616			1,817		1,817		122,433					09/15/2020	1FE	
87407P-AA-8	TAL ADVANTAGE V LLC 2013-1		03/20/2013	PRINCIPAL RECEIPT		10,417	10,416.67	10,415			2		2		10,417					02/20/2038	1FE	
92857W-BB-5	VODAFONE GROUP PLC NEW		02/12/2013	FUJI SECURITIES INC		5,013,550	5,000,000.00	5,000,000							5,000,000		13,550	13,550		02/19/2016	1FE	
3899999	Total - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	9,652,370	9,632,850.05	9,631,031			1,819		1,819		9,632,850		19,520	19,520		X X X	X X X	
8399997	Total - Bonds - Part 4				X X X	9,652,370	9,632,850	9,631,031			1,819		1,819		9,632,850		19,520	19,520		X X X	X X X	
8399998	Summary Item from Part 5 for Bonds				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	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	9,652,370	9,632,850.05	9,631,031			1,819		1,819		9,632,850		19,520	19,520		X X X	X X X	
9999999	Totals					9,652,370	X X X	9,631,031			1,819		1,819		9,632,850		19,520	19,520		X X X	X X X	

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(a) For all common stock bearing the NAIC market indicator 'U' provide: the number of such issues 0.

- NONE Schedule DB - Part A - Section 1**
- NONE Schedule DB - Part B - Section 1**
- NONE Schedule DB - Part D - Section 1**
- NONE Schedule DB - Part D - Section 2**
- NONE Schedule DL - Part 1**
- NONE Schedule DL - Part 2**

NONE Schedule E - Part 2