



ANNUAL STATEMENT

For the Year Ending December 31, 2016

OF THE CONDITION AND AFFAIRS OF THE

National Mortgage Reinsurance Inc One

NAIC Group Code	<u>4760</u>	<u>4760</u>	NAIC Company Code	<u>13758</u>	Employer's ID Number	<u>27-1439373</u>
	<small>(current period)</small>	<small>(prior period)</small>				
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>			<u>Madison, WI, US 53717</u>		
	<small>(Street and Number)</small>			<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>			<u>(855)873-2584</u>		
	<small>(City or Town, State, Country and Zip Code)</small>			<small>(Area Code)(Telephone Number)</small>		
Mail Address	<u>2100 Powell Street, 12th Floor</u>			<u>Emeryville, CA, US 94608</u>		
	<small>(Street and Number)</small>			<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>			<u>(855)873-2584</u>		
	<small>(City or Town, State, Country and Zip Code)</small>			<small>(Area Code)(Telephone Number)</small>		
Internet Website Address	<u>www.nationalmi.com</u>					
Statutory Statement Contact	<u>Christine M Econome</u>			<u>(510)858-0466</u>		
	<small>(Name)</small>			<small>(Area Code)(Telephone Number)</small>		
	<u>christine.econome@nationalmi.com</u>			<u>(510)225-3832</u>		
	<small>(E-Mail Address)</small>			<small>(Fax Number)</small>		

OFFICERS

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

VICE- PRESIDENTS

Patrick L Mathis, EVP, Chief Risk Officer Norman P Fitzgerald, SVP, Field Sales Michael J Dirrane, Senior Managing Director, Chief Sales Officer # Robert H Fore III, SVP, Controller Mark N Daly, SVP, National Accounts #	Mary L Sharp, Chief Human Resources Officer # Christopher G Brunetti, SVP, General Counsel and Secretary Laura E Amato, SVP, Information Technology Robert O Smith, SVP, Pricing and Portfolio Analytics
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DIRECTORS OR TRUSTEES

Patrick L Mathis Bradley M Shuster Glenn M Farrell	Claudia J Merkle William J Leatherberry
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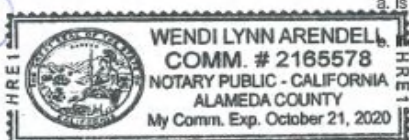
State of California
 County of Alameda ss

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) Glenn M Farrell _____ (Printed Name) 3. Chief Financial Officer _____ (Title)
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Subscribed and sworn to before me this
22nd day of February 2017

 (Notary Public Signature)



a. Is this an original filing? Yes[X] No []
 b. No: 1. State the amendment number 0
 2. Date filed _____
 3. Number of pages attached 0

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	35,332,404		35,332,404	31,117,176
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common Stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
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 (\$.....247,948, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....333,399, Schedule DA)	581,347		581,347	8,507,907
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities Lending Reinvested Collateral Assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	35,913,751		35,913,751	39,625,083
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	165,100		165,100	121,619
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				1,154,845
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	2,316,804	2,303,300	13,504	
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 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)	38,395,655	2,303,300	36,092,355	40,901,547
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	38,395,655	2,303,300	36,092,355	40,901,547
DETAILS OF WRITE-INS				
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.				
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 Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	219,941	69,774
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	4,496	
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 (Part 1A, Line 38, Column 5) (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)	271,098	8,600,910
10. Advance premiums		
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 (Schedule F, Part 3, Column 19)		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including (\$.....0 certified)) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	2,205,684	448,575
20. Derivatives		
21. Payable for securities		3,210,331
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	6,619,861	3,659,915
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	9,321,080	15,989,505
27. Protected cell liabilities		
28. TOTAL Liabilities (Lines 26 and 27)	9,321,080	15,989,505
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	24,429,464	24,429,464
35. Unassigned funds (surplus)	(1,158,189)	(3,017,422)
36. Less treasury stock, at cost:		
36.10 shares common (value included in Line 30 \$.....0)		
36.20 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39)	26,771,275	24,912,042
38. TOTALS (Page 2, Line 28, Column 3)	36,092,355	40,901,547
DETAILS OF WRITE-INS		
2501. Statutory Contingency Reserve	6,619,861	3,659,915
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)	6,619,861	3,659,915
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	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	5,919,893	3,588,367
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	177,449	71,163
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	5,422	
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	(52,597)	2,130,029
5. Aggregate write-ins for underwriting deductions	2,959,946	2,204,229
6. TOTAL Underwriting Deductions (Lines 2 through 5)	3,090,220	4,405,421
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	2,829,673	(817,054)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	678,357	216,299
10. Net realized capital gains (losses) less capital gains tax of \$.....(5,829) (Exhibit of Capital Gains (Losses))	12,349	(4,024)
11. Net investment gain or (loss) (Lines 9 + 10)	690,706	212,275
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)	3,520,379	(604,779)
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)	3,520,379	(604,779)
19. Federal and foreign income taxes incurred	1,674,651	1,031,336
20. Net income (Line 18 minus Line 19) (to Line 22)	1,845,728	(1,636,115)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	24,912,042	13,618,693
22. Net income (from Line 20)	1,845,728	(1,636,115)
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	2,316,804	
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	(2,303,300)	
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
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		12,929,464
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 (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	1,859,232	11,293,349
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	26,771,274	24,912,042
DETAILS OF WRITE-INS		
0501. Statutory Contingency Reserve	2,959,946	2,204,229
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)	2,959,946	2,204,229
1401.		
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.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)		

ANNUAL STATEMENT FOR THE YEAR 2016 OF THE **National Mortgage Reinsurance Inc One**
CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	(1,255,074)	9,977,366
2. Net investment income	624,898	164,844
3. Miscellaneous income		
4. TOTAL (Lines 1 through 3)	(630,176)	10,142,210
5. Benefit and loss related payments	27,281	8,385
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	2,908,275	4,334,258
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$(5,829) tax on capital gains (losses)	1,668,817	1,031,635
10. TOTAL (Lines 5 through 9)	4,604,373	5,374,278
11. Net cash from operations (Line 4 minus Line 10)	(5,234,549)	4,767,932
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	2,579,484	1,067,453
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		3,210,331
12.8 TOTAL Investment proceeds (Lines 12.1 to 12.7)	2,579,484	4,277,784
13. Cost of investments acquired (long-term only):		
13.1 Bonds	6,778,219	13,655,865
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications	3,210,331	0
13.7 TOTAL Investments acquired (Lines 13.1 to 13.6)	9,988,550	13,655,865
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(7,409,066)	(9,378,081)
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		3,000,000
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)	4,717,055	2,433,817
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	4,717,055	5,433,817
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)	(7,926,560)	823,668
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	8,507,907	7,684,239
19.2 End of year (Line 18 plus Line 19.1)	581,347	8,507,907

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

20.0001			
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written Per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	Premiums Earned During Year (Columns 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty	(2,409,919)	8,600,910	271,098	5,919,893
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 (group and individual)				
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				
32. Reinsurance-Nonproportional Assumed Liability				
33. Reinsurance-Nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	(2,409,919)	8,600,910	271,098	5,919,893
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)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business					
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty		271,098			271,098
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 (group and individual)					
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					
32. Reinsurance-Nonproportional Assumed Liability					
33. Reinsurance-Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS		271,098			271,098
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					271,098
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)					

(a) State here basis of computation used in each case: Monthly policies - in month coverage is provided. Annual policies - monthly pro rata. More than one year - over policy life in relation to expiration of risk.

