



# ANNUAL STATEMENT

## For the Year Ended December 31, 2019

### 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>Byron Tan</u> <small>(Name)</small>	<u>(510)858-0565</u> <small>(Area Code)(Telephone Number)(Extension)</small>	
<u>byron.tan@nationalmi.com</u> <small>(E-Mail Address)</small>	<u>(510)225-3832</u> <small>(Fax Number)</small>	

### OFFICERS

Name	Title
Bradley M Shuster	Executive Chairman
William J Leatherberry	Chief Legal Officer
Claudia J Merkle	Chief Executive Officer
Adam Pollitzer	Chief Financial Officer
Robert O Smith	Chief Risk Officer
Patrick L Mathis	Chief Operating Officer

### VICE- PRESIDENTS

Mark N Daly, SVP, National Accounts	Mary L Sharp, SVP, Chief Human Resources Officer
Norman P Fitzgerald, SVP, Field Sales	Kellie Ramsower, SVP, Underwriting & Risk Operations
Julie Norberg, SVP, Controller	

### DIRECTORS OR TRUSTEES

Patrick L Mathis	Claudia J Merkle
Bradley M Shuster	William J Leatherberry
Adam Pollitzer	Robert O Smith

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.

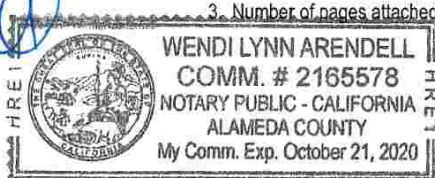
 _____ (Signature) Claudia Merkle (Printed Name) 1. Chief Executive Officer (Title)	 _____ (Signature) William J Leatherberry (Printed Name) 2. EVP, General Counsel and Secretary (Title)	 _____ (Signature) Adam Pollitzer (Printed Name) 3. Chief Financial Officer (Title)
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Subscribed and sworn to before me this 24th day of February 2020

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

Yes[X] No[ ]  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
 (Notary Public Signature)



## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D) .....	1,027,759,740		1,027,759,740	810,414,908
2. Stocks (Schedule D):				
2.1 Preferred stocks .....				
2.2 Common Stocks .....				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....10,231,742, Schedule E Part 1), cash equivalents (\$.....32,235,748, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) .....	42,467,490		42,467,490	38,547,178
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives (Schedule DB) .....				
8. Other invested assets (Schedule BA) .....				
9. Receivables for securities .....				
10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....				
11. Aggregate write-ins for invested assets .....	192,811	192,811		
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	1,070,420,041	192,811	1,070,227,230	848,962,086
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	6,440,167		6,440,167	5,287,338
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	46,085,216	8,959	46,076,257	35,983,723
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 .....	68,931,564	13,788,431	55,143,133	52,561,290
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustment in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
24. Health care (\$.....0) and other amounts receivable .....				
25. Aggregate write-ins for other than invested assets .....				
26. TOTAL assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	1,191,876,988	13,990,201	1,177,886,787	942,794,437
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	1,191,876,988	13,990,201	1,177,886,787	942,794,437
<b>DETAILS OF WRITE-INS</b>				
1101. Prepaid Expenses .....	192,811	192,811		
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) .....	192,811	192,811		
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....				

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	18,321,520	9,603,281
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	355,600	102,355
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	47,786	42,533
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,603,592	2,746
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$.....0 and interest thereon \$.....0 .....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....15,663,530 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) .....	120,978,386	128,288,207
10. Advance premiums .....	83	477
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	7,118,059	4,508,349
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20) .....	14,199,836	27,113,509
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including (\$.....0 certified)) (Schedule F, Part 3 Column 78) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....	61,222,691	40,554,235
20. Derivatives .....		
21. Payable for securities .....	5,600,000	
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 .....	527,099,040	329,437,709
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25) .....	756,546,593	539,653,401
27. Protected cell liabilities .....		
28. TOTAL Liabilities (Lines 26 and 27) .....	756,546,593	539,653,401
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 .....	564,573,352	564,573,352
35. Unassigned funds (surplus) .....	(145,763,158)	(163,962,316)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0) .....		
36.2 .....0 shares preferred (value included in Line 31 \$.....0) .....		
37. Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39) .....	421,340,194	403,141,036
38. TOTALS (Page 2, Line 28, Column 3) .....	1,177,886,787	942,794,437
<b>DETAILS OF WRITE-INS</b>		
2501. Statutory Contingency Reserve .....	523,992,403	325,398,876
2502. Deferred Ceding Commission .....	2,628,988	3,791,518
2503. Premium Refund Reserve .....	477,649	247,315
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	527,099,040	329,437,709
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....		

