



QUARTERLY STATEMENT AS OF MARCH 31, 2017 OF THE CONDITION AND AFFAIRS OF THE National Mortgage Insurance Corporation

| | | |
|---|---|--|
| NAIC Group Code <u>4760</u> , <u>4760</u> <small>(current period) (prior period)</small> | NAIC Company Code <u>13695</u> | Employer's ID Number <u>27-0471418</u> |
| Organized under the Laws of <u>Wisconsin</u> , | State of Domicile or Port of Entry <u>WI</u> | |
| Country of Domicile <u>United States of America</u> | | |
| Incorporated/Organized <u>06/30/2009</u> | Commenced Business <u>05/04/2013</u> | |
| Statutory Home Office <u>8040 Excelsior Drive, Suite 200</u> <small>(Street and Number)</small> | <u>Madison, WI, US 53717</u> <small>(City or Town, State, Country and Zip Code)</small> | |
| Main Administrative Office <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number)</small> | <u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small> | |
| | <u>(855)873-2584</u> <small>(Area Code)(Telephone Number)</small> | |
| Mail Address <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number or P.O. Box)</small> | <u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small> | |
| Primary Location of Books and Records <u>2100 Powell Street, 12th Floor</u> <small>(Street and Number)</small> | <u>Emeryville, CA, US 94608</u> <small>(City or Town, State, Country and Zip Code)</small> | |
| | <u>(855)873-2584</u> <small>(Area Code)(Telephone Number)</small> | |
| Internet Website Address <u>www.nationalmi.com</u> | | |
| Statutory Statement Contact <u>Christine M Econome</u> <small>(Name)</small> | <u>(510)858-0466</u> <small>(Area Code)(Telephone Number)(Extension)</small> | |
| <u>christine.econome@nationalmi.com</u> <small>(E-Mail Address)</small> | <u>(510)225-3832</u> <small>(Fax Number)</small> | |

OFFICERS

| Name | Title |
|------------------------|----------------------------|
| Bradley M Shuster | Chief Executive Officer |
| William J Leatherberry | Chief Legal Officer |
| Glenn M Farrell | Chief Accounting Officer # |
| Claudia J Merkle | Chief Operating Officer |
| Adam Pollitzer | Chief Financial Officer # |

VICE- PRESIDENTS

| | |
|--|--|
| Patrick L Mathis, EVP, Chief Risk Officer Christopher G Brunetti, SVP, General Counsel and Secretary Michael J Dirrane, Senior Managing Director, Chief Sales Officer Robert H Fore III, SVP, Controller Mark N Daly, SVP, National Accounts | Mary L Sharp, SVP, Chief Human Resources Officer Norman P Fitzgerald, SVP, Field Sales Laura E Amato, SVP, Strategic Ops. Initiatives & Servicing Ops. # Robert O Smith, SVP, Pricing and Portfolio Analytics |
|--|--|

DIRECTORS OR TRUSTEES

| | |
|---|-------------------------------------|
| Patrick L Mathis Bradley M Shuster William J Leatherberry | Claudia J Merkle Glenn M Farrell |
|---|-------------------------------------|

State of California
County of Alameda ss

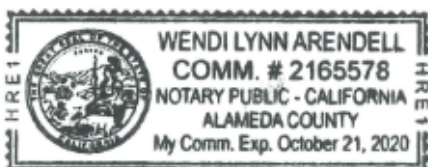
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any 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 Accounting Officer (Title) |
|---|---|--|

Subscribed and sworn to before me this
8th day of May 2017

 (Notary Public Signature)

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



ASSETS

| | Current Statement Date | | | 4 December 31 Prior Year Net Admitted Assets |
|---|------------------------|----------------------------|--|---|
| | 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | |
| 1. Bonds | 544,973,212 | | 544,973,212 | 507,702,041 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | | | | |
| 2.2 Common stocks | | | | |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | | |
| 3.2 Other than first liens | | | | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances) | | | | |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances) | | | | |
| 4.3 Properties held for sale (less \$.....0 encumbrances) | | | | |
| 5. Cash (\$.....3,482,092), cash equivalents (\$.....10,986,464) and short-term investments (\$.....16,601,820) | 31,070,375 | | 31,070,375 | 59,552,824 |
| 6. Contract loans (including \$.....0 premium notes) | | | | |
| 7. Derivatives | | | | |
| 8. Other invested assets | | | | |
| 9. Receivables for securities | | | | |
| 10. Securities lending reinvested collateral assets | | | | |
| 11. Aggregate write-ins for invested assets | | | | |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 576,043,587 | | 576,043,587 | 567,254,865 |
| 13. Title plants less \$.....0 charged off (for Title insurers only) | | | | |
| 14. Investment income due and accrued | 3,618,822 | | 3,618,822 | 3,105,467 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 15,565,672 | 5,682 | 15,559,990 | 13,720,689 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums) | | | | |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) | | | | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | | | | |
| 16.2 Funds held by or deposited with reinsured companies | | | | |
| 16.3 Other amounts receivable under reinsurance contracts | | | | |
| 17. Amounts receivable relating to uninsured plans | | | | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | | |
| 18.2 Net deferred tax asset | 62,796,877 | 13,507,995 | 49,288,883 | 50,757,600 |
| 19. Guaranty funds receivable or on deposit | | | | |
| 20. Electronic data processing equipment and software | | | | |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) | | | | |
| 22. Net adjustments in assets and liabilities due to foreign exchange rates | | | | |
| 23. Receivables from parent, subsidiaries and affiliates | 1,022,083 | | 1,022,083 | 0 |
| 24. Health care (\$.....0) and other amounts receivable | | | | |
| 25. Aggregate write-ins for other-than-invested assets | | | | |
| 26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) | 659,047,041 | 13,513,677 | 645,533,364 | 634,838,622 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | | |
| 28. TOTAL (Lines 26 and 27) | 659,047,041 | 13,513,677 | 645,533,364 | 634,838,622 |
| 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 Statement Date | 2 December 31, Prior Year |
|--|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$.....933,554) | 2,912,379 | 2,421,360 |
| 2. Reinsurance payable on paid losses and loss adjustment expenses | | |
| 3. Loss adjustment expenses | 71,717 | 58,563 |
| 4. Commissions payable, contingent commissions and other similar charges | | |
| 5. Other expenses (excluding taxes, licenses and fees) | 506,552 | 50,684 |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes) | 189,659 | 189,417 |
| 7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) | | |
| 7.2 Net deferred tax liability | | |
| 8. Borrowed money \$.....0 and interest thereon \$.....0 | | |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....38,622,740 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) | 116,089,137 | 114,713,335 |
| 10. Advance premium | | 863 |
| 11. Dividends declared and unpaid: | | |
| 11.1 Stockholders | | |
| 11.2 Policyholders | | |
| 12. Ceded reinsurance premiums payable (net of ceding commissions) | 1,972,910 | 1,949,290 |
| 13. Funds held by company under reinsurance treaties | 31,242,593 | 30,633,127 |
| 14. Amounts withheld or retained by company for account of others | | |
| 15. Remittances and items not allocated | | |
| 16. Provision for reinsurance (including \$.....0 certified) | | |
| 17. Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. Drafts outstanding | | |
| 19. Payable to parent, subsidiaries and affiliates | 7,721,952 | 9,094,369 |
| 20. Derivatives | | |
| 21. Payable for securities | | |
| 22. Payable for securities lending | | |
| 23. Liability for amounts held under uninsured plans | | |
| 24. Capital notes \$.....0 and interest thereon \$.....0 | | |
| 25. Aggregate write-ins for liabilities | 107,320,753 | 88,690,184 |
| 26. TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25) | 268,027,652 | 247,801,192 |
| 27. Protected cell liabilities | | |
| 28. TOTAL liabilities (Lines 26 and 27) | 268,027,652 | 247,801,192 |
| 29. Aggregate write-ins for special surplus funds | | |
| 30. Common capital stock | 2,530,000 | 2,530,000 |
| 31. Preferred capital stock | | |
| 32. Aggregate write-ins for other-than-special surplus funds | | |
| 33. Surplus notes | | |
| 34. Gross paid in and contributed surplus | 494,573,352 | 494,573,352 |
| 35. Unassigned funds (surplus) | (119,597,640) | (110,065,922) |
| 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, less 36) | 377,505,712 | 387,037,430 |
| 38. TOTALS (Page 2, Line 28, Col. 3) | 645,533,364 | 634,838,622 |
| DETAILS OF WRITE-INS | | |
| 2501. Statutory Contingency Reserve | 102,530,265 | 83,858,717 |
| 2502. Deferred Ceding Commission | 4,790,488 | 4,831,467 |
| 2503. | | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | | |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) | 107,320,753 | 88,690,184 |
| 2901. | | |
| 2902. | | |
| 2903. | | |
| 2998. Summary of remaining write-ins for Line 29 from overflow page | | |
| 2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) | | |
| 3201. | | |
| 3202. | | |
| 3203. | | |
| 3298. Summary of remaining write-ins for Line 32 from overflow page | | |
| 3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) | | |

STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|------------------------------|----------------------------|--------------------------------------|
| UNDERWRITING INCOME | | | |
| 1. Premiums earned | | | |
| 1.1 Direct (written \$.....39,244,617) | 37,438,188 | 19,806,971 | 115,829,692 |
| 1.2 Assumed (written \$.....0) | | | |
| 1.3 Ceded (written \$.....10,390,270) | 9,959,642 | 1,687,789 | 18,551,767 |
| 1.4 Net (written \$.....28,854,347) | 27,478,546 | 18,119,182 | 97,277,925 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year \$.....912,776) | | | |
| 2.1 Direct | 878,052 | 458,001 | 2,611,549 |
| 2.2 Assumed | | | |
| 2.3 Ceded | 253,696 | 55,647 | 466,307 |
| 2.4 Net | 624,356 | 402,354 | 2,145,242 |
| 3. Loss adjustment expenses incurred | 17,093 | | 63,799 |
| 4. Other underwriting expenses incurred | 17,394,336 | 19,961,779 | 79,998,275 |
| 5. Aggregate write-ins for underwriting deductions | 18,671,548 | 9,059,591 | 54,954,900 |
| 6. TOTAL underwriting deductions (Lines 2 through 5) | 36,707,332 | 29,423,724 | 137,162,216 |
| 7. Net income of protected cells | | | |
| 8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7) | (9,228,786) | (11,304,542) | (39,884,291) |
| INVESTMENT INCOME | | | |
| 9. Net investment income earned | (19,837) | 2,895,545 | 12,357,458 |
| 10. Net realized capital gains (losses) less capital gains tax of \$.....38,383 | (96,713) | (292,866) | (224,523) |
| 11. Net investment gain (loss) (Lines 9 + 10) | (116,550) | 2,602,679 | 12,132,935 |
| OTHER INCOME | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0) | | | |
| 13. Finance and service charges not included in premiums | | | |
| 14. Aggregate write-ins for miscellaneous income | | | |
| 15. TOTAL other income (Lines 12 through 14) | | | |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | (9,345,336) | (8,701,863) | (27,751,356) |
| 17. Dividends to policyholders | | | |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) | (9,345,336) | (8,701,863) | (27,751,356) |
| 19. Federal and foreign income taxes incurred | 826,911 | 1,391,796 | 746,913 |
| 20. Net income (Line 18 minus Line 19) (to Line 22) | (10,172,247) | (10,093,659) | (28,498,269) |
| CAPITAL AND SURPLUS ACCOUNT | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 387,037,430 | 366,890,055 | 366,890,055 |
| 22. Net income (from Line 20) | (10,172,247) | (10,093,659) | (28,498,269) |
| 23. Net transfers (to) from Protected Cell accounts | | | |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0 | | | |
| 25. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 26. Change in net deferred income tax | 3,936,417 | | 58,860,461 |
| 27. Change in nonadmitted assets | (3,295,888) | (1,437) | (10,214,817) |
| 28. Change in provision for reinsurance | | | |
| 29. Change in surplus notes | | | |
| 30. Surplus (contributed to) withdrawn from Protected cells | | | |
| 31. Cumulative effect of changes in accounting principles | | | |
| 32. Capital changes: | | | |
| 32.1 Paid in | | | |
| 32.2 Transferred from surplus (Stock Dividend) | | | |
| 32.3 Transferred to surplus | | | |
| 33. Surplus adjustments: | | | |
| 33.1 Paid in | | | |
| 33.2 Transferred to capital (Stock Dividend) | | | |
| 33.3 Transferred from capital | | | |
| 34. Net remittances from or (to) Home Office | | | |
| 35. Dividends to stockholders | | | |
| 36. Change in treasury stock | | | |
| 37. Aggregate write-ins for gains and losses in surplus | | | |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | (9,531,718) | (10,095,096) | 20,147,375 |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 377,505,712 | 356,794,959 | 387,037,430 |
| DETAILS OF WRITE-INS | | | |
| 0501. Statutory Contingency Reserve | 18,671,548 | 9,059,591 | 54,954,900 |
| 0502. | | | |
| 0503. | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | | | |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) | 18,671,548 | 9,059,591 | 54,954,900 |
| 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. Quasi-reorganization of net loss cumulative and prior to acquisition by NMI Holdings, Inc. | | | |
| 3702. | | | |
| 3703. | | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | | | |
| 3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above) | | | |

CASH FLOW

| | 1 Current Year To Date | 2 Prior Year To Date | 3 Prior Year Ended December 31 |
|--|---------------------------------|-------------------------------|---|
| Cash from Operations | | | |
| 1. Premiums collected net of reinsurance | 27,037,807 | 33,122,560 | 122,033,275 |
| 2. Net investment income | (224,004) | 2,897,859 | 12,844,987 |
| 3. Miscellaneous income | | | |
| 4. TOTAL (Lines 1 to 3) | 26,813,803 | 36,020,419 | 134,878,262 |
| 5. Benefit and loss related payments | 133,336 | | 333,123 |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. Commissions, expenses paid and aggregate write-ins for deductions | 34,046,606 | 26,624,167 | 125,831,484 |
| 8. Dividends paid to policyholders | | | |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....38,383 tax on capital gains (losses) | 865,294 | 1,200,367 | 618,857 |
| 10. TOTAL (Lines 5 through 9) | 35,045,236 | 27,824,534 | 126,783,464 |
| 11. Net cash from operations (Line 4 minus Line 10) | (8,231,433) | 8,195,885 | 8,094,798 |
| Cash from Investments | | | |
| 12. Proceeds from investments sold, matured or repaid: | | | |
| 12.1 Bonds | 22,573,327 | 39,605,773 | 71,951,253 |
| 12.2 Stocks | | | |
| 12.3 Mortgage loans | | | |
| 12.4 Real estate | | | |
| 12.5 Other invested assets | | | |
| 12.6 Net gains or (losses) on cash, cash equivalents and short-term investments | | | |
| 12.7 Miscellaneous proceeds | | 6,806,912 | 31,912 |
| 12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) | 22,573,327 | 46,412,685 | 71,983,165 |
| 13. Cost of investments acquired (long-term only): | | | |
| 13.1 Bonds | 60,212,016 | 34,449,517 | 136,289,626 |
| 13.2 Stocks | | | |
| 13.3 Mortgage loans | | | |
| 13.4 Real estate | | | |
| 13.5 Other invested assets | | | |
| 13.6 Miscellaneous applications | | | |
| 13.7 TOTAL investments acquired (Lines 13.1 to 13.6) | 60,212,016 | 34,449,517 | 136,289,626 |
| 14. Net increase (or decrease) in contract loans and premium notes | | | |
| 15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (37,638,689) | 11,963,168 | (64,306,461) |
| Cash from Financing and Miscellaneous Sources | | | |
| 16. Cash provided (applied): | | | |
| 16.1 Surplus notes, capital notes | | | |
| 16.2 Capital and paid in surplus, less treasury stock | | | |
| 16.3 Borrowed funds | | | |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities | | | |
| 16.5 Dividends to stockholders | | | |
| 16.6 Other cash provided (applied) | 17,387,673 | 7,196,653 | 80,546,402 |
| 17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | 17,387,673 | 7,196,653 | 80,546,402 |
| RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS | | | |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) | (28,482,449) | 27,355,706 | 24,334,739 |
| 19. Cash, cash equivalents and short-term investments: | | | |
| 19.1 Beginning of year | 59,552,824 | | 35,218,085 |
| 19.2 End of period (Line 18 plus Line 19.1) | 31,070,375 | 27,355,706 | 59,552,824 |

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

| | | | |
|---------------|--|--|--|
| 20.0001 | | | |
| 20.0002 | | | |

Notes to Financial Statement

1. Summary of Significant Accounting Policies**A. Accounting Practices**

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

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

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

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

| | <u>State of Domicile</u> | <u>Three months ended March 31, 2017</u> | <u>Year ended December 31, 2016</u> |
|--|------------------------------|--|---|
| Net Income/(Loss) | | | |
| (1) State basis (Page 4, Line 20, Columns 1 & 3) | WI | \$ (10,172,247) | \$ (28,498,269) |
| (2) State prescribed practices that increase/(decrease) NAIC SAP | | | |
| Change in contingency reserves | WI | (18,671,548) | (54,954,900) |
| (3) NAIC SAP (1 - 2 = 3) | WI | <u>\$ 8,499,301</u> | <u>\$ 26,456,631</u> |
| SURPLUS | | | |
| (4) State basis (Page 3, Line 37, Columns 1 & 2) | WI | \$ 377,505,712 | \$ 387,037,430 |
| (5) State prescribed practices that increase/(decrease) NAIC SAP | | — | — |
| (6) NAIC SAP (4 - 5 = 6) | WI | <u>\$ 377,505,712</u> | <u>\$ 387,037,430</u> |

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

No significant change from year end 2016.

C. Accounting Policy

The Company uses the following accounting policies:

(1) - (5) No significant change from year end 2016.

(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) - (13) No significant change from year end 2016.

D. Going Concern

No significant change from year end 2016.

2. Accounting Changes and Corrections of Errors

No significant change from year end 2016.

3. Business Combinations and Goodwill

No significant change from year end 2016.

4. Discontinued Operations

No significant change from year end 2016.

5. Investments**A. Mortgage Loans, Including Mezzanine Real Estate Loans**

No significant change from year end 2016.

B. Debt Restructuring

Notes to Financial Statement

No significant change from year end 2016.

C. Reverse Mortgages

No significant change from year end 2016.

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 investment guidelines set forth by the Wisconsin OCI.
- (2) All securities within the scope of this statement with a recognized other-than-temporary impairment, disclosed in the aggregate, classified.

| | 1 | 2 | 3 |
|--|--|---|-------------------|
| | Amortized Cost Basis Before Other-than- temporary Impairment | Other-than- Temporary Impairment Recognized in Loss | Fair Value 1-2 |
| OTTI recognized 1st Quarter | | | |
| A. Intent to sell | - | - | - |
| B. Inability or lack of intent to retain the investment in the security | 2,993,034 | 143,607 | 2,849,427 |
| C. Total 1st Quarter | 2,993,034 | 143,607 | 2,849,427 |
| OTTI recognized 2nd Quarter | | | |
| D. Intent to sell | - | - | - |
| E. Inability or lack of intent to retain the investment in the security | - | - | - |
| F. Total 2nd Quarter | - | - | - |
| OTTI recognized 3rd Quarter | | | |
| G. Intent to sell | - | - | - |
| H. Inability or lack of intent to retain the investment in the security | - | - | - |
| I. Total 3rd Quarter | - | - | - |
| OTTI recognized 4th Quarter | | | |
| J. Intent to sell | - | - | - |
| K. Inability or lack of intent to retain the investment in the security | - | - | - |
| L. Total 4th Quarter | - | - | - |
| M. Annual Aggregate Total | 2,993,034 | 143,607 | 2,849,427 |

- (3) The Company has recognized other-than-temporary impairments on one security as of March 31, 2017.

| CUSIP | Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI | Present Value of Projected Cash Flows | Recognized Other-Than- Temporary Impairment | Amortized Cost After Other- Than-Temporary Impairment | Fair Value at time of OTTI | Date of Financial Statement Where Reported |
|-------------|--|---|--|--|----------------------------------|--|
| 88167A-AD-3 | 2,993,034 | 2,849,427 | 143,607 | 2,849,427 | 2,849,427 | 3/31/2017 |
| Total | 2,993,034 | 2,849,427 | 143,607 | 2,849,427 | 2,849,427 | |

- (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,

(a) The aggregate amount of unrealized losses:

1. Less than 12 Months \$ (2,590,480)
2. 12 Months or Longer (208,864)

Notes to Financial Statement

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

| | | |
|------------------------|----|-------------|
| 1. Less than 12 Months | \$ | 186,704,114 |
| 2. 12 Months or Longer | | 12,591,079 |

- (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 capital gains (losses) in the statement of income in the period the determination is made. Other-than-temporary impairments of \$143,607 was recognized for the quarter ending March 31, 2017.