UNDERWRITING AND INVESTMENT EXHIBIT PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Columns 1+2+3+4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril						
6. Mortgage guaranty		(2,409,919)				(2,409,919)
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 (group and individual)						
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					
32. Reinsurance-Nonproportional Assumed Liability	X X X					
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34. Aggregate write-ins for other lines of business						
35. TOTALS		(2,409,919)				(2,409,919)
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)						

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes No
 If yes, (1) The amount of such installment premiums \$.....0.
 (2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty		27,282		27,282	219,941	69,774	177,449	3.00
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 (group and individual)								
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							
32. Reinsurance-Nonproportional Assumed Liability	X X X							
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS		27,282		27,282	219,941	69,774	177,449	3.00
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)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire									
2. Allied Lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty		204,597		204,597		15,345		219,941	4,496
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 & health								(a)	
14. Credit accident & health (group & individual)								(a)	
15. Other accident & 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				
32. Reinsurance-Nonproportional Assumed Liability	X X X				X X X				
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS		204,597		204,597		15,345		219,941	4,496
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)									

(a) Including \$.....0 for present value of life indemnity claims.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct				
1.2 Reinsurance assumed	5,422			5,422
1.3 Reinsurance ceded				
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	5,422			5,422
2. Commission and brokerage:				
2.1 Direct, excluding contingent				
2.2 Reinsurance assumed, excluding contingent		(424,338)		(424,338)
2.3 Reinsurance ceded, excluding contingent				
2.4 Contingent - direct				
2.5 Contingent - reinsurance assumed				
2.6 Contingent - reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		(424,338)		(424,338)
3. Allowances to manager and agents				
4. Advertising				
5. Boards, bureaus and associations		6,023		6,023
6. Surveys and underwriting reports				
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		251,898		251,898
8.2 Payroll taxes		2,492		2,492
9. Employee relations and welfare		3,486		3,486
10. Insurance		14,875		14,875
11. Directors' fees				
12. Travel and travel items		4,392		4,392
13. Rent and rent items		23,018		23,018
14. Equipment		658		658
15. Cost or depreciation of EDP equipment and software		14,088		14,088
16. Printing and stationery		1,532		1,532
17. Postage, telephone and telegraph, exchange and express		431		431
18. Legal and auditing		25,036		25,036
19. TOTALS (Lines 3 to 18)		347,929		347,929
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0				
20.2 Insurance department licenses and fees		6,258		6,258
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		6,258		6,258
21. Real estate expenses				
22. Real estate taxes		200		200
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		17,354	49,658	67,012
25. TOTAL expenses incurred	5,422	(52,597)	49,658	(a) 2,483
26. Less unpaid expenses - current year				
27. Add unpaid expenses - prior year				
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	5,422	(52,597)	49,658	2,483
DETAILS OF WRITE-INS				
2401. Professional Fees		16,586		16,586
2402. Employee Recruiting		637		637
2403. Investment Fees			49,658	49,658
2498. Summary of remaining write-ins for Line 24 from overflow page		131		131
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)		17,354	49,658	67,012

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 138,875	168,785
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 534,147	557,698
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 1,535	1,532
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL Gross investment income	674,557	728,015
11. Investment expenses		(g) 49,658
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		49,658
17. Net Investment income (Line 10 minus Line 16)		678,357

DETAILS OF WRITE-INS

0901. Misc Interest Income		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page		
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)		
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		
1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)		

- (a) Includes \$ 56,882 accrual of discount less \$ 46,904 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	32		32		
1.1 Bonds exempt from U.S. tax	6,488		6,488		
1.2 Other bonds (unaffiliated)					
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	6,520		6,520		
DETAILS OF WRITE-INS					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Invested income due and accrued			
15. Premium 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			
15.3 Accrued retrospective premiums and contracts subject to redetermination			
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	2,303,300		(2,303,300)
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care 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)	2,303,300		(2,303,300)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	2,303,300		(2,303,300)
DETAILS OF WRITE-INS			
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.			
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)			

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of National Mortgage Reinsurance Inc One (“Re One” 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 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:

	State of Domicile	December 31, 2016	December 31, 2015
Net Income/(Loss)			
(1) State basis (Page 4, Line 20, Columns 1 & 3)	WI	\$ 1,845,729	\$ (1,636,115)
(2) State prescribed practices that increase/(decrease) NAIC SAP Change in contingency reserves	WI	(2,959,946)	(2,204,229)
(3) NAIC SAP (1 - 2 = 3)	WI	<u>\$ 4,805,675</u>	<u>\$ 568,114</u>
 SURPLUS			
(4) State basis (Page 3, Line 37, Columns 1 & 2)	WI	\$ 26,771,275	\$ 24,912,042
(5) State prescribed practices that increase/(decrease) NAIC SAP		—	—
(6) NAIC SAP (4 - 5 = 6)	WI	<u>\$ 26,771,275</u>	<u>\$ 24,912,042</u>

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

The Company acts as reinsurer for National Mortgage Insurance Corporation (“NMIC”) and assumes risk on mortgage guaranty insurance. 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. NMIC cedes premiums and claims to Re One on an excess share basis for any primary or pool policy that provides coverage greater than 25% of any insured loan amount. The reinsurance provided by the Company is solely so that NMIC complies with statutory risk limits.

During April 2013, NMIC wrote its first mortgage guaranty insurance policy and began ceding premium and risk to the Company under an affiliate reinsurance agreement the following month. Premiums written on a single premium basis and an annual premium basis are initially deferred as unearned premium reserve and earned over the policy term. Premiums written on policies covering more than one year are amortized over the policy life in accordance with the expiration of risk which is the anticipated claim payment pattern based on industry experience. Premiums written on annual policies are earned on a monthly pro rata basis. Premiums written on monthly policies are earned as coverage is provided. Premiums written on pool transactions are earned over the period that coverage is provided. Upon cancellation of a policy, all premium that is non-refundable is immediately earned. Any refundable premium is returned to the policyholder. Premiums returned to policyholders are recorded as a reduction of written and earned premiums in the current period, which affects premiums written and earned in those periods.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the effective interest method.
- (3) The Company owns no common stock.
- (4) The Company owns no preferred stock.