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4) .....	293,442,254	207,514,546
<b>DEDUCTIONS</b>		
2. Losses incurred (Part 2, Line 35, Column 7) .....	12,070,153	5,451,311
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1) .....	348,881	12,139
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2) .....	76,114,302	61,634,784
5. Aggregate write-ins for underwriting deductions .....	198,593,527	145,642,032
6. TOTAL Underwriting Deductions (Lines 2 through 5) .....	287,126,862	212,740,266
7. Net income of protected cells .....		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7) .....	6,315,392	(5,225,720)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....	16,816,006	8,998,707
10. Net realized capital gains (losses) less capital gains tax of \$.....15,167 (Exhibit of Capital Gains (Losses)) .....	(78,058)	(104,496)
11. Net investment gain or (loss) (Lines 9 + 10) .....	16,737,948	8,894,211
<b>OTHER INCOME</b>		
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) .....	23,053,340	3,668,491
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) .....	23,053,340	3,668,491
19. Federal and foreign income taxes incurred .....	8,440,267	24,031,409
20. Net income (Line 18 minus Line 19) (to Line 22) .....	14,613,073	(20,362,918)
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2) .....	403,141,036	344,017,675
22. Net income (from Line 20) .....	14,613,073	(20,362,918)
23. Net transfers (to) from Protected Cell accounts .....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....220,461 .....	829,352	(829,352)
25. Change in net unrealized foreign exchange capital gain (loss) .....		
26. Change in net deferred income tax .....	2,337,170	22,715,615
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3) .....	419,562	(12,399,983)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1) .....		
29. Change in surplus notes .....		
30. Surplus (contributed to) withdrawn from protected cells .....		
31. Cumulative effect of changes in accounting principles .....		
32. Capital changes:		
32.1 Paid in .....		
32.2 Transferred from surplus (Stock Dividend) .....		
32.3 Transferred to surplus .....		
33. Surplus adjustments:		
33.1 Paid in .....		70,000,000
33.2 Transferred to capital (Stock Dividend) .....		
33.3 Transferred from capital .....		
34. Net remittances from or (to) Home Office .....		
35. Dividends to stockholders .....		
36. Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1) .....		
37. Aggregate write-ins for gains and losses in surplus .....		
38. Change in surplus as regards policyholders for the year (Lines 22 through 37) .....	18,199,158	59,123,361
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37) .....	421,340,194	403,141,036
<b>DETAILS OF WRITE-INS</b>		
0501. Statutory Contingency Reserve .....	198,593,527	145,642,032
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) .....	198,593,527	145,642,032
1401. ....		
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page .....		
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....		
3701. ....		
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page .....		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above) .....		

**CASH FLOW**

		1	2
		Current Year	Prior Year
<b>Cash from Operations</b>			
1.	Premiums collected net of reinsurance .....	278,649,215	203,774,743
2.	Net investment income .....	16,626,726	8,672,160
3.	Miscellaneous income .....		
4.	TOTAL (Lines 1 through 3) .....	295,275,941	212,446,902
5.	Benefit and loss related payments .....	3,351,914	2,410,691
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....		
7.	Commissions, expenses paid and aggregate write-ins for deductions .....	54,759,272	46,417,070
8.	Dividends paid to policyholders .....		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	8,455,434	24,139,699
10.	TOTAL (Lines 5 through 9) .....	66,566,620	72,967,460
11.	Net cash from operations (Line 4 minus Line 10) .....	228,709,320	139,479,443
<b>Cash from Investments</b>			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds .....	83,851,301	134,185,760
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 .....	5,600,000	
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7) .....	89,451,301	134,185,760
13.	Cost of investments acquired (long-term only):		
13.1	Bonds .....	301,172,770	322,715,623
13.2	Stocks .....		
13.3	Mortgage loans .....		
13.4	Real estate .....		
13.5	Other invested assets .....		
13.6	Miscellaneous applications .....		0
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6) .....	301,172,770	322,715,623
14.	Net increase (decrease) in contract loans and premium notes .....		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....	(211,721,469)	(188,529,863)
<b>Cash from Financing and Miscellaneous Sources</b>			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes .....		
16.2	Capital and paid in surplus, less treasury stock .....		70,000,000
16.3	Borrowed funds .....		
16.4	Net deposits on deposit-type contracts and other insurance liabilities .....		
16.5	Dividends to stockholders .....		
16.6	Other cash provided (applied) .....	(13,067,540)	(5,227,118)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(13,067,540)	64,772,882
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	3,920,311	15,722,462
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year .....	38,547,178	22,824,717
19.2	End of year (Line 18 plus Line 19.1) .....	42,467,490	38,547,178