E. Repurchase Agreements and/or Securities Lending Transactions

No significant change from year end 2016.

F. Real Estate

No significant change from year end 2016.

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

No significant change from year end 2016.

H. Restricted Assets

No significant change from year end 2016.

I. Working Capital Finance Investments

No significant change from year end 2016.

J. Offsetting and Netting of Assets and Liabilities

No significant change from year end 2016.

K. Structured Notes

No significant change from year end 2016.

L. 5* Securities

No significant change from year end 2016.

6. Joint Ventures, Partnerships and Limited Liability Companies

No significant change from year end 2016.

7. Investment Income

No significant change from year end 2016.

8. Derivative Instruments

No significant change from year end 2016.

9. Income Taxes

No significant change from year end 2016.

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

A. Nature of Relationships

No significant change from year end 2016.

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

The Company did not have any transactions greater than 1/2% of its admitted assets for the quarter ended March 31, 2017.

C. Change in Terms of Intercompany Arrangements

Notes to Financial Statement

No significant change from year end 2016.

D. Amounts Due to or from Related Parties

As of March 31, 2017, the Company reported \$7,699,332 and \$22,620 due to affiliate companies NMIH and NMIS, respectively, compared to \$9,094,369 and \$0 due to NMIH and NMIS on December 31, 2016.

As of March 31, 2017 and December 31, 2016, the Company reported \$1,022,083 and \$0 due from affiliate company ReOne, respectively.

E. Guarantees or Undertaking for Related Parties

No significant change from year end 2016.

F. Management, Service contracts, Cost Sharing Arrangements

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

G. Nature of Relationships that Could Affect Operations

No significant change from year end 2016.

H. Amount Deducted for Investment in Upstream Company

No significant change from year end 2016.

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

No significant change from year end 2016.

J. Write downs for Impairment of Investments in Affiliates

No significant change from year end 2016.

K. Foreign Subsidiary Valued Using CARVM

No significant change from year end 2016.

L. Downstream Holding Company Valued Using Look-Through Method

No significant change from year end 2016.

M. SCA Investments

No significant change from year end 2016.

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

No significant change from year end 2016.

11. Debt

A. Debt, including capital notes

No significant change from year end 2016.

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

The Company 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. Narrative Description of Investment Policies and Strategies

No significant change from year end 2016.

C. Fair Value of Each Class of Plan Assets

No significant change from year end 2016.

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

No significant change from year end 2016.

Notes to Financial Statement

E. Defined Contribution Plans

No significant change from year end 2016.

F. Multiemployer Plans

No significant change from year end 2016.

G. Consolidated/Holding Company Plans

No significant change from year end 2016.

H. Post-employment Benefits and Compensated Absences

No significant change from year end 2016.

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

No significant change from year end 2016.

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

A. Outstanding Shares

No significant change from year end 2016.

B. Dividend Rate of Preferred Stock

No significant change from year end 2016.

C. Dividend Restrictions

The Company's ability to pay dividends to its parent is limited by insurance laws of the State of Wisconsin and certain other states. Wisconsin law provides that the Company may pay out 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 two 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 and New York prohibit 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. For example, the State of Florida requires mortgage guaranty insurers to hold capital and surplus not less than the lesser of (i) 10% of its total liabilities, or (ii) \$100 million.

D. Dates and Amounts of Dividends Paid

No significant change from year end 2016.

E. Amount of Ordinary Dividends That May Be Paid

No significant change from year end 2016.

F. Restrictions of Unassigned Funds

No significant change from year end 2016.

G. Mutual Surplus Advance

No significant change from year end 2016.

H. Company Stock held for Special Purposes

No significant change from year end 2016.

I. Changes in Special Surplus Funds

No significant change from year end 2016.

J. Changes in Unassigned Funds

No significant change from year end 2016.

K. Surplus Notes

No significant change from year end 2016.

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

Notes to Financial Statement

No significant change from year end 2016.

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

No significant change from year end 2016.

14. Contingencies

No significant change from year end 2016.

15. Leases

No significant change from year end 2016.

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

No significant change from year end 2016.

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

A. Transfers of Receivables Reported as Sales

No significant change from year end 2016.

B. Transfer and Servicing of Financial Assets

The Company had no transfer or servicing of financial assets during the three months ended March 31, 2017.

C. Wash Sales

The Company had no wash sales involving transactions for securities with a NAIC designation of 3 or below, or unrated during the three months ended March 31, 2017.

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

No significant change from year end 2016.

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

No significant change from year end 2016.

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. The fair values are also categorized into the three- levels as described below.

As of March 31, 2017

| Type of Financial Instrument | Fair Value | Admitted Value | Level 1 | Level 2 | Level 3 | Not Practicable (Carrying Value) |
|---|-----------------------|-----------------------|----------------------|-----------------------|-------------|----------------------------------|
| Financial instruments - assets | | | | | | |
| Bonds | \$ 545,806,853 | \$ 544,973,212 | \$ 46,229,181 | \$ 499,577,672 | \$ — | — |
| Preferred stocks | — | — | — | — | — | — |
| Common stocks | — | — | — | — | — | — |
| Mortgage loans | — | — | — | — | — | — |
| Cash, cash equivalents and short term investments | 31,070,374 | 31,070,374 | 31,070,374 | — | — | — |
| Other | — | — | — | — | — | — |
| Total assets | \$ 576,877,227 | \$ 576,043,586 | \$ 77,299,555 | \$ 499,577,672 | \$ — | — |
| Financial instruments - liabilities | | | | | | |
| Total liabilities | \$ — | \$ — | \$ — | \$ — | \$ — | — |

Notes to Financial Statement

The following describes the valuation techniques used by the Company to determine the fair value of financial instruments held as of March 31, 2017.

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. Unusual or Infrequent Items

Organizational Examination:

The Wisconsin OCI completed an Organizational Examination of NMIC on September 27, 2012. The period under exam was June 30, 2009 through June 30, 2012. The Examination did not result in any recommendations, reclassification of or adjustment to the balances reported by the company.

GSE Approval:

The Company was approved as an eligible mortgage guaranty insurer by Freddie Mac and Fannie Mae, on January 15, 2013 and January 16, 2013, respectively. As of December 31, 2015, NMIC, like all GSE Approved Mortgage Guaranty Insurers, became subject to the financial, capital, and operational requirements set forth in the final Private Mortgage Insurer Eligibility Requirements ("PMIERS"), which were promulgated by Fannie Mae and Freddie Mac in July, 2015. Under the PMIERS, NMIC must certify annually to Fannie Mae and Freddie Mac that it fully complies with the PMIERS and must notify them immediately upon discovery of its failure to meet one or more requirements of the PMIERS. NMIC certified to the GSEs as of December 31, 2015 and 2016, respectively, that it fully complied with the PMIERS as of those dates.

Regulatory Update:

NMIC is licensed to transact mortgage insurance in all 50 states and the District of Columbia.

As of December 31, 2015 (Effective Date) NMIC, as a GSE-approved private mortgage insurer, i.e., *Approved Insurer*, is subject to the Private Mortgage Insurer Eligibility Requirements (PMIERS), required by Fannie Mae and Freddie Mac. (Italicized terms have the same meaning that such terms have in the PMIERS, as described below.) The PMIERS establish operational, business, remedial and financial requirements applicable to *Approved Insurers*. Under the PMIERS financial requirements, *Approved Insurers* must maintain available assets that equal or exceed minimum required assets, which is an amount equal to the greater of (i) \$400 million or (ii) *a total risk-based required asset amount*. The risk-based required asset amount is a function of the risk profile of an Approved Insurer's net RIF, calculated by applying certain risk-based factors derived from tables set out in the PMIERS to the net RIF. The *risk-based required asset amount* for primary insurance is subject to a floor of 5.6% of total, performing, primary RIF, and the *risk-based required asset amount* for pool insurance considers both the factors in the tables and the net remaining stop loss for each pool insurance policy. Under the PMIERS, NMIC must certify annually to Fannie Mae and Freddie Mac that it fully complies with the PMIERS and must notify them immediately upon discovery of its failure to meet one or more requirements of the PMIERS. NMIC certified to the GSEs as of December 31, 2015 and 2016, respectively, that it fully complied with the PMIERS, as of those dates. We will continue to monitor our compliance with the PMIERS financial requirements going forward and will raise additional capital to comply with these requirements if necessary.

The NAIC has formed a working group to explore, among other things, whether certain states' statutory capital requirements applicable to mortgage insurers should be overhauled. The Company, along with other MI companies are working with the Mortgage Guaranty Insurance Working Group of the Financial Condition (E) Committee of the NAIC (the "Working Group") on these issues. The Working Group will determine and make a recommendation to the Financial Condition (E) Committee of the NAIC as to what changes, if any, the Working Group believes are necessary to the solvency regulation for MI companies, including changes to the Mortgage Guaranty Insurers Model Act (Model #630). The Company has provided feedback to the Working Group since early 2013, and supports more robust capital

Notes to Financial Statement

standards and continues to advocate for a strong capital model. The discussions are ongoing and the ultimate outcome of these discussions and any potential actions taken by the NAIC cannot be predicted at this time. However, given the Company's current strong capital position and having no exposure to risk written in the 2005 through 2008 book years, the Company will be well positioned to comply with new capital requirements proposed by the NAIC when they become effective.

A. Troubled Debt Restructuring: Debtors

No significant change from year end 2016.

B. Other Disclosures and Unusual Items

No significant change from year end 2016.

C. Business Interruption Insurance Recoveries

No significant change from year end 2016.

D. State Transferable and Non-transferable Tax Credits

No significant change from year end 2016.

E. Subprime Mortgage Related Risk Exposure

No significant change from year end 2016.