Notes to Financial Statements

- (5) The Company owns no mortgage loans.
- (6) Loan-backed securities are valued using the retrospective method and are stated at amortized cost or fair value in accordance with their NAIC designation.
- (7) The Company has no investments in subsidiaries or controlled and affiliated entities.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company owns no derivative instruments.
- (10) The Company will use anticipated investment income as a factor in the premium deficiency calculation.
- (11) NMIC's practice is to establish insurance claim reserves only for loans in default. NMIC does not consider a loan to be in default for claim reserve purposes until it receives notice from the servicer that a borrower has failed to make two regularly scheduled payments and is at least sixty days in default. Default is defined in NMIC's MI policies as the failure by a borrower to pay when due an amount equal to the scheduled mortgage payment due under the terms of a loan or the failure by a borrower to pay all amounts due under a loan after the exercise of the due on sale clause of such loan. In addition to reserves on reported defaults, NMIC establishes reserves for estimated claims incurred on loans that have been in default for at least sixty days that have not yet been reported to us by the servicers (this is often referred to as "incurred but not reported" or "IBNR").

The Company will assume case claim and IBNR reserves from NMIC, once such reserves are established.

Consistent with industry accounting practices, NMIC will not establish claim reserves for anticipated future claims on insured loans that are not currently in default.

The establishment of claim and IBNR reserves is subject to inherent uncertainty and will require significant judgment by management. Changes in claim reserves can materially affect the Company's net income or loss. The Company's ultimate liabilities may vary significantly from estimates.

- (12) The Company's capitalization policy has not changed from the prior period.
- (13) The Company does not have any pharmaceutical rebate receivables.

D. Going Concern

The Company has no substantial doubt about our ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors

The Company had no material changes in accounting principles or corrections of errors for the years ending December 31, 2016 and 2015.

3. Business Combinations and Goodwill

The Company has not entered into any business combinations and has no goodwill.

4. Discontinued Operations

The Company has no discontinued operations.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

The Company does not have any mortgage loan investments.

B. Debt Restructuring

The Company does not have any debt restructuring investments.

C. Reverse Mortgages

The Company does not have any reverse mortgage investments.

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 the guidelines set forth by the Wisconsin OCI.
- (2) The Company has not recognized any other-than-temporary impairments as of December 31, 2016.
- (3) The Company has not recognized any other-than-temporary impairments as of December 31, 2016.
- (4) All impaired loan-backed securities (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;

Notes to Financial Statements

(a) The aggregate amount of unrealized losses:

1. Less than 12 Months	\$	(226,079)
2. 12 Months or Longer	\$	(9,698)

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

1. Less than 12 Months	\$	12,484,209
2. 12 Months or Longer	\$	787,804

- (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, extent and duration of the 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 investment gains in the statements of operations in the period the determination is made. No other-than-temporary impairments were recognized for the years ended December 31, 2016 and 2015.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company does not have any repurchase agreements or securities lending transactions.

F. Real Estate

The Company does not have investments in real estate.

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

The Company does not have investments in low income housing.

H. Restricted Assets

The Company does not have restricted assets.

I. Working Capital Finance Investments

The Company does not have working capital finance investments.

J. Offsetting and Netting of Assets and Liabilities

The Company does not have any offsetting derivative, repurchase and reverse repurchase, and securities borrowing and securities lending assets and liabilities.

K. Structured Notes

The Company does not have any structured notes.

L. 5* Securities

The Company does not have any 5* securities.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in joint ventures, partnerships or limited liability companies.

7. Investment Income

A. Due and accrued income was excluded from surplus on the following bases:

The Company's does not admit any investment income due and accrued for amounts that are over 90 days past due.

B. Amounts Nonadmitted

The Company did not have any non-admitted investment income as of December 31, 2016 and 2015.

8. Derivative Instruments

The Company has no derivative instruments.

Notes to Financial Statements

9. Income Taxes

A. The amounts of gross deferred tax assets (“DTAs”) and deferred tax liabilities (“DTLs”) comprising net DTAs is shown below as well as admitted, non-admitted and change in non-admitted DTAs.

1.

	December 31, 2016			December 31, 2015			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 2,337,494	\$ 5,487	\$ 2,342,981	\$ 1,883,594	\$ 1,939	\$ 1,885,533	\$ 453,900	\$ 3,548	\$ 457,448
(b) Statutory valuation allowance adjustments	—	—	—	1,877,326	1,939	1,879,265	(1,877,326)	(1,939)	(1,879,265)
(c) Adjusted gross deferred tax assets (1a - 1b)	2,337,494	5,487	2,342,981	6,268	—	6,268	2,331,226	5,487	2,336,713
(d) Deferred tax assets nonadmitted	2,297,813	5,487	2,303,300	—	—	—	2,297,813	5,487	2,303,300
(e) Adjusted gross deferred tax assets (1a - 1b)	39,681	—	39,681	6,268	—	6,268	33,413	—	33,413
(f) Deferred tax liabilities	26,177	—	26,177	6,268	—	6,268	19,909	—	19,909
(g) Net admitted deferred tax asset/(Net deferred tax liability) (1e - 1f)	\$ 13,504	\$ —	\$ 13,504	\$ —	\$ —	\$ —	\$ 13,504	\$ —	\$ 13,504

2. Admission Calculation Components

	December 31, 2016			December 31, 2015			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 10,151	\$ —	\$ 10,151	\$ —	\$ —	\$ —	\$ 10,151	\$ —	\$ 10,151
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (the lesser of 2(b)1 and 2(b)2 below)	3,353	—	3,353	—	—	—	3,353	—	3,353
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	3,353	—	3,353	—	—	—	3,353	—	3,353
2. Adjusted gross deferred tax assets allowed per limitation threshold	4,013,700	—	4,013,700	3,736,800	—	3,736,800	276,900	—	276,900
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	26,177	—	26,177	6,268	—	6,268	19,909	—	19,909
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 39,681	\$ —	\$ 39,681	\$ 6,268	\$ —	\$ 6,268	\$ 33,413	\$ —	\$ 33,413

3. Disclosure of ratios used for threshold limitation (for 2.b)

	December 31, 2016	December 31, 2015
(a) Ratio percentage used to determine recovery period and threshold limitation amount	261%	978%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold of limitation in 2(b) above	\$ 4,013,700	\$ 3,736,800

Notes to Financial Statements

4. Impact of Tax Planning Strategies

	2016			2015		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage						
1. Adjusted gross DTAs amount from note 9A1(c)	2,337,494	5,487	2,342,981	6,268	—	6,268
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	—%	—%	—%	—%	—	—%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	39,681	—	39,681	6,268	—	6,268
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	—%	—%	—%	—%	—	—%

(b) Does the Company's tax-planning strategies include the use of reinsurance?