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

20.0001	.....		
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## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written Per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	Premiums Earned During Year (Columns 1 + 2 - 3)
1. Fire .....				
2. Allied lines .....				
3. Farmowners multiple peril .....				
4. Homeowners multiple peril .....				
5. Commercial multiple peril .....				
6. Mortgage guaranty .....	286,132,433	128,288,207	120,978,386	293,442,254
8. Ocean marine .....				
9. Inland marine .....				
10. Financial guaranty .....				
11.1 Medical professional liability - occurrence .....				
11.2 Medical professional liability - claims-made .....				
12. Earthquake .....				
13. Group accident and health .....				
14. Credit accident and health (group and individual) .....				
15. Other accident and health .....				
16. Workers' compensation .....				
17.1 Other liability - occurrence .....				
17.2 Other liability - claims-made .....				
17.3 Excess Workers' Compensation .....				
18.1 Products liability - occurrence .....				
18.2 Products liability - claims-made .....				
19.1 19.2 Private passenger auto liability .....				
19.3 19.4 Commercial auto liability .....				
21. Auto physical damage .....				
22. Aircraft (all perils) .....				
23. Fidelity .....				
24. Surety .....				
26. Burglary and theft .....				
27. Boiler and machinery .....				
28. Credit .....				
29. International .....				
30. Warranty .....				
31. Reinsurance-Nonproportional Assumed Property .....				
32. Reinsurance-Nonproportional Assumed Liability .....				
33. Reinsurance-Nonproportional Assumed Financial Lines .....				
34. Aggregate write-ins for other lines of business .....				
35. TOTALS .....	286,132,433	128,288,207	120,978,386	293,442,254
<b>DETAILS OF WRITE-INS</b>				
3401. ....				
3402. ....				
3403. ....				
3498. Summary of remaining write-ins for Line 34 from overflow page .....				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....				

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1A - RECAPITULATION OF ALL PREMIUMS

	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3  Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business					
1. Fire .....					
2. Allied lines .....					
3. Farmowners multiple peril .....					
4. Homeowners multiple peril .....					
5. Commercial multiple peril .....					
6. Mortgage guaranty .....	32,295,854	88,682,531			120,978,386
8. Ocean marine .....					
9. Inland marine .....					
10. Financial guaranty .....					
11.1 Medical professional liability - occurrence .....					
11.2 Medical professional liability - claims-made .....					
12. Earthquake .....					
13. Group accident and health .....					
14. Credit accident and health (group and individual) .....					
15. Other accident and health .....					
16. Workers' compensation .....					
17.1 Other liability - occurrence .....					
17.2 Other liability - claims-made .....					
17.3 Excess Workers' Compensation .....					
18.1 Products liability - occurrence .....					
18.2 Products liability - claims-made .....					
19.1 19.2 Private passenger auto liability .....					
19.3 19.4 Commercial auto liability .....					
21. Auto physical damage .....					
22. Aircraft (all perils) .....					
23. Fidelity .....					
24. Surety .....					
26. Burglary and theft .....					
27. Boiler and machinery .....					
28. Credit .....					
29. International .....					
30. Warranty .....					
31. Reinsurance-Nonproportional Assumed Property .....					
32. Reinsurance-Nonproportional Assumed Liability .....					
33. Reinsurance-Nonproportional Assumed Financial Lines .....					
34. Aggregate write-ins for other lines of business .....					
35. TOTALS .....	32,295,854	88,682,531			120,978,386
36. Accrued retrospective premiums based on experience .....					
37. Earned but unbilled premiums .....					
38. Balance (Sum of Lines 35 through 37) .....					120,978,386
<b>DETAILS OF WRITE-INS</b>					
3401. ....					
3402. ....					
3403. ....					
3498. Summary of remaining write-ins for Line 34 from overflow page .....					
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....					