F. Offsetting and Netting of Assets and Liabilities

The Company has no derivative, repurchase or reverse repurchase, or securities borrowing and securities lending assets and liabilities which are offset and reported net.

G. Joint and Several Liabilities

The Company has no joint and several liabilities.

22. Events Subsequent

On May 2, 2017, NMIC entered into an excess of loss reinsurance agreement with Oaktown Re Ltd., a Bermuda-domiciled special purpose insurer. In connection with the transaction, NMIC will receive \$211.3 million of fully collateralized excess of loss reinsurance protection, covering an existing portfolio of mortgage insurance policies written from 2013 through 2016.

23. Reinsurance

In September 2016, in order to continue to grow our business and manage insurance risk and our *minimum required assets* under PMIERS financial requirements, the Company entered into a quota-share reinsurance transaction with a panel of third-party reinsurers (2016 QSR Transaction). Each of the third-party reinsurers has an insurer financial strength rating of A- or better by Standard and Poor's Rating Services (S&P), A.M. Best or both. The GSEs and the Wisconsin Office of the Commissioner of Insurance (Wisconsin OCI) approved the 2016 QSR Transaction (subject to certain conditions), giving full capital credit under PMIERS and statutory accounting principles, respectively, for the risk ceded under the agreement. The credit that we receive under PMIERS is subject to periodic review by the GSEs.

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

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

Certain states limit the amount of risk a mortgage guaranty insurer may retain on a single loan to 25% of the indebtedness to the insured and as a result the portion of such insurance in excess of 25% must be reinsured. The Company 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 Re One is solely to comply with statutory risk limits. This reinsurance agreement was amended effective September 1, 2016, to reduce the risk ceded by NMIC to Re One, due to the inception of the QSR Transaction. The amendment was non-disapproved by the OCI, in a letter dated September 19, 2016.

A. Unsecured Reinsurance Recoverable - None

B. Reinsurance Recoverables in Dispute - None.

C. Reinsurance Assumed and Ceded

(1) The maximum amount of return commission that would have been due reinsurers if they or the Company had cancelled the reinsurance agreement as of March 31, 2017, with the return of unearned premium reserves is as follows:

Notes to Financial Statement

| As of March 31, 2017 Type of Financial Instrument | Assumed Reinsurance | | Ceded Reinsurance | | Net | |
|--|------------------------|--------------------------|------------------------|--------------------------|------------------------|--------------------------|
| | (1) Premium Reserve | (2) Commission Equity | (3) Premium Reserve | (4) Commission Equity | (5) Premium Reserve | (6) Commission Equity |
| a. Affiliates | \$ — | \$ — | \$ 274,394 | \$ 54,879 | \$(274,394) | \$(54,879) |
| b. All Other | — | — | 38,348,346 | 7,669,669 | (38,348,346) | (7,669,669) |
| c. Total | — | — | 38,622,740 | 7,724,548 | (38,622,740) | (7,724,548) |

d. Direct Unearned Premium Reserve- \$154,711,876

(2) The additional or return commission, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements - None.

(3) Protected Cells - None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A-E. No significant change from year end 2016.

F. Risk-Sharing Provisions of the Affordable Care Act (“ACA”)

The Company does not write accident or health insurance and therefore is not subject to the ACA risk-sharing provisions.

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company incurred claims and claim adjustment expenses of \$641,449 and \$402,354 for the three months ended March 31, 2017 and 2016, respectively. There was a \$292,106 favorable prior year loss development during the three months ended March 31, 2017. Loss reserves remaining as of March 31, 2017 for defaults occurring in prior years have been reduced to \$2,050,542, following re-estimation of unpaid claims and claim adjustment expenses. The increase in loss reserves as of the end of the period is the result of current year defaults. Original loss reserve estimates will be increased or decreased as additional information becomes known regarding individual claims.

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

26. Intercompany Pooling Arrangements

No significant change from year end 2016.

27. Structured Settlements

No significant change from year end 2016.

28. Health Care Receivables

No significant change from year end 2016.

29. Participating Policies

No significant change from year end 2016.

30. Premium Deficiency Reserves

No significant change from year end 2016.

31. High Deductibles

No significant change from year end 2016.

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

No significant change from year end 2016.

33. Asbestos/Environmental Reserves

No significant change from year end 2016.

34. Subscriber Savings Accounts

No significant change from year end 2016.

Notes to Financial Statement

35. Multiple Peril Crop Insurance

No significant change from year end 2016.

36. Financial Guaranty Insurance

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES GENERAL

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

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

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

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

| 1 Name of Entity | 2 NAIC Company Code | 3 State of Domicile |
|---------------------|------------------------|------------------------|
| | | |

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

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

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

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

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

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

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[X] No[]
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

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

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

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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

Yes No

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

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

Yes No
 Yes No N/A

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

\$ 0
 \$ 0
 \$ 0

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

Yes No

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

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

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

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

Yes No

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

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

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

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

Yes No

Yes No

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

GENERAL INTERROGATORIES (Continued)

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

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

Yes[X] No[]

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

| 1 NAIC Company Code | 2 ID Number | 3 Name of Reinsurer | 4 Domiciliary Jurisdiction | 5 Type of Reinsurer | 6 Certified Reinsurer Rating (1 through 6) | 7 Effective Date of Certified Reinsurer Rating |
|------------------------------|----------------|---------------------------|----------------------------------|---------------------------|---|---|
| U.S. insurers | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| All other insurers | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |

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

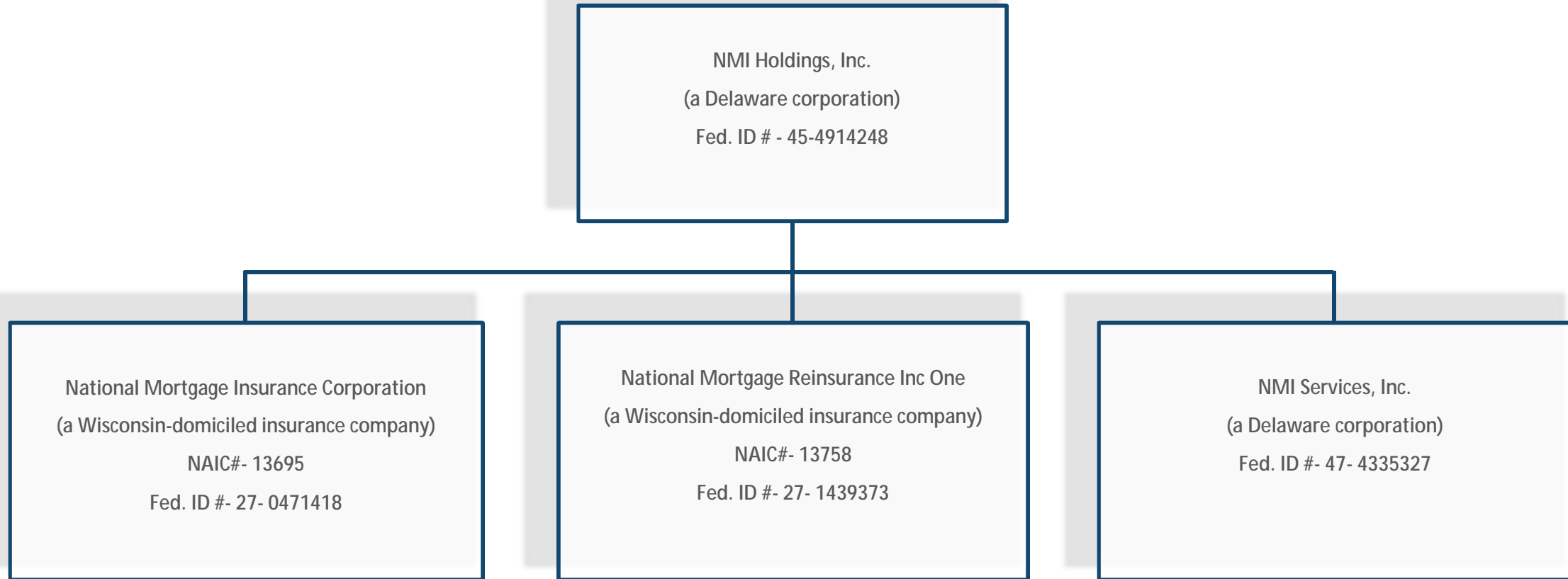
| | 1 | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|--|---------------|-------------------------|--------------------|--|--------------------|----------------------|--------------------|
| | | 2 | 3 | 4 | 5 | 6 | 7 |
| States, etc. | Active Status | Current Year To Date | Prior Year To Date | Current Year To Date | Prior Year To Date | Current Year To Date | Prior Year To Date |
| 1. Alabama (AL) | L | 165,144 | 92,247 | | | 1,923 | 19,918 |
| 2. Alaska (AK) | L | 27,632 | 21,931 | | | | |
| 3. Arizona (AZ) | L | 2,048,484 | 1,137,189 | | | 56,259 | 52,720 |
| 4. Arkansas (AR) | L | 175,755 | 231,773 | | | | |
| 5. California (CA) | L | 5,761,426 | 4,766,707 | 41,562 | | 361,915 | 328,588 |
| 6. Colorado (CO) | L | 1,298,654 | 1,035,277 | | | 137,427 | 90,739 |
| 7. Connecticut (CT) | L | 271,026 | 172,274 | | | 37,545 | 34,187 |
| 8. Delaware (DE) | L | 83,028 | 34,479 | | | | |
| 9. District of Columbia (DC) | L | 1,104,145 | 1,202,178 | | | | |
| 10. Florida (FL) | L | 1,693,610 | 1,380,654 | | | 196,173 | 168,140 |
| 11. Georgia (GA) | L | 947,255 | 911,689 | | | | |
| 12. Hawaii (HI) | L | 163,626 | 51,803 | | | | |
| 13. Idaho (ID) | L | 423,536 | 217,213 | | | 5,683 | |
| 14. Illinois (IL) | L | 1,294,193 | 742,063 | | | 83,144 | 59,853 |
| 15. Indiana (IN) | L | 644,400 | 326,866 | | | 17,234 | 27,888 |
| 16. Iowa (IA) | L | 302,411 | 249,052 | | | 2,585 | |
| 17. Kansas (KS) | L | 242,979 | 206,882 | | | 33,018 | 27,282 |
| 18. Kentucky (KY) | L | 162,527 | 172,698 | | | 4,901 | 942 |
| 19. Louisiana (LA) | L | 285,165 | 203,480 | | | 79,637 | 132,225 |
| 20. Maine (ME) | L | 78,124 | 23,080 | | | 8,939 | |
| 21. Maryland (MD) | L | 1,077,049 | 1,040,475 | | | 5,027 | |
| 22. Massachusetts (MA) | L | 522,308 | 264,723 | | | 15,099 | 8,011 |
| 23. Michigan (MI) | L | 1,425,041 | 7,930,701 | 61,529 | | 1,190,540 | 784,075 |
| 24. Minnesota (MN) | L | 1,023,215 | 431,463 | | | 53,351 | 45,152 |
| 25. Mississippi (MS) | L | 49,859 | 32,792 | | | | |
| 26. Missouri (MO) | L | 754,999 | 797,497 | | | 114,411 | 54,640 |
| 27. Montana (MT) | L | 126,616 | 112,501 | | | | |
| 28. Nebraska (NE) | L | 269,468 | 127,865 | | | | 5,342 |
| 29. Nevada (NV) | L | 639,276 | 239,574 | | | 28,228 | 34,770 |
| 30. New Hampshire (NH) | L | 178,277 | 80,851 | | | | |
| 31. New Jersey (NJ) | L | 1,086,375 | 709,221 | | | 121,093 | 132,460 |
| 32. New Mexico (NM) | L | 156,432 | 75,556 | | | | 7,914 |
| 33. New York (NY) | L | 899,110 | 490,417 | | | 54,965 | 52,887 |
| 34. North Carolina (NC) | L | 978,391 | 619,422 | | | 94,633 | 20,650 |
| 35. North Dakota (ND) | L | 24,021 | 12,451 | | | | |
| 36. Ohio (OH) | L | 1,022,066 | 821,855 | | | 156,528 | 95,320 |
| 37. Oklahoma (OK) | L | 150,142 | 132,006 | | | 44,823 | 28,191 |
| 38. Oregon (OR) | L | 571,144 | 428,491 | | | 19,628 | 19,434 |
| 39. Pennsylvania (PA) | L | 1,269,933 | 948,260 | | | 71,574 | 137,581 |
| 40. Rhode Island (RI) | L | 164,353 | 146,781 | | | | |
| 41. South Carolina (SC) | L | 545,461 | 379,996 | | | 162,968 | 89,619 |
| 42. South Dakota (SD) | L | 106,945 | 62,670 | | | 9,922 | |
| 43. Tennessee (TN) | L | 459,614 | 936,646 | | | 71,283 | 20,398 |
| 44. Texas (TX) | L | 3,093,527 | 1,818,846 | 33,394 | | 198,789 | 270,075 |
| 45. Utah (UT) | L | 1,452,051 | 1,311,420 | 932 | | 56,687 | 58,911 |
| 46. Vermont (VT) | L | 21,118 | 15,039 | | | | |
| 47. Virginia (VA) | L | 1,911,751 | 3,948,489 | | | 54,313 | 51,470 |
| 48. Washington (WA) | L | 1,084,519 | 468,025 | | | 33,461 | 12,696 |
| 49. West Virginia (WV) | L | 56,947 | 147,026 | | | 6,707 | |
| 50. Wisconsin (WI) | L | 873,398 | 363,624 | | | 73,512 | 48,185 |
| 51. Wyoming (WY) | L | 78,091 | 55,012 | | | 6,869 | 9,896 |
| 52. American Samoa (AS) | N | | | | | | |
| 53. Guam (GU) | N | | | | | | |
| 54. Puerto Rico (PR) | N | | | | | | |
| 55. U.S. Virgin Islands (VI) | N | | | | | | |
| 56. Northern Mariana Islands (MP) | N | | | | | | |
| 57. Canada (CAN) | N | | | | | | |
| 58. Aggregate other alien (OT) | X X X | | | | | | |
| 59. Totals | (a) 51 | 39,244,617 | 38,129,230 | 137,417 | | 3,670,794 | 2,930,160 |
| DETAILS OF WRITE-INS | | | | | | | |
| 58001write-in description 1 for line 580 | X X X | | | | | | |
| 58002write-in description 2 for line 580 | X X X | | | | | | |
| 58003write-in description 3 for line 580 | X X X | | | | | | |
| 58998Summary of remaining write-ins for Line 58 from overflow page | X X X | | | | | | |
| 58999TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | X X X | | | | | | |