Yes No

B. Unrecognized deferred tax liabilities

Not Applicable

C. Current income taxes incurred consist of the following major components:

	2016	2015	Change
1. Current income tax			
(a) Federal	\$ 1,674,646	\$ 1,031,635	\$ 643,011
(b) Foreign	—	—	—
(c) Subtotal	1,674,646	1,031,635	643,011
(d) Federal income tax on net capital gains	(5,829)	299	(6,128)
(e) Utilization of capital loss carryforwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ 1,668,817	\$ 1,031,934	\$ 636,883

Notes to Financial Statements

	December 31, 2016	December 31, 2015	Change
2. Deferred tax assets			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ —	\$ —	\$ —
(2) Unearned premium reserve	18,977	602,064	(583,087)
(3) Loss reserve	1,565	559	1,006
(4) Contingency reserve	2,316,952	1,280,971	1,035,981
(5) Investments	—	—	—
(6) Deferred acquisition costs	—	—	—
(7) Policyholder dividends accrual	—	—	—
(8) Fixed assets	—	—	—
(9) Compensation and benefits accrual	—	—	—
(10) Pension accrual	—	—	—
(11) Receivables - nonadmitted	—	—	—
(12) Net operating loss carryforward	—	—	—
(13) Tax credit carryforward	—	—	—
(14) Other (including items < 5% of total ordinary tax assets)	—	—	—
(99) Subtotal	2,337,494	1,883,594	453,900
(b) Statutory valuation allowance adjustment	—	1,877,326	(1,877,326)
(c) Nonadmitted	2,297,813	—	2,297,813
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	39,681	6,268	33,413
(e) Capital:			
(1) Investments	\$ —	\$ —	\$ —
(2) Net capital loss carryforward	—	—	—
(3) Real estate	—	—	—
(4) Other (including items < 5% of total capital tax assets)	5,487	1,939	3,548
(99) Subtotal	5,487	1,939	3,548
(f) Statutory valuation allowance adjustment	—	1,939	(1,939)
(g) Nonadmitted	5,487	—	5,487
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	—	—
(i) Admitted deferred tax assets (2d + 2h)	\$ 39,681	\$ 6,268	\$ 33,413
3. Deferred tax liabilities			
(a) Ordinary:			
(1) Investments	—	—	—
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other (including items < 5% of total ordinary tax liabilities)	26,177	6,268	19,909
(99) Subtotal	26,177	6,268	19,909
(b) Capital:			
(1) Investments	—	—	—
(2) Real estate	—	—	—
(3) Other (including items < 5% of total capital tax liabilities)	—	—	—
(99) Subtotal	—	—	—
(c) Deferred tax liabilities (3a99 + 3b99)	26,177	6,268	19,909
4. Net deferred tax assets/(liabilities) (2i - 3c)	\$ 13,504	\$ —	\$ 13,504

Notes to Financial Statements

5. The change in net deferred income taxes is comprised of the following:

	December 31, 2016	December 31, 2015	Change
(a) Total deferred tax assets	\$ 39,681	\$ 1,885,533	\$ (1,845,852)
(b) Valuation allowance	—	1,879,265	(1,879,265)
(c) Total deferred tax liabilities	26,177	6,268	19,909
(d) Net deferred tax assets/(liabilities)	\$ 13,504	\$ —	\$ 13,504
(e) Tax effect of unrealized gains/(losses)			—
(f) Change in net deferred income tax			\$ 13,504

- D. The difference between income tax expense as computed at the federal statutory rates and the Company's actual income tax expense is primarily attributable to certain non-deductible differences, change in the non-admitted deferred tax assets and statutory valuation allowance.

	For the Year Ended December 31, 2016	Effective Tax Rate	For the Year Ended December 31, 2015	Effective Tax Rate	Change	Effective Tax Rate
(a) Provision computed at statutory rate	\$ 1,230,091	35.00%	\$ (209,892)	35.00 %	\$ 1,439,983	—%
(1) Permanent items	1,191	0.03	1,053	(0.18)	138	0.21
(2) Change in valuation allowance	(1,879,265)	(53.47)	1,240,783	(206.85)	(3,120,048)	153.38
(3) Deferred only adjustment	—	—	—	—	—	—
(4) Change in non-admitted assets	2,303,300	65.54	—	—	2,303,300	65.54
(5) Return to provision true-up	(4)	—	(10)	—	6	—
(6) Deferred - re-rate	—	—	—	—	—	—
(7) Deferred - re-rate - VA	—	—	—	—	—	—
(b) Total	\$ 1,655,313	47.10%	\$ 1,031,934	(172.03)%	\$ 623,379	219.13%
(1) Federal income taxes incurred	1,674,646	47.65%	1,031,635	(171.98)%	643,011	219.63%
(2) Federal income taxes incurred - capital gains (loss)	(5,829)	(0.17)	299	(0.05)	(6,128)	(0.12)
(3) Change in net deferred income taxes	(13,504)	(0.38)	—	—	(13,504)	(0.38)
(c) Total statutory income taxes	\$ 1,655,313	47.10%	\$ 1,031,934	(172.03)%	\$ 623,379	219.13%

- E. Net operating loss carryforwards and paid taxes available for future recoupment

- The following are net operating losses for the current and prior years available to offset future taxable income:
None.
- The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:
None.
- The following are aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code:
None.

- F. Consolidated federal income tax return

- The Company's federal income tax return is consolidated with the following entities:
NMI Holdings, Inc.
National Mortgage Insurance Corporation
NMI Services, Inc.
- The tax sharing agreement between NMI and its subsidiaries, dated August 23, 2012 and amended on September 1, 2016. Under this agreement, each of the parties above mutually agrees to file a consolidated federal income tax return for 2013 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 no later than 60 days following 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

Notes to Financial Statements

to an insurer, in which case payment shall be made to the insurer within 60 days following NMI's receipt of the applicable tax refund.

G. Federal or foreign income tax loss contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

A. Nature of Relationships

NMIC and the Company are wholly owned by NMI Holdings, Inc., a Delaware corporation ("NMI"). On November 8, 2013, NMI is a public company trading on the NASDAQ under the symbol "NMIH."

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

In the year ended December 31, 2015, Re One received total capital contributions of \$12.9 million in cash and securities from NMI as follows: \$3M in cash on September 29, 2015, \$9.9M on November 30, 2015 and \$39 thousand on December 31, 2015. No capital contributions were received for the year ended December 31, 2016.

C. Change in Terms of Intercompany Arrangements

See Note 10 - F - Management, Service contracts, Cost Sharing Agreements.

D. Amounts Due to or from Related Parties

The Company reported \$98,254 and \$448,576 due to NMI and \$2,107,430 and \$0 due to NMIC as of December 31, 2016 and 2015, respectively. *See Note 10 - F - Management, Service contracts, Cost Sharing Agreements.*

E. Guarantees or Undertaking for Related Parties

The Company has no guarantees or undertakings for related parties.