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

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Columns 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire .....						
2. Allied lines .....						
3. Farmowners multiple peril .....						
4. Homeowners multiple peril .....						
5. Commercial multiple peril .....						
6. Mortgage guaranty .....	376,052,490			1,001,554	88,918,503	286,132,433
8. Ocean marine .....						
9. Inland marine .....						
10. Financial guaranty .....						
11.1 Medical professional liability - occurrence .....						
11.2 Medical professional liability - claims-made .....						
12. Earthquake .....						
13. Group accident and health .....						
14. Credit accident and health (group and individual) .....						
15. Other accident and health .....						
16. Workers' compensation .....						
17.1 Other liability - occurrence .....						
17.2 Other liability - claims-made .....						
17.3 Excess Workers' Compensation .....						
18.1 Products liability - occurrence .....						
18.2 Products liability - claims-made .....						
19.1 19.2 Private passenger auto liability .....						
19.3 19.4 Commercial auto liability .....						
21. Auto physical damage .....						
22. Aircraft (all perils) .....						
23. Fidelity .....						
24. Surety .....						
26. Burglary and theft .....						
27. Boiler and machinery .....						
28. Credit .....						
29. International .....						
30. Warranty .....						
31. Reinsurance-Nonproportional Assumed Property .....	X X X					
32. Reinsurance-Nonproportional Assumed Liability .....	X X X					
33. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X					
34. Aggregate write-ins for other lines of business .....						
35. TOTALS .....	376,052,490			1,001,554	88,918,503	286,132,433
<b>DETAILS OF WRITE-INS</b>						
3401. ....						
3402. ....						
3403. ....						
3498. Summary of remaining write-ins for Line 34 from overflow page .....						
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....						

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



## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty	4,942,580		1,590,666	3,351,914	18,321,520	9,603,281	12,070,153	4.11
8. Ocean marine								
9. Inland marine								
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence								
17.2 Other liability - claims-made								
17.3 Excess Workers' Compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims made								
19.1 19.2 Private passenger auto liability								
19.3 19.4 Commercial auto liability								
21. Auto physical damage								
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Warranty								
31. Reinsurance-Nonproportional Assumed Property	X X X							
32. Reinsurance-Nonproportional Assumed Liability	X X X							
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS	4,942,580		1,590,666	3,351,914	18,321,520	9,603,281	12,070,153	4.11
<b>DETAILS OF WRITE-INS</b>								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)								

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire .....									
2. Allied Lines .....									
3. Farmowners multiple peril .....									
4. Homeowners multiple peril .....									
5. Commercial multiple peril .....									
6. Mortgage guaranty .....	21,763,399		4,719,737	17,043,662	1,631,708		353,850	18,321,520	355,600
8. Ocean marine .....									
9. Inland marine .....									
10. Financial guaranty .....									
11.1 Medical professional liability - occurrence .....									
11.2 Medical professional liability - claims-made .....									
12. Earthquake .....									
13. Group accident & health .....								(a)	
14. Credit accident & health (group & individual) .....								(a)	
15. Other accident & health .....									
16. Workers' compensation .....									
17.1 Other liability - occurrence .....									
17.2 Other liability - claims-made .....									
17.3 Excess Workers' Compensation .....									
18.1 Products liability - occurrence .....									
18.2 Products liability - claims-made .....									
19.1 19.2 Private passenger auto liability .....									
19.3 19.4 Commercial auto liability .....									
21. Auto physical damage .....									
22. Aircraft (all perils) .....									
23. Fidelity .....									
24. Surety .....									
26. Burglary and theft .....									
27. Boiler and machinery .....									
28. Credit .....									
29. International .....									
30. Warranty .....									
31. Reinsurance-Nonproportional Assumed Property .....	X X X				X X X				
32. Reinsurance-Nonproportional Assumed Liability .....	X X X				X X X				
33. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X				X X X				
34. Aggregate write-ins for other lines of business .....									
35. TOTALS .....	21,763,399		4,719,737	17,043,662	1,631,708		353,850	18,321,520	355,600
<b>DETAILS OF WRITE-INS</b>									
3401. ....									
3402. ....									
3403. ....									
3498. Summary of remaining write-ins for Line 34 from overflow page .....									
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....									