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

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

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

1001



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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

| Asterisk | Explanation |
|----------|-------------|
| 0000001 | |
| 0000002 | |

PART 1 - LOSS EXPERIENCE

| Line of Business | Current Year to Date | | | 4 Prior Year to Date Direct Loss Percentage |
|---|--------------------------------|--------------------------------|--------------------------------|--|
| | 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | |
| 1. Fire | | | | |
| 2. Allied lines | | | | |
| 3. Farmowners multiple peril | | | | |
| 4. Homeowners multiple peril | | | | |
| 5. Commercial multiple peril | | | | |
| 6. Mortgage guaranty | 37,438,188 | 878,052 | 2.345 | |
| 8. Ocean marine | | | | |
| 9. Inland marine | | | | |
| 10. Financial guaranty | | | | |
| 11.1 Medical professional liability - occurrence | | | | |
| 11.2 Medical professional liability - claims made | | | | |
| 12. Earthquake | | | | |
| 13. Group accident and health | | | | |
| 14. Credit accident and health | | | | |
| 15. Other accident and health | | | | |
| 16. Workers' compensation | | | | |
| 17.1 Other liability - occurrence | | | | |
| 17.2 Other liability - claims made | | | | |
| 17.3 Excess Workers' Compensation | | | | |
| 18.1 Products liability - occurrence | | | | |
| 18.2 Products liability - claims made | | | | |
| 19.1 19.2 Private passenger auto liability | | | | |
| 19.3 19.4 Commercial auto liability | | | | |
| 21. Auto physical damage | | | | |
| 22. Aircraft (all perils) | | | | |
| 23. Fidelity | | | | |
| 24. Surety | | | | |
| 26. Burglary and theft | | | | |
| 27. Boiler and machinery | | | | |
| 28. Credit | | | | |
| 29. International | | | | |
| 30. Warranty | | | | |
| 31. Reinsurance-Nonproportional Assumed Property | X X X | X X X | X X X | X X X |
| 32. Reinsurance-Nonproportional Assumed Liability | X X X | X X X | X X X | X X X |
| 33. Reinsurance-Nonproportional Assumed Financial Lines | X X X | X X X | X X X | X X X |
| 34. Aggregate write-ins for other lines of business | | | | |
| 35. TOTALS | 37,438,188 | 878,052 | 2.345 | |
| DETAILS OF WRITE-INS | | | | |
| 3401. | | | | |
| 3402. | | | | |
| 3403. | | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | | |
| 3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) | | | | |

PART 2 - DIRECT PREMIUMS WRITTEN

| Line of Business | 1 | 2 | 3 |
|---|--------------------|-------------------------|----------------------------|
| | Current Quarter | Current Year to Date | Prior Year Year to Date |
| 1. Fire | | | |
| 2. Allied lines | | | |
| 3. Farmowners multiple peril | | | |
| 4. Homeowners multiple peril | | | |
| 5. Commercial multiple peril | | | |
| 6. Mortgage guaranty | 39,244,617 | 39,244,617 | 38,129,230 |
| 8. Ocean marine | | | |
| 9. Inland marine | | | |
| 10. Financial guaranty | | | |
| 11.1 Medical professional liability - occurrence | | | |
| 11.2 Medical professional liability - claims made | | | |
| 12. Earthquake | | | |
| 13. Group accident and health | | | |
| 14. Credit accident and health | | | |
| 15. Other accident and health | | | |
| 16. Workers' compensation | | | |
| 17.1 Other liability - occurrence | | | |
| 17.2 Other liability - claims made | | | |
| 17.3 Excess Workers' Compensation | | | |
| 18.1 Products liability - occurrence | | | |
| 18.2 Products liability - claims made | | | |
| 19.1 19.2 Private passenger auto liability | | | |
| 19.3 19.4 Commercial auto liability | | | |
| 21. Auto physical damage | | | |
| 22. Aircraft (all perils) | | | |
| 23. Fidelity | | | |
| 24. Surety | | | |
| 26. Burglary and theft | | | |
| 27. Boiler and machinery | | | |
| 28. Credit | | | |
| 29. International | | | |
| 30. Warranty | | | |
| 31. Reinsurance-Nonproportional Assumed Property | X X X | X X X | X X X |
| 32. Reinsurance-Nonproportional Assumed Liability | X X X | X X X | X X X |
| 33. Reinsurance-Nonproportional Assumed Financial Lines | X X X | X X X | X X X |
| 34. Aggregate write-ins for other lines of business | | | |
| 35. TOTALS | 39,244,617 | 39,244,617 | 38,129,230 |
| DETAILS OF WRITE-INS | | | |
| 3401. | | | |
| 3402. | | | |
| 3403. | | | |
| 3498. Summary of remaining write-ins for Line 34 from overflow page | | | |
| 3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) | | | |

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 |
|--|---|---|--|--|--|--|---|--|--------------------------------------|--|--|--|--|
| Years in Which Losses Occurred | Prior Year-End Known Case Loss and LAE Reserves | Prior Year-End IBNR Loss and LAE Reserves | Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2) | 2017 Loss and LAE Payments on Claims Reported as of Prior Year-End | 2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End | Total 2017 Loss and LAE Payments (Cols. 4 + 5) | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End | Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End | Q.S. Date IBNR Loss and LAE Reserves | Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9) | Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1) | Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2) | Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12) |
| 1. 2014 + Prior | | | | | | | | | | | | | |
| 2. 2015 | 391 | | 391 | | | | | | | | (391) | | (391) |
| 3. Subtotals 2015 + Prior | 391 | | 391 | | | | | | | | (391) | | (391) |
| 4. 2016 | 1,920 | 169 | 2,089 | 137 | | 137 | 2,051 | | | 2,051 | 268 | (169) | 99 |
| 5. Subtotals 2016 + Prior | 2,311 | 169 | 2,480 | 137 | | 137 | 2,051 | | | 2,051 | (123) | (169) | (292) |
| 6. 2017 | X X X | X X X | X X X | X X X | | | X X X | 605 | 328 | 933 | X X X | X X X | X X X |
| 7. Totals | 2,311 | 169 | 2,480 | 137 | | 137 | 2,051 | 605 | 328 | 2,984 | (123) | (169) | (292) |
| 8. Prior Year-End Surplus As Regards Policyholders | | | | | | | | | | | Col. 11, Line 7 As % of Col. 1 Line 7 1..... (5.322) | Col. 12, Line 7 As % of Col. 2 Line 7 2..... (100.000) | Col. 13, Line 7 As % of Col. 3 Line 7 3..... (11.774) |
| | | | | | | | | | | | | | Col. 13, Line 7 Line 8 4..... |