F. Management, Service contracts, Cost Sharing Arrangements

The Company is party to a cost allocation agreement with NMI, NMIC and NMI Services, Inc., hereinafter collectively referred to as "Parties", and singularly as "Party" or "Affiliate". Each of the parties to the agreement may provide any of the following services to any other party under the agreement, including: general management, underwriting, customer service, claims processing, legal, accounting and actuarial services.

For third 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 third party. For third 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., intercompany 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 such employees. In all three cases, all charges and fees for any goods or services provided to the Affiliates shall not exceed the actual costs incurred by the Parties. NMI is the principal employer of personnel among the parties and it is anticipated that most costs will be incurred by NMI and allocated to its insurance subsidiaries. Settlements are required no later than 60 days after each calendar quarter.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by NMI.

H. Amount Deducted for Investment in Upstream Company

The Company does not own any shares of upstream intermediate or ultimate parent, either directly or indirectly, via a downstream subsidiary, controlled or affiliated entity.

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

The Company has no investments in subsidiaries or controlled and affiliated entities.

J. Write downs for Impairment of Investments in Affiliates

The Company has no investments in subsidiaries or controlled and affiliated entities.

K. Foreign Subsidiary Valued Using CARVM

The Company has no investments in foreign subsidiaries.

L. Downstream Holding Company Valued Using Look-Through Method

The Company has no investments in a downstream holding company.

M. All SCA investments

Notes to Financial Statements

The Company has no investments in insurance subsidiaries or controlled and affiliated entities.

N. Investment in Insurance SCAs

The Company has no investment in insurance subsidiaries or controlled and affiliated entities.

11. Debt

The Company has no debt and has no funding agreements with the FHLB.

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

A. Defined Benefit Plan

The Company has no defined benefit plans.

B. Investment Policies

Not applicable

C. Fair Value of Plan Assets

Not applicable

D. Rate of Return Assumptions

Not applicable

E. Defined contribution plans

The Company has no defined contribution plans.

F. Multiemployer Plans

The Company has no multiemployer plans.

G. Consolidated/Holding Company Plans

Not applicable

H. Post-employment benefits and Compensated Absences

The Company does not provide post-employment benefits.

I. Impact of Medicare Modernization Act on Post-retirement Benefits (INT 04-17)

The Company does not provide post-retirement benefits.

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

A. Outstanding Shares

The Company has 3,500,000 shares of \$1.00 par value, common stock authorized all of which are issued and outstanding. The Company has no preferred stock authorized, issued or outstanding.

B. Dividend Rate of Preferred Stock

The Company has no preferred stock outstanding.

C. Dividend Restrictions

The Company's ability to pay dividends to its parent is limited by state insurance laws of the State of Wisconsin. Wisconsin law provides that the Company may pay out dividends without the prior approval of the Commissioner ("ordinary dividends") 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. Dividends that exceed this amount are "extraordinary dividends", which require prior approval of the Commissioner. California prohibits dividends except from undivided profits remaining on hand over and above its paid-in capital, paid-in surplus and contingency reserves. Additionally, statutory minimum capital requirements may limit the amount of dividend that the Company may pay.

The Company has not paid or declared any ordinary dividends.

D. Dates and Amounts of Dividends Paid

The Company has paid no dividends.

E. Amount of Ordinary Dividends That May Be Paid

Notes to Financial Statements

See Item C - Dividend Restrictions above.

F. Restrictions of Unassigned Funds

See Item C - Dividend Restrictions above.

G. Mutual Surplus Advance

The Company is not a mutual or similarly organized company.

H. Company Stock held for Special Purposes

The Company holds no stock for special purposes.

I. Changes in Special Surplus Funds

The Company has no special surplus funds.

J. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0, as of December 31, 2016.

K. Surplus Notes

The Company has not issued surplus notes.

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

The company has not gone through a quasi-reorganization.

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

The company has not gone through a quasi-reorganization.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has no contingent commitments.

B. Assessments

The Company has no assessments that could have a material effect.

C. Gain Contingencies

The Company has no gain contingencies.

D. Claims Related Extra Contractual Obligation and Bad Faith Stemming from Lawsuits

The Company has no claims related extra contractual obligations or bad faith losses stemming from lawsuits.

E. Product Warranties

The Company has no product warranties.

F. Joint and Several Liabilities

The Company has no joint or several liabilities.

G. All Other Contingencies

The Company has no material contingent liabilities other than those described below regarding the contingency reserve for mortgage guaranty insurance.

Mortgage guaranty insurers are required to establish a special contingency reserve from unassigned surplus, with annual contributions equal to the greater of (1) 50% of net earned premiums or (2) minimum policyholders' position divided by seven. The purpose of this reserve is to protect policyholders against the effects of adverse economic cycles. The contribution to contingency reserves for any period is released to unassigned funds after 120 months unless it is released prior to that time with the express consent of the Wisconsin OCI.

Sec. 3.09(14) of the Wisconsin Administrative Code ("Wisconsin Code") allows withdrawals from the reserve in any year to the extent that incurred claims and claim adjustment expenses exceed 35% of earned premiums.

For the years ended December 31, 2016 and 2015, the company has recorded contingency reserves of \$6,619,861 and \$3,659,915, respectively. The contingency reserve calculation is based on 50% of premiums earned for the year ended December 31, 2016. For the year ended December 31, 2015, the contingency reserve calculation is based on minimum policyholders' position divided by seven. Per the Wisconsin Code, the Company records changes in the contingency

Notes to Financial Statements

reserve through the income statement as an underwriting expense, which differs from NAIC SAP. *See Note 1 - Item A - Accounting Practices above.*

15. Leases

A. Lessee Operating Lease

The Company has no lease obligation. NMI entered into an office facility lease effective July 1, 2012 for a term of two years. In October 2013, NMI amended the facility's lease to (i) add 23,000 square feet of furnished office space, and (ii) extend the facility's lease period through October 31, 2017. In December 2016, the Company amended its lease to extend the term of the lease through March 2023. Through a cost allocation agreement, the Company is allocated approximately 1% of the lease expense. *See Note 10 - Information Concerning Parent, Subsidiaries and Other Related Parties - F - Management, Service contracts, Cost Sharing Arrangements* for more information on the cost allocation agreement.

B. Lessor Leases

The Company has no lessor activity.

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

The Company has no financial instruments with off-balance sheet risk or financial instruments with concentration of credit risk.

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

A. Transfers of Receivables Reported as Sales

The company had no transfers of receivables reported as sales.

B. Transfers and Servicing of Financial Assets

The Company had no transfer or servicing of financial assets.

C. Wash Sales

The Company had no wash sales involving transactions for securities with a NAIC designation of 3 or below, or unrated.

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

The Company has no uninsured or partially insured plans.