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

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct .....	309,804			309,804
1.2 Reinsurance assumed .....				
1.3 Reinsurance ceded .....	(39,077)			(39,077)
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3) .....	348,881			348,881
2. Commission and brokerage:				
2.1 Direct, excluding contingent .....				
2.2 Reinsurance assumed, excluding contingent .....				
2.3 Reinsurance ceded, excluding contingent .....		17,227,988		17,227,988
2.4 Contingent - direct .....				
2.5 Contingent - reinsurance assumed .....				
2.6 Contingent - reinsurance ceded .....		50,513,013		50,513,013
2.7 Policy and membership fees .....				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....		(67,741,001)		(67,741,001)
3. Allowances to manager and agents .....				
4. Advertising .....		1,490,117		1,490,117
5. Boards, bureaus and associations .....		1,735,690		1,735,690
6. Surveys and underwriting reports .....		286,968		286,968
7. Audit of assureds' records .....				
8. Salary and related items:				
8.1 Salaries .....		71,188,915		71,188,915
8.2 Payroll taxes .....		4,346,814		4,346,814
9. Employee relations and welfare .....		9,349,891		9,349,891
10. Insurance .....		531,714		531,714
11. Directors' fees .....				
12. Travel and travel items .....		3,257,484		3,257,484
13. Rent and rent items .....		2,068,182		2,068,182
14. Equipment .....		1,038,185		1,038,185
15. Cost or depreciation of EDP equipment and software .....		20,776,761		20,776,761
16. Printing and stationery .....		329,789		329,789
17. Postage, telephone and telegraph, exchange and express .....		664,160		664,160
18. Legal and auditing .....		795,938		795,938
19. TOTALS (Lines 3 to 18) .....		117,860,608		117,860,608
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0 .....		6,459,377		6,459,377
20.2 Insurance department licenses and fees .....		272,873		272,873
20.3 Gross guaranty association assessments .....				
20.4 All other (excluding federal and foreign income and real estate) .....		169,218		169,218
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....		6,901,468		6,901,468
21. Real estate expenses .....				
22. Real estate taxes .....		318,588		318,588
23. Reimbursements by uninsured plans .....				
24. Aggregate write-ins for miscellaneous expenses .....		18,774,639	509,677	19,284,316
25. TOTAL expenses incurred .....	348,881	76,114,302	509,677	(a) 76,972,860
26. Less unpaid expenses - current year .....	355,600	1,651,378		2,006,978
27. Add unpaid expenses - prior year .....	102,355	47,279		149,634
28. Amounts receivable relating to uninsured plans, prior year .....				
29. Amounts receivable relating to uninsured plans, current year .....				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	95,636	74,510,203	509,677	75,115,516
<b>DETAILS OF WRITE-INS</b>				
2401. Professional Fees .....		18,452,292		18,452,292
2402. Employee Recruiting .....		201,673		201,673
2403. Investment Fees .....			509,677	509,677
2498. Summary of remaining write-ins for Line 24 from overflow page .....		120,674		120,674
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above) .....		18,774,639	509,677	19,284,316

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

## EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 878,219	853,186
1.1 Bonds exempt from U.S. tax	(a) 716,488	705,339
1.2 Other bonds (unaffiliated)	(a) 25,687,045	26,945,437
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 967,921	906,669
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL gross investment income	28,249,673	29,410,631
11. Investment expenses		(g) 509,677
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h) 12,084,948
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		12,594,625
17. Net Investment income (Line 10 minus Line 16)		16,816,006

**DETAILS OF WRITE-INS**

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

- (a) Includes \$ 648,879 accrual of discount less \$ 1,712,863 amortization of premium and less \$ 321,569 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	318,713	(381,603)	(62,891)	1,049,813	
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	318,713	(381,603)	(62,891)	1,049,813	

**DETAILS OF WRITE-INS**

0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page					
0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)					