Q14

STATEMENT AS OF **March 31, 2017** OF THE **National Mortgage Insurance Corporation**
SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|---|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 507,702,041 | 444,824,027 |
| 2. Cost of bonds and stocks acquired | 60,212,016 | 136,289,824 |
| 3. Accrual of discount | 95,493 | 329,020 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | 85,282 | (438,234) |
| 6. Deduct consideration for bonds and stocks disposed of | 22,573,327 | 71,951,252 |
| 7. Deduct amortization of premium | 404,686 | 1,351,344 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | 143,607 | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 544,973,212 | 507,702,041 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 544,973,212 | 507,702,041 |

SCHEDULE D - PART 1B

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

| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
|---|--|---|---|---|--|---|--|--|
| NAIC Designation | Book/Adjusted Carrying Value Beginning of Current Quarter | Acquisitions During Current Quarter | Dispositions During Current Quarter | Non-Trading Activity During Current Quarter | Book/Adjusted Carrying Value End of First Quarter | Book/Adjusted Carrying Value End of Second Quarter | Book/Adjusted Carrying Value End of Third Quarter | Book/Adjusted Carrying Value December 31 Prior Year |
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 458,682,814 | 100,919,398 | 82,292,542 | (6,896,369) | 470,413,301 | | | 458,682,814 |
| 2. NAIC 2 (a) | 88,690,475 | 12,057,185 | 10,398,565 | 9,392,796 | 99,741,891 | | | 88,690,475 |
| 3. NAIC 3 (a) | 2,949,226 | | | (2,949,226) | | | | 2,949,226 |
| 4. NAIC 4 (a) | | | | | | | | |
| 5. NAIC 5 (a) | | | | | | | | |
| 6. NAIC 6 (a) | | | | | | | | |
| 7. Total Bonds | 550,322,515 | 112,976,583 | 92,691,107 | (452,799) | 570,155,192 | | | 550,322,515 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1 | | | | | | | | |
| 9. NAIC 2 | | | | | | | | |
| 10. NAIC 3 | | | | | | | | |
| 11. NAIC 4 | | | | | | | | |
| 12. NAIC 5 | | | | | | | | |
| 13. NAIC 6 | | | | | | | | |
| 14. Total Preferred Stock | | | | | | | | |
| 15. Total Bonds & Preferred Stock | 550,322,515 | 112,976,583 | 92,691,107 | (452,799) | 570,155,192 | | | 550,322,515 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....19,188,336; NAIC 2 \$.....5,993,645; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

QS102

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

| | 1 Book/Adjusted Carrying Value | 2 Par Value | 3 Actual Cost | 4 Interest Collected Year To Date | 5 Paid for Accrued Interest Year To Date |
|-----------------------|---|----------------|---------------------|---|---|
| 9199999. Totals | 16,601,820 | X X X | 16,601,819 | 8,424 | |

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

| | 1 Year To Date | 2 Prior Year Ended December 31 |
|--|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year | 42,795,827 | 12,892,357 |
| 2. Cost of short-term investments acquired | 70,446,602 | 199,593,761 |
| 3. Accrual of discount | | |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | |
| 6. Deduct consideration received on disposals | 96,640,610 | 169,690,291 |
| 7. Deduct amortization of premium | | |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 16,601,820 | 42,795,827 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 16,601,820 | 42,795,827 |

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SCHEDULE E - Verification
(Cash Equivalents)

| | | 1 | 2 |
|-----|--|--------------|---------------------------------|
| | | Year To Date | Prior Year Ended December 31 |
| 1. | Book/adjusted carrying value, December 31 of prior year | | |
| 2. | Cost of cash equivalents acquired | 10,986,464 | 9,991,413 |
| 3. | Accrual of discount | | |
| 4. | Unrealized valuation increase (decrease) | | |
| 5. | Total gain (loss) on disposals | | |
| 6. | Deduct consideration received on disposals | | 9,991,413 |
| 7. | Deduct amortization of premium | | |
| 8. | Total foreign exchange change in book/adjusted carrying value | | |
| 9. | Deduct current year's other-than-temporary impairment recognized | | |
| 10. | Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) | 10,986,464 | |
| 11. | Deduct total nonadmitted amounts | | |
| 12. | Statement value at end of current period (Line 10 minus Line 11) | 10,986,464 | |

E01 Schedule A Part 2 NONE

E01 Schedule A Part 3 NONE

E02 Schedule B Part 2 NONE

E02 Schedule B Part 3 NONE

E03 Schedule BA Part 2 NONE

E03 Schedule BA Part 3 NONE

SCHEDULE D - PART 3

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

| 1 CUSIP Identification | 2 Description | 3 Foreign | 4 Date Acquired | 5 Name of Vendor | 6 Number of Shares of Stock | 7 Actual Cost | 8 Par Value | 9 Paid for Accrued Interest and Dividends | 10 NAIC Designation or Market Indicator (a) |
|---|--------------------------------|--------------|--------------------|----------------------------|-----------------------------------|------------------|----------------|---|---|
| Bonds - U.S. Governments | | | | | | | | | |
| 912828V98 | UNITED STATES TREAS NTS | | 02/28/2017 | BARCLAYS CAPITAL INC | X X X | 4,950,586 | 5,000,000 | 4,972 | 1 |
| 0599999 Subtotal - Bonds - U.S. Governments | | | | | X X X | 4,950,586 | 5,000,000 | 4,972 | X X X |
| Bonds - U.S. States, Territories and Possessions | | | | | | | | | |
| 97705MEP6 | WISCONSIN ST FOR ISSUES DTD PR | | 03/20/2017 | BARCLAYS CAPITAL INC | X X X | 2,918,875 | 2,500,000 | 49,306 | 1FE |
| 1799999 Subtotal - Bonds - U.S. States, Territories and Possessions | | | | | X X X | 2,918,875 | 2,500,000 | 49,306 | X X X |
| Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | | | | | |
| 3038208L1 | FAIRFAX CNTY VA | | 01/20/2017 | MORGAN STANLEY & CO | X X X | 3,468,335 | 3,015,000 | 47,738 | 1FE |
| 445047EQ2 | HUMBLE TEX INDPT SCH DIST | | 01/20/2017 | RBC DAIN RAUSCHER INC | X X X | 3,590,040 | 3,000,000 | 66,667 | 1FE |
| 64966LKQ3 | NEW YORK N Y | | 02/10/2017 | MERRIL LYNCH | X X X | 3,502,710 | 3,000,000 | 68,333 | 1FE |
| 2499999 Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions | | | | | X X X | 10,561,085 | 9,015,000 | 182,738 | X X X |
| Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | |
| 011420MG8 | ALAMO TEX CMNTY COLLEGE DIST R | | 01/19/2017 | STIFEL NICOLAUS & CO | X X X | 2,063,720 | 2,000,000 | | 1FE |
| 05922KYF0 | BALTIMORE MD PROJ REV | | 01/27/2017 | CITIGROUP | X X X | 887,423 | 750,000 | | 1FE |
| 072024ST0 | BAY AREA TOLL AUTH CALIF TOLL | | 03/14/2017 | CHASE SECURITIES | X X X | 1,003,750 | 1,000,000 | 820 | 1FE |
| 072024UL4 | BAY AREA TOLL AUTH CALIF TOLL | | 02/15/2017 | MERRIL LYNCH | X X X | 1,450,000 | 1,450,000 | | 1FE |
| 13034ASU5 | CALIFORNIA INFRASTRUCTURE & EC | | 03/17/2017 | MERRIL LYNCH | X X X | 2,000,000 | 2,000,000 | | 1FE |
| 414009FW5 | HARRIS CNTY TEX CULTURAL ED FA | | 01/19/2017 | CHASE SECURITIES | X X X | 1,940,000 | 2,000,000 | 1,471 | 1FE |
| 528835Z95 | LEWISVILLE TEX WTR & SWR REV | | 01/24/2017 | HUTCHINSON, SHOCKEY, ERLEY | X X X | 625,242 | 600,000 | | 1FE |
| 60534WGV4 | MISSISSIPPI DEV BK SPL OBLIG | | 01/20/2017 | MORGAN STANLEY & CO | X X X | 2,790,036 | 2,450,000 | | 1FE |
| 650035T99 | NEW YORK ST URBAN DEV CORP REV | | 01/26/2017 | BARCLAYS CAPITAL INC | X X X | 3,575,910 | 3,000,000 | 56,667 | 1FE |
| 3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment | | | | | X X X | 16,336,081 | 15,250,000 | 58,958 | X X X |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | |
| 037833CG3 | APPLE INC | | 02/02/2017 | GOLDMAN SACHS & COMPANY | X X X | 3,998,240 | 4,000,000 | | 1FE |
| 45685EAE6 | ING U S INC | | 03/10/2017 | BARCLAYS CAPITAL INC | X X X | 6,063,540 | 6,000,000 | 14,500 | 2FE |
| 46647PAC0 | JP MORGAN CHASE BANK NA | | 03/02/2017 | CHASE SECURITIES | X X X | 4,000,000 | 4,000,000 | | 1FE |
| 594918BX1 | MICROSOFT CORP | | 01/30/2017 | HSBC SECURITIES INC | X X X | 2,978,160 | 3,000,000 | | 1FE |
| 66989HAN8 | NOVARTIS CAPITAL CORP | | 02/14/2017 | CHASE SECURITIES | X X X | 4,955,450 | 5,000,000 | | 1FE |
| 90352JAB9 | UBS GROUP FDG SWITZ AG 144A | C | 03/16/2017 | UBS SECURITIES | X X X | 3,450,000 | 3,450,000 | | 1FE |
| 3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | X X X | 25,445,390 | 25,450,000 | 14,500 | X X X |
| 8399997 Subtotal - Bonds - Part 3 | | | | | X X X | 60,212,017 | 57,215,000 | 310,474 | X X X |
| 8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X |
| 8399999 Subtotal - Bonds | | | | | X X X | 60,212,017 | 57,215,000 | 310,474 | X X X |
| 8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X |
| 9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X |
| 9899999 Subtotal - Preferred and Common Stocks | | | | | X X X | X X X | X X X | X X X | X X X |
| 9999999 Total - Bonds, Preferred and Common Stocks | | | | | X X X | 60,212,017 | X X X | 310,474 | X X X |