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

The Company does not operate under managing general agents/third party administrators.

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.

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	\$ 35,229,712	\$ 35,332,404	\$ 9,495,162	\$ 25,734,550	\$ —	—
Preferred stocks	—	—	—	—	—	—
Common stocks	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—
Cash, cash equivalents and short- term investments	581,345	581,347	581,345	—	—	—
Other	—	—	—	—	—	—
Total assets	\$ 35,811,057	\$ 35,913,751	\$ 10,076,507	\$ 25,734,550	\$ —	—
Financial instruments - liabilities						
Total liabilities	\$ —	\$ —	\$ —	\$ —	\$ —	—

The following describes the valuation techniques used by the Company to determine the fair value of financial instruments held as of December 31, 2016 and December 31, 2015.

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 - Quoted prices in Active Markets for Identical Assets and Liabilities. This category includes cash and US Treasury Securities. Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date for identical assets or liabilities;
- 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. Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities; and
- Level 3 - Significant Unobservable Inputs. Unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. The Company has no assets or liabilities in this category.

The level of market activity used to determine the fair value hierarchy is based on the availability of observable inputs market participants would use to price an asset or a liability, including market value price observations.

D. Reasons Not Practical to Estimate Fair Values

Not Applicable

21. Other Items

A. Extraordinary

Organizational Exam:

The Wisconsin OCI completed an Organizational Examination of the Company on October 23, 2012. The period under exam was June 30, 2009 through June 30, 2012. The Examination did not result in any recommendations, reclassification of or adjustment to the balances reported by the Company.

B. Troubled Debt Restructuring: Debtors

The Company has no troubled debt restructurings.

C. Other Disclosures and Unusual Items

The Company has no other disclosures or unusual items.

D. Business Interruption Insurance Recoveries

The Company has no business interruption insurance recoveries.

E. State Transferable and Non-transferable Tax Credits

The Company has no transferable or non-transferable state tax credits.

F. Subprime Mortgage Related Risk Exposure

The Company has no subprime mortgage related risk exposure.

G. Insurance-Linked Securities (ILS) Contracts

The Company has no Insurance-Linked Securities contracts.

Notes to Financial Statements

22. Subsequent Events

The Company has considered subsequent events through February 22, 2017.

23. Reinsurance

The Company does not use reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company does not have any retrospectively rated contracts or contracts subject to redetermination.

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company assumed incurred claims and recorded assumed claim adjustment expenses of \$224,437 and \$69,774 for the years ended December 31, 2016 and December 31, 2015, respectively. During 2016, the Company had a \$17 thousand favorable prior year development of its provision for incurred claim and claim adjustment expenses attributable to insured events for prior years. NMIC does not adjust premiums based on past claim activity.

NMIC's practice is to establish claim reserves only for loans in default. NMIC 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. NMIC also reserves for claims incurred but not yet reported. However, and consistent with the industry, NMIC does not establish claim reserves for anticipated future claims on insured loans that are not currently in default. NMIC does not adjust premiums based on past claim activity.

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

27. Structured Settlements

The Company had no structured settlements.

28. Health Care Receivables

The Company has no health care receivables.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

The Company has no premium deficiency reserves for the years ended December 31, 2016 and 2015. The Company performs a premium deficiency calculation each fiscal quarter using best estimate assumptions as of the testing date. The Company uses anticipated investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, *Property-Casualty Contracts - Premiums*.

31. High Deductibles

The Company has no reserve credit recorded for high deductibles on unpaid claims.

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

The Company does not discount reserves for insurance claims and claims expenses.

33. Asbestos/Environmental Reserves

The Company has no known potential exposure to asbestos or environmental claims.

34. Subscriber Savings Accounts

The Company is not a reciprocal insurance company.

35. Multiple Peril Crop Insurance

The Company does not offer multiple peril crop insurance.

36. Financial Guaranty Insurance

The Company is a monoline mortgage guaranty reinsurer and does not engage in the business of financial guaranty insurance.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 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?
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[] N/A[]
- 1.3 State Regulating? Wisconsin
- 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 State as of what date the latest financial examination of the reporting entity was made or is being made. 06/30/2012
- 3.2 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
- 3.3 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). 10/23/2012
- 3.4 By what department or departments?
Wisconsin Office of the Commissioner of Insurance
- 3.5 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]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 5.2 If yes, provide the name of the 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
.....

- 6.1 Has the 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]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[] No[X]
- 7.2 If yes, 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity
.....

- 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 the names and locations (city and state of the main office) of any affiliates regulated by a federal financial 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. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
BDO USA, LLC, One Bush Street, Suite 1800, San Francisco, CA 94104
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is no or n/a please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Marc Oberholtzer, FCAS, MAAA, PricewaterhouseCoopers LLP, 2001 Market Street, Two Commerce Square, Philadelphia, PA 19103, consulting actuary

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 12.11 Name of real estate holding company
 12.12 Number of parcels involved 0
 12.13 Total book/adjusted carrying value \$ 0
 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [] N/A [X]
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [] N/A [X]
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 14.1 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.
 14.11 If the response to 14.1 is no, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

	1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
15.2001

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes [X] No []
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No []
18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No []

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 20.11 To directors or other officers \$ 0
 20.12 To stockholders not officers \$ 0
 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 20.21 To directors or other officers \$ 0
 20.22 To stockholders not officers \$ 0
 20.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
 21.2 If yes, state the amount thereof at December 31 of the current year:
 21.21 Rented from others \$ 0
 21.22 Borrowed from others \$ 0
 21.23 Leased from others \$ 0
 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
 22.2 If answer is yes:
 22.21 Amount paid as losses or risk adjustment \$ 0
 22.22 Amount paid as expenses \$ 0
 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
 24.02 If no, give full and complete information, relating thereto
 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
 None
 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ 0
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES (Continued)

- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[] No[] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 24.103 Total payable for securities lending reported on the liability page. \$ 0

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[] No[X]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 0
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 0
- 25.32 Other \$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[] No[] N/A[X]
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$ 0

28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

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

28.02 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)

- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[] No[X]
- 28.04 If yes, give full and complete information relating thereto:

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

28.05 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

- 28.0597 For those firms/individuals listed in the table for Question 28.05, 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? Yes[] No[X]
- 28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes[] No[X]
- 28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

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
104973	Wells Capital Management Incorporated	549300B3H2IOO2L85I90	SEC	NO

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D - Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes [] No[X]

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 Total		

29.3 For each mutual fund listed in the table above, complete the following schedule:

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation
.....

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	35,332,404	35,229,712	(102,692)
30.2 Preferred stocks			
30.3 Totals	35,332,404	35,229,712	(102,692)

30.4 Describe the sources or methods utilized in determining the fair values:
The Company has obtained the fair values from Interactive Data at December 31, 2015.

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No[X]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No [] N/A[X]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
Not Applicable

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes[X] No []

32.2 If no, list exceptions:

OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$..... 3,758

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
USMI	3,307

34.1 Amount of payments for legal expenses, if any? \$..... 2,341

34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Foley & Lardner LLP	1,679

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$..... 227

35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

GENERAL INTERROGATORIES (Continued)

1 Name	2 Amount Paid
The OB-C Group, LLC 227

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes No
- 1.2 If yes, indicate premium earned on U.S. business only. \$ 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ 0
 - 1.31 Reason for excluding:
Not Applicable
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ 0
- 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$ 0
- 1.6 Individual policies
 - Most current three years:
 - 1.61 Total premium earned \$ 0
 - 1.62 Total incurred claims \$ 0
 - 1.63 Number of covered lives 0
 - All years prior to most current three years:
 - 1.64 Total premium earned \$ 0
 - 1.65 Total incurred claims \$ 0
 - 1.66 Number of covered lives 0
- 1.7 Group policies
 - Most current three years:
 - 1.71 Total premium earned \$ 0
 - 1.72 Total incurred claims \$ 0
 - 1.73 Number of covered lives 0
 - All years prior to most current three years:
 - 1.74 Total premium earned \$ 0
 - 1.75 Total incurred claims \$ 0
 - 1.76 Number of covered lives 0

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator		
2.2 Premium Denominator	5,919,893	3,588,367
2.3 Premium Ratio (2.1 / 2.2)		
2.4 Reserve Numerator		
2.5 Reserve Denominator	495,535	8,670,684
2.6 Reserve Ratio (2.4 / 2.5)		

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes No
- 3.2 If yes, state the amount of calendar year premiums written on:
 - 3.21 Participating policies \$ 0
 - 3.22 Non-participating policies \$ 0
- 4. For Mutual reporting entities and Reciprocal Exchanges only:
 - 4.1 Does the reporting entity issue assessable policies? Yes No N/A
 - 4.2 Does the reporting entity issue non-assessable policies? Yes No N/A
 - 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0%
 - 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ 0
- 5. For Reciprocal Exchanges Only:
 - 5.1 Does the exchange appoint local agents? Yes No N/A
 - 5.2 If yes, is the commission paid:
 - 5.21 Out of Attorney's-in-fact compensation Yes No N/A
 - 5.22 As a direct expense of the exchange Yes No N/A
 - 5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? Yes No N/A
 - 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? Yes No N/A
 - 5.5 If yes, give full information:
- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
The Company does not write workers' compensation business.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The Company writes mortgage guaranty reinsurance on mortgage insurance written by National Mortgage Insurance Corporation. Loss exposures on individual mortgage loans are driven by loan, borrower and economic factors. Losses are bounded by the coverage percentage on the loan. NMIC consults with actuaries at PricewaterhouseCoopers on maximum probable loss scenarios.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:
The Company is a mono line mortgage guaranty reinsurer for mortgages issued to United States residential borrowers. Loss exposures are on individual mortgage loans and are governed by the coverage percentage on the loan. The Company is required to establish and maintain a contingency reserve to be used for excessive losses.
- 6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes No
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss
See responses 6.2 and 6.3 above.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes No
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? .. Yes No N/A
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes No
- 8.2 If yes, give full information.

GENERAL INTERROGATORIES (Continued)

- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes[] No[X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes[] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes[] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or Yes[X] No[]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes[] No[X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes[] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[X] No[] N/A[]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes[] No[X]
- 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses \$ 0
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$ 0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. \$ 0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes[] No[] N/A[X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From 0.000%
 12.42 To 0.000%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes[] No[X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
 12.61 Letters of Credit \$ 0
 12.62 Collateral and other funds \$ 0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 52,638
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes[] No[X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 0
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[] No[X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes[] No[] N/A[X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes[] No[] N/A[X]
- 14.5 If the answer to 14.4 is no, please explain
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes[] No[X]
- 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business? Yes[] No[X]
 If yes, disclose the following information for each of the following types of warranty coverage:

	1 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home					
16.12 Products					
16.13 Automobile					
16.14 Other *					

* Disclose type of coverage:

GENERAL INTERROGATORIES (Continued)

<p>17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that it excludes from Schedule F - Part 5? Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from inclusion in Schedule F - Part 5. Provide the following information for this exemption.</p>	Yes[] No[X]
17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$ 0
17.12 Unfunded portion of Interrogatory 17.11	\$ 0
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$ 0
17.14 Case reserves portion of Interrogatory 17.11	\$ 0
17.15 Incurred but not reported portion of Interrogatory 17.11	\$ 0
17.16 Unearned premium portion of Interrogatory 17.11	\$ 0
17.17 Contingent commission portion of Interrogatory 17.11	\$ 0
Provide the following information for all other amounts included in Schedule F - Part 3 and excluded from Schedule F - Part 5, not included above.	
17.18 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5	\$ 0
17.19 Unfunded portion of Interrogatory 17.18	\$ 0
17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$ 0
17.21 Case reserves portion of Interrogatory 17.18	\$ 0
17.22 Incurred but not reported portion of Interrogatory 17.18	\$ 0
17.23 Unearned premium portion of Interrogatory 17.18	\$ 0
17.24 Contingent commission portion of Interrogatory 17.18	\$ 0
18.1 Do you act as a custodian for health savings accounts?	Yes[] No[X]
18.2 If yes, please provide the amount of custodial funds held as of the reporting date:	\$ 0
18.3 Do you act as an administrator for health savings accounts?	Yes[] No[X]
18.4 If yes, please provide the balance of the funds administered as of the reporting date:	\$ 0

FIVE - YEAR HISTORICAL DATA

Show amounts in whole dollars only, no cents; show percentages to one decimal place, i.e., 17.6

	1 2016	2 2015	3 2014	4 2013	5 2012
Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 & 3)					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4)					
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26)					
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(2,409,919)	10,303,490	2,774,355	238,356	
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6. TOTAL (Line 35)	(2,409,919)	10,303,490	2,774,355	238,356	
Net Premiums Written (Page 8, Part 1B, Column 6)					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	(2,409,919)	10,303,490	2,774,355	238,356	
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12. TOTAL (Line 35)	(2,409,919)	10,303,490	2,774,355	238,356	
Statement of Income (Page 4)					
13. Net underwriting gain or (loss) (Line 8)	2,829,673	(817,054)	(639,525)	(694,366)	
14. Net investment gain or (loss) (Line 11)	690,706	212,275	111,265	95,500	107
15. TOTAL other income (Line 15)					
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	1,674,651	1,031,336	241,025	13,263	
18. Net income (Line 20)	1,845,728	(1,636,115)	(769,285)	(612,129)	107
Balance Sheet Lines (Pages 2 and 3)					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	36,092,355	40,901,547	17,186,149	10,179,570	10,000,107
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)		1,154,845	828,721	171,454	
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. TOTAL liabilities excluding protected cell business (Page 3, Line 26)	9,321,080	15,989,505	3,567,456	791,592	
22. Losses (Page 3, Line 1)	219,941	69,774	6,996		
23. Loss adjustment expenses (Page 3, Line 3)	4,496				
24. Unearned premiums (Page 3, Line 9)	271,098	8,600,910	1,885,787	108,672	
25. Capital paid up (Page 3, Lines 30 & 31)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	26,771,275	24,912,042	13,618,693	9,387,978	10,000,107
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(5,234,549)	4,767,932	381,201	(678,585)	25
Risk-Based Capital Analysis					
28. TOTAL adjusted capital					
29. Authorized control level risk-based capital					
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)					
(Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1)	98.4	78.5	52.9	90.1	
31. Stocks (Lines 2.1 & 2.2)					
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	1.6	21.5	47.1	9.9	100.0
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. TOTAL of above Lines 42 to 47					
49. TOTAL investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)					