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

QE04

SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 | |
|--|------------------------------------|-------------|---------------|-----------------------------|---------------------------|---------------|------------|-------------|--|---|--|---|--|--|--|--|----------------------------------|-------------------------------|---|----------------------------------|--|-------|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | | |
| CUSIP Identification | Description | For e i g n | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other Than Temporary Impairment Recognized | Total Change in B./A.C.V. (11 + 12 - 13) | Total Foreign Exchange Change in B./A.C.V. | Book/ Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest/ Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) | |
| Bonds - U.S. Special Revenue, Special Assessment | | | | | | | | | | | | | | | | | | | | | | |
| 3133ECP32 | FEDERAL FARM CR BKS | | 03/07/2017 | CALLED @ 100.0000000 | X X X | 2,250,000 | 2,250,000 | 2,243,813 | 2,249,444 | | 287 | | 287 | | 2,249,730 | | 270 | 270 | 4,794 | 05/09/2017 | 1 | |
| 3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment | | | | | X X X | 2,250,000 | 2,250,000 | 2,243,813 | 2,249,444 | | 287 | | 287 | | 2,249,730 | | 270 | 270 | 4,794 | X X X | X X X | |
| Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | | | | | | | | | | | | | | | | | | |
| 00817YAW8 | AETNA INC NEW | | 03/16/2017 | CALLED @ 101.0000000 | X X X | 4,040,000 | 4,000,000 | 3,898,720 | 3,899,491 | | 1,870 | | 1,870 | | 3,901,361 | | 138,639 | 138,639 | 32,355 | 06/15/2026 | 2FE | |
| 03065CAE9 | AMERICREDIT AUTO RECV 2013-4 | | 03/08/2017 | PRINCIPAL RECEIPT | X X X | 521,862 | 521,862 | 521,731 | 521,849 | | 13 | | 13 | | 521,862 | | | | 1,897 | 09/09/2019 | 1FE | |
| 12189PAK8 | BURLINGTON NORTH SF 2001-2 | | 01/15/2017 | PRINCIPAL RECEIPT | X X X | 349,691 | 349,691 | 403,693 | 370,661 | | (20,971) | | (20,971) | | 349,691 | | | | | 01/15/2021 | 1FE | |
| 17290HAA3 | CITI HELD ASSET ISSN 2015-PM 144A | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 895,060 | 895,060 | 894,915 | 894,718 | | 342 | | 342 | | 895,060 | | | | 3,257 | 05/16/2022 | 1FE | |
| 125634AQ8 | CLI FDG V LLC 2014-2 144A | | 03/18/2017 | PRINCIPAL RECEIPT | X X X | 147,273 | 147,273 | 137,246 | 138,226 | | 9,047 | | 9,047 | | 147,273 | | | | 420 | 10/18/2029 | 1FE | |
| 31620MAP1 | FIDELITY NATL INFORMATION SVCS | | 02/08/2017 | J.P. MORGAN SECURITIES INC. | X X X | 3,636,745 | 3,500,000 | 3,495,415 | 3,496,453 | | 90 | | 90 | | 3,496,543 | | 140,202 | 140,202 | 41,587 | 10/15/2020 | 2FE | |
| 34528QBR4 | FORD CREDIT FLRPLN TR A 2012-2 | | 01/15/2017 | PRINCIPAL RECEIPT | X X X | 700,000 | 700,000 | 716,734 | 702,049 | | (2,049) | | (2,049) | | 700,000 | | | | 1,668 | 01/15/2019 | 1FE | |
| 42805RBF5 | HERTZ VEHICLE FIN 2011-1 144A | | 03/25/2017 | PRINCIPAL RECEIPT | X X X | 2,250,000 | 2,250,000 | 2,280,938 | 2,254,723 | | (4,723) | | (4,723) | | 2,250,000 | | | | 12,338 | 03/25/2018 | 1FE | |
| 459200HC8 | INTERNATIONAL BUSINESS MACHS | | 02/06/2017 | MATURITY | X X X | 3,350,000 | 3,350,000 | 3,393,483 | 3,351,157 | | (1,157) | | (1,157) | | 3,350,000 | | | | 20,938 | 02/06/2017 | 1FE | |
| 543190AA0 | LONGTRAIN LEASING III 2015-3 144A | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 45,430 | 45,430 | 45,141 | 45,150 | | 280 | | 280 | | 45,430 | | | | 113 | 01/15/2045 | 1FE | |
| 80283FAE6 | SANTANDER DRIVE AUTO 2013-1 | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 513,424 | 513,424 | 515,730 | 513,497 | | (73) | | (73) | | 513,424 | | | | 981 | 01/15/2019 | 1FE | |
| 78447CAB6 | SLM PRIV ED LN TR 2012-D 144A | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 379,858 | 379,858 | 400,689 | 382,828 | | (2,971) | | (2,971) | | 379,858 | | | | 993 | 02/15/2046 | 1FE | |
| 78443CAZ7 | SLM PRIVATE ST LN TR 2003-C | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 90,309 | 90,309 | 88,969 | 89,910 | | 400 | | 400 | | 90,309 | | | | 306 | 09/15/2020 | 1FE | |
| 83401LAB0 | SOFI PRFSSNAL LN PRGRM 2015-A 144A | | 03/25/2017 | PRINCIPAL RECEIPT | X X X | 161,805 | 161,805 | 160,898 | 160,735 | | 1,070 | | 1,070 | | 161,805 | | | | 404 | 03/25/2030 | 1FE | |
| 78470NAB2 | SOFI PRFSSNAL LN PRGRM 2015-D 144A | | 03/25/2017 | PRINCIPAL RECEIPT | X X X | 160,563 | 160,563 | 159,749 | 159,668 | | 895 | | 895 | | 160,563 | | | | 470 | 10/25/2036 | 1FE | |
| 84474YAA4 | SOUTHWEST AIRLINES 2007-1 | | 02/01/2017 | PRINCIPAL RECEIPT | X X X | 136,429 | 136,429 | 154,592 | 150,623 | | (14,194) | | (14,194) | | 136,429 | | | | 4,195 | 02/01/2024 | 1FE | |
| 87407PAP5 | TAL ADVANTAGE V LLC 2014-2 144 A | | 03/20/2017 | PRINCIPAL RECEIPT | X X X | 19,427 | 19,427 | 19,116 | 19,191 | | 235 | | 235 | | 19,427 | | | | 54 | 05/20/2039 | 1FE | |
| 88167AAD3 | TEVA PHARMACEUTICAL FIN NETH | C | 02/08/2017 | MIZHUO SECURITIES USA | X X X | 2,796,870 | 3,000,000 | 2,989,980 | 2,990,568 | | 135 | | 135 | | 2,990,703 | | (193,833) | (193,833) | 47,133 | 07/21/2023 | 2FE | |
| 90932QAAA4 | UNITED AIRLINES PT CERT 2014-2 | | 03/03/2017 | PRINCIPAL RECEIPT | X X X | 118,624 | 118,624 | 120,403 | 120,226 | | (1,603) | | (1,603) | | 118,624 | | | | 2,224 | 03/03/2028 | 1FE | |
| 95058XAB4 | WENDYS FDG LLC 2015-1 | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 7,458 | 7,458 | 7,442 | 7,444 | | 14 | | 14 | | 7,458 | | | | | 06/15/2045 | 2AM | |
| 95058XAC2 | WENDYS FDG LLC 2015-1 144A | | 03/15/2017 | PRINCIPAL RECEIPT | X X X | 2,500 | 2,500 | 2,487 | 2,489 | | 11 | | 11 | | 2,500 | | | | 28 | 06/15/2045 | 2AM | |
| 3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) | | | | | X X X | 20,323,328 | 20,349,712 | 20,408,071 | 20,271,656 | | (33,339) | | (33,339) | | 20,238,320 | | 85,008 | 85,008 | 171,361 | X X X | X X X | |
| 8399997 Subtotal - Bonds - Part 4 | | | | | X X X | 22,573,328 | 22,599,712 | 22,651,884 | 22,521,100 | | (33,052) | | (33,052) | | 22,488,050 | | 85,278 | 85,278 | 176,155 | X X X | X X X | |
| 8399998 Summary Item from Part 5 for Bonds (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X | | X X X | | X X X | | X X X | | X X X | X X X | X X X | X X X | X X X | X X X |
| 8399999 Subtotal - Bonds | | | | | X X X | 22,573,328 | 22,599,712 | 22,651,884 | 22,521,100 | | (33,052) | | (33,052) | | 22,488,050 | | 85,278 | 85,278 | 176,155 | X X X | X X X | |
| 8999998 Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X | | X X X | | X X X | | X X X | | X X X | X X X | X X X | X X X | X X X | X X X |
| 9799998 Summary Item from Part 5 for Common Stocks (N/A to Quarterly) | | | | | X X X | X X X | X X X | X X X | X X X | | X X X | | X X X | | X X X | | X X X | X X X | X X X | X X X | X X X | X X X |
| 9899999 Subtotal - Preferred and Common Stocks | | | | | X X X | X X X | X X X | X X X | X X X | | X X X | | X X X | | X X X | | X X X | X X X | X X X | X X X | X X X | X X X |
| 9999999 Total - Bonds, Preferred and Common Stocks | | | | | X X X | 22,573,328 | 22,599,712 | 22,651,884 | 22,521,100 | | (33,052) | | (33,052) | | 22,488,050 | | 85,278 | 85,278 | 176,155 | X X X | X X X | |

QEO5

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

E06 Schedule DB Part A Section 1 NONE

E07 Schedule DB Part B Section 1 NONE

E08 Schedule DB Part D Section 1 NONE

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

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

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

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

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

| 1 Depository | | 2 Code | 3 Rate of Interest | 4 Amount of Interest Received During Current Quarter | 5 Amount of Interest Accrued at Current Statement Date | Book Balance at End of Each Month During Current Quarter | | | 9 * |
|--|-------------------------|-----------|-----------------------|---|---|--|-------------------|------------------|--------|
| | | | | | | 6 First Month | 7 Second Month | 8 Third Month | |
| open depositories | | | | | | | | | |
| First Republic Bank | San Francisco, CA | | | | | 16,402,463 | 9,581,553 | 3,402,332 | X X X |
| Wells Fargo Bank | San Francisco, CA | | | | | 755,570 | 625,562 | 69,917 | X X X |
| 0199998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories | | X X X | X X X | | | | | | X X X |
| 0199999 Totals - Open Depositories | | X X X | X X X | | | 17,158,032 | 10,207,115 | 3,472,249 | X X X |
| suspended depositories | | | | | | | | | |
| | | | | | | 9,872 | 9,872 | 9,843 | |
| 0299998 Deposits in0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories | | X X X | X X X | | | | | | X X X |
| 0299999 Totals - Suspended Depositories | | X X X | X X X | | | 9,872 | 9,872 | 9,843 | X X X |
| 0399999 Total Cash On Deposit | | X X X | X X X | | | 17,167,905 | 10,216,988 | 3,482,092 | X X X |
| 0499999 Cash in Company's Office | | X X X | X X X | X X X | X X X | | | | X X X |
| 0599999 Total Cash | | X X X | X X X | | | 17,167,905 | 10,216,988 | 3,482,092 | X X X |

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1 Description | 2 Code | 3 Date Acquired | 4 Rate of Interest | 5 Maturity Date | 6 Book/Adjusted Carrying Value | 7 Amount of Interest Due & Accrued | 8 Amount Received During Year |
|--|-----------|-----------------------|--------------------------|-----------------------|--------------------------------------|---|-------------------------------------|
| Bonds - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations | | | | | | | |
| CATERPILLAR FINL SVCS CORP CP | | 03/17/2017 | 0.000 | 05/03/2017 | 4,992,819 | 2,289 | |
| NEXTERA ENERGY CAP HLDGS INC 0% CP | | 03/27/2017 | 0.000 | 04/27/2017 | 5,993,645 | 1,024 | |
| 3299999 Subtotals - Bonds - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations | | | | | 10,986,464 | 3,313 | |
| 3899999 Subtotals - Bonds - Industrial & Miscellaneous (Unaffiliated) | | | | | 10,986,464 | 3,313 | |
| 7799999 Subtotals - Bonds - Total Bonds - Issuer Obligations | | | | | 10,986,464 | 3,313 | |
| 7899999 Subtotals - Bonds - Total Bonds - Residential Mortgage-Backed Securities | | | | | | | |
| 7999999 Subtotals - Bonds - Total Bonds - Commercial Mortgage-Backed Securities | | | | | | | |
| 8099999 Subtotals - Bonds - Total Bonds - Other Loan-Backed and Structured Securities | | | | | | | |
| 8199999 Subtotals - Bonds - SVO Identified Funds | | | | | | | |
| 8399999 Subtotals - Bonds - Total Bonds | | | | | 10,986,464 | 3,313 | |
| 8499999 Sweep Accounts | | | | | | | |
| 8599999 Other Cash Equivalents | | | | | | | |
| 8699999 Total - Cash Equivalents | | | | | 10,986,464 | 3,313 | |

INDEX TO PROPERTY & CASUALTY QUARTERLY STATEMENT

Accident and Health Insurance; Q3; Q13
Accounting Changes and Corrections of Errors; Q6, Note 2
Accounting Practices and Policies; Q6, Note 1
Admitted Assets; Q2; QSI01
Affiliated Transactions; Q2; Q3; Q7; Q7.1
Asbestos Losses and Loss Adjustment Expenses; Q6, Note 33
Bonds; Q2; Q5; Q7.1; Q7.2; QSI01; QSI02; QE04; QE05; QSupp2
Business Combinations and Goodwill; Q6, Note 3
Capital Gains (Losses); Q3; Q4; Q5
Capital Stock; Q3; Q4; Q6, Note 13
Capital Notes; Q3; Q5; Q6, Note 11
Caps; QE06; QSI04
Cash; Q2; Q5; QE12; QSupp2
Cash Equivalents; Q2; Q5; QE13
Collars; QE06; QSI04
Commissions; Q3; Q5
Common Stock; Q2; Q7.1; Q7.2; QSI01; QE04; QE05; QSupp2
Counterparty Exposure; Q6, Note 8; QE06; QE08
Contingencies; Q6, Note 14
Debt; Q6, Note 11
Deferred Compensation; Q6, Note 12
Derivative Instruments; Q6, Note 8; QSI04; QSI05; QSI06; QSI07; QE06; QE07; QE08
Director and Officer; QSupp7
Discontinued Operations; Q6, Note 4
Discounting of Liabilities; Q6, Note 32; Q8
Electronic Data Processing Equipment; Q2
Environmental Losses and Loss Adjustment Expenses; Q6, Note 33
Exchange or Counterparty; QE06; QE08
Expenses; Q3; Q4; Q5; Q8; QE01; QSupp3
Extinguishment of Liabilities; Q6, Note 17
Extraordinary Items; Q6, Note 21
Fair Value; Q7, Note 20
Federal ID Number; Q9
Federal Reserve Board; Q7
Finance and Service Charge; Q4
Floors; QE06; QSI04
Foreign Exchange; Q2; Q3; Q4; QSI01; QSI02; QSI03; QE04; QE05
Forwards; QE06; QSI04
Futures Contracts; QE07; QSI04
Guaranty Fund; Q2
Health Care Receivables; Q6, Note 28
Hedging Transactions; Q7.1; QE06; QE07
High Deductible Policies; Q6, Note 31
Holding Company; Q7; Q11; Q12
Income Generation Transactions; QE06; QE07
Income Taxes; Q2; Q3; Q4; Q5; Q6, Note 9
Intercompany Pooling; Q6, Note 26
Investment Income; Q2; Q4; Q5; Q6, Note 7; QSupp2
Investments; Q2; Q4; Q6, Note 5; Q7.1; Q7.2; QSI01; QSI03; QE03; QE04; QE05; QE08; QE13; QSupp2
Joint Venture; Q6, Note 6
Leases; Q6, Note 15
Licensing; Q3; Q7; Q10
Limited Liability Company (LLC); Q6, Note 6
Limited Partnership; Q6, Note 6
Lines of Business; Q8; Q13
Long-Term Invested Assets; QSI01; QE03
Loss Development; Q6
Losses; Q3; Q4; Q5; Q6, Note 25; Q8; Q10; Q13; Q14; QSupp1; QSupp3
Loss Adjustment Expenses; Q3; Q6, Note 26; Q8; Q14; QSupp3
Managing General Agents; Q6, Note 19; Q7
Medical Malpractice Insurance; Q13; Q15; QSupp5
Medicare Part D Coverage; QSupp6
Mortgage Loans; Q2; Q5; Q7.1; QSI01; QE02; QSupp2
Multiple Peril Crop Insurance; Q6, Note 35
Nonadmitted Assets; Q2; Q4; QSI01; QSI03
Non-Tabular Discount; Q6, Note 32
Off-Balance Sheet Risk; Q6, Note 16

INDEX TO PROPERTY & CASUALTY QUARTERLY STATEMENT

Options; Q7.1; QE06; QSI04
Organizational Chart; Q7; Q11
Other Derivative Transactions; QE06; QE07
Parent, Subsidiaries and Affiliates; Q2; Q3; Q6, Note 10; Q7.1
Participating Policies; Q6, Note 29
Pharmaceutical Rebates; Q6, Note 28
Policyholder Dividends; Q3; Q4; Q5
Postemployment Benefits; Q6, Note 12
Postretirement Benefits; Q6, Note 12
Preferred Stock; Q2; Q7.1; Q7.2; QSI01; QSI02; QE04; QSupp2
Premium Deficiency Reserves; Q6, Note 30
Premium Notes; Q2; Q5
Premiums; Q3; Q5; Qsupp3
 Accrued Retrospective; Q2
 Advance; Q3
 Direct; Q10; Q13
 Earned; Q4; Q10; Q13; QSupp5
 Earned but Unbilled; Q2
 Unearned; Q3
 Written; Q4; Q10; Q13; QSupp5
Quasi Reorganizations; Q6, Note 13
Real Estate; Q2; Q5; Q7.1; QSI01; QE01; QSupp2
Redetermination, Contract Subject to; Q6, Note 24
Reinsurance; Q6, Note 23
 Assumed; Q13
 Ceded; Q3; Q9; QSupp3
 Commutation; Q6, Note 23
 Funds Held; Q2; Q3
 Losses; Q3; Q4; Q8; QSupp3
 Payable; Q3; QSupp3
 Premiums; Q3; QSupp3
 Receivable; Q2; QSupp3
 Unsecured; Q6, Note 23
 Uncollectible; Q6, Note 23
Reserves
 Incurred but Not Reported (IBNR); Q8; Q14
 Unpaid Loss Adjustment Expense (LAE); Q14
Retirement Plans; Q6, Note 12
Retrospectively Rated Contracts; Q6, Note 24
Salvage and Subrogation; Q10
Securities Lending; Q2; Q3; QE9; QE11
Servicing of Financial Assets; Q6, Note 17
Short-Term Investments; Q2; Q5; Q7.1; QSI03; QSupp2
Special Deposits; QSupp2
Stockholder Dividends; Q3; Q4; Q5
Structured Settlements; Q6, Note 27
Subscriber Savings Accounts; Q6, Note 34
Subsequent Events; Q6, Note 22
Surplus; Q3; Q4; Q5; Q6, Note 13; Q14; Q15; QSupp1; QSupp2; QSupp3
Surplus Notes; Q3; Q4; Q5
Swaps; QE07; QSI04
Synthetic Assets; QSI04; QSI05
Tabular Discount; Q6, Note 32
Third Party Administrator; Q6, Note 19; Q7
Treasury Stock; Q3; Q4; Q5
Underwriting Expenses; Q4
Uninsured Accident and Health; Q3; Q6, Note 18
Valuation Allowance; QSI01
Wash Sales; Q6, Note 17