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains or (Losses) (Line 24)					
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	1,859,232	11,293,349	4,230,715	(612,129)	10,000,107
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	27,282	8,385			
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. TOTAL (Line 35)	27,282	8,385			
Net Losses Paid (Page 9, Part 2, Column 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34)	27,282	8,385			
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. TOTAL (Line 35)	27,282	8,385			
Operating Percentages (Page 4)					
(Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	3.0	2.0	0.7		
68. Loss expenses incurred (Line 3)	0.1				
69. Other underwriting expenses incurred (Line 4)	(0.9)	59.4	75.0	193.2	
70. Net underwriting gain (loss) (Line 8)	47.8	(22.8)	(64.1)	(535.4)	
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	(120.6)	42.1	58.7	345.7	
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	3.1	2.0	0.7		
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	(9.0)	41.4	20.4	2.5	
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)	(17)	(2)			
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0)	(0.1)	0.0			
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)	(7)				
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0)	(0.1)				

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[] No[] N/A[X]

If no, please explain::

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X									X X X
2. 2007												X X X
3. 2008												X X X
4. 2009												X X X
5. 2010												X X X
6. 2011												X X X
7. 2012												X X X
8. 2013	130		130									X X X
9. 2014	997		997									X X X
10. 2015	3,588		3,588	25							25	X X X
11. 2016	5,920		5,920	10					1		11	X X X
12. Totals	X X X	X X X	X X X	35					1		36	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior												X X X	
2. 2007												X X X	
3. 2008												X X X	
4. 2009												X X X	
5. 2010												X X X	
6. 2011												X X X	
7. 2012												X X X	
8. 2013												X X X	
9. 2014												X X X	
10. 2015	36								1		37	X X X	
11. 2016	168		15						4		187	X X X	
12. Totals	204		15						5		224	X X X	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 2007											
3. 2008											
4. 2009											
5. 2010											
6. 2011											
7. 2012											
8. 2013											
9. 2014											
10. 2015	62		62	1.7		1.7				36	1
11. 2016	198		198	3.3		3.3				183	4
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	219	5

Note: Parts 2 and 4 are gross of all discounting, including tabular discounting. Part 1 is gross of only nontabular discounting, which is reported in Columns 32 and 33 of Part 1. The tabular discount, if any, is reported in the Notes to Financial Statements which will reconcile Part 1 with Parts 2 and 4.

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	One Year	Two Year
1. Prior												
2. 2007												
3. 2008	XXX											
4. 2009	XXX	XXX										
5. 2010	XXX	XXX	XXX									
6. 2011	XXX	XXX	XXX	XXX								
7. 2012	XXX	XXX	XXX	XXX	XXX							
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7	5		(5)	(7)
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	73	61	(12)	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	193	XXX	XXX
12. TOTALS											(17)	(7)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
1. Prior	000										XXX	XXX
2. 2007											XXX	XXX
3. 2008	XXX										XXX	XXX
4. 2009	XXX	XXX									XXX	XXX
5. 2010	XXX	XXX	XXX								XXX	XXX
6. 2011	XXX	XXX	XXX	XXX							XXX	XXX
7. 2012	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8	25	XXX	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	10	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1. Prior										
2. 2007										
3. 2008	XXX									
4. 2009	XXX	XXX								
5. 2010	XXX	XXX	XXX							
6. 2011	XXX	XXX	XXX	XXX						
7. 2012	XXX	XXX	XXX	XXX	XXX					
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0		
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5	
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama (AL)	N								
2. Alaska (AK)	N								
3. Arizona (AZ)	N								
4. Arkansas (AR)	N								
5. California (CA)	L								
6. Colorado (CO)	N								
7. Connecticut (CT)	N								
8. Delaware (DE)	N								
9. District of Columbia (DC)	N								
10. Florida (FL)	N								
11. Georgia (GA)	N								
12. Hawaii (HI)	N								
13. Idaho (ID)	N								
14. Illinois (IL)	N								
15. Indiana (IN)	N								
16. Iowa (IA)	N								
17. Kansas (KS)	N								
18. Kentucky (KY)	N								
19. Louisiana (LA)	N								
20. Maine (ME)	N								
21. Maryland (MD)	N								
22. Massachusetts (MA)	N								
23. Michigan (MI)	N								
24. Minnesota (MN)	N								
25. Mississippi (MS)	N								
26. Missouri (MO)	N								
27. Montana (MT)	N								
28. Nebraska (NE)	N								
29. Nevada (NV)	N								
30. New Hampshire (NH)	N								
31. New Jersey (NJ)	N								
32. New Mexico (NM)	N								
33. New York (NY)	N								
34. North Carolina (NC)	N								
35. North Dakota (ND)	N								
36. Ohio (OH)	N								
37. Oklahoma (OK)	N								
38. Oregon (OR)	N								
39. Pennsylvania (PA)	N								
40. Rhode Island (RI)	N								
41. South Carolina (SC)	N								
42. South Dakota (SD)	N								
43. Tennessee (TN)	N								
44. Texas (TX)	N								
45. Utah (UT)	N								
46. Vermont (VT)	N								
47. Virginia (VA)	N								
48. Washington (WA)	N								
49. West Virginia (WV)	N								
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) 2								

DETAILS OF WRITE-INS									
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								

(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.
Explanation of basis of allocation of premiums by states, etc.: As of year end 2016, the Company had not written direct business for any state.

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

96

NMI Holdings, Inc.
(a Delaware corporation)
Fed. ID # - 45-4914248

National Mortgage Insurance Corporation
(a Wisconsin-domiciled insurance company)
NAIC#- 13695
Fed. ID #- 27- 0471418

National Mortgage Reinsurance Inc One
(a Wisconsin-domiciled insurance company)
NAIC#- 13758
Fed. ID #- 27- 1439373

NMI Services, Inc.
(a Delaware corporation)
Fed. ID #- 47- 4335327



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