**EXHIBIT OF NONADMITTED ASSETS**

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D) .....			
2. Stocks (Schedule D):			
2.1 Preferred stocks .....			
2.2 Common stocks .....			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....			
3.2 Other than first liens .....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....			
4.2 Properties held for the production of income .....			
4.3 Properties held for sale .....			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....			
6. Contract loans .....			
7. Derivatives (Schedule DB) .....			
8. Other invested assets (Schedule BA) .....			
9. Receivables for securities .....			
10. Securities lending reinvested collateral assets (Schedule DL) .....			
11. Aggregate write-ins for invested assets .....	192,811	133,302	(59,509)
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	192,811	133,302	(59,509)
13. Title plants (for Title insurers only) .....			
14. Investment income due and accrued .....			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection .....	8,959	22,897	13,938
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....			
15.3 Accrued retrospective premiums and contracts subject to redetermination .....			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....			
16.2 Funds held by or deposited with reinsured companies .....			
16.3 Other amounts receivable under reinsurance contracts .....			
17. Amounts receivable relating to uninsured plans .....			
18.1 Current federal and foreign income tax recoverable and interest thereon .....			
18.2 Net deferred tax asset .....	13,788,431	14,253,564	465,133
19. Guaranty funds receivable or on deposit .....			
20. Electronic data processing equipment and software .....			
21. Furniture and equipment, including health care delivery assets .....			
22. Net adjustment in assets and liabilities due to foreign exchange rates .....			
23. Receivables from parent, subsidiaries and affiliates .....			
24. Health care and other amounts receivable .....			
25. Aggregate write-ins for other than invested assets .....			
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	13,990,201	14,409,763	419,562
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
28. TOTAL (Lines 26 and 27) .....	13,990,201	14,409,763	419,562
<b>DETAILS OF WRITE-INS</b>			
1101. Prepaid Expenses .....	192,811	133,302	(59,509)
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) .....	192,811	133,302	(59,509)
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....			

# Notes to Financial Statements

## 1. Summary of Significant Accounting Policies

### A. Accounting Practices

The financial statements of National Mortgage 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:

	SSAP #	F/S Page	F/S Line #	2019	2018
Net Income/(Loss)					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 14,613,073	\$ (20,362,918)
(2) State Prescribed Practices that increase/(decrease) from NAIC SAP:					
Change in contingency reserves	00	4	5	(198,593,527)	(145,642,032)
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	<u>\$ 213,206,600</u>	<u>\$ 125,279,114</u>
<b>SURPLUS</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 421,340,194	\$ 403,141,036
(6) State Prescribed Practices that increase/(decrease) from NAIC SAP:				—	—
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				—	—
(8) NAIC SAP (5 - 6 - 7 = 8)	XXX	XXX	XXX	<u>\$ 421,340,194</u>	<u>\$ 403,141,036</u>

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

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

### C. Accounting Policy

Premiums for primary mortgage insurance policies may be paid in a single payment at origination (single premium), on a monthly installment basis (monthly premium) or on an annual installment basis (annual premium), with such election and payment type fixed at policy inception. Premiums written at origination for single premium policies are initially deferred as unearned premium reserve and amortized into earnings over the estimated policy life in accordance with the anticipated expiration of risk. Monthly premiums are recognized as revenue in the month billed and when the coverage is effective. Annual premiums are initially deferred and earned on a straight-line basis over the year of coverage. Premiums written on pool transactions are earned over the period that coverage is provided. Upon cancellation of a policy, all remaining non-refundable deferred and unearned premium is immediately earned, and any refundable premium is returned to the policyholder. Premiums returned to the policyholder are recorded as a reduction of written and unearned premiums in the current period.

The Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the effective interest method.

# Notes to Financial Statements

- (3) The Company owns no common stock.
- (4) The Company owns no preferred stock.
- (5) The Company owns no mortgage loans.
- (6) Loan-backed securities are valued using the retrospective method and are stated at amortized cost or fair value in accordance with their NAIC designation.
- (7) The Company has no investments in subsidiaries or controlled and affiliated entities.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company owns no derivative instruments.
- (10) The Company uses anticipated investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, *Property-Casualty Contracts - Premiums*.
- (11) The Company establishes reserves for claims based on our best estimate of ultimate claim costs for defaulted loans using the general principles contained in ASC 944, Financial Services - Insurance (ASC 944). The Company establishes case reserves when it is notified that a loan has been in default for at least 60 days (i.e., a default) and IBNR reserves based on an estimate of defaults which have been incurred but have not yet been reported to the Company by loan servicers. The Company also establishes reserves for claims expenses, which represent the estimated cost of the claim administration process, including legal, other third-party fees and other general expenses of administering the claims settlement process. Claim expense reserves are either allocated (i.e., associated with a specific claim) or unallocated (i.e. not associated with a specific claim).

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

The establishment of claims and claims expense reserves is subject to inherent uncertainty and requires significant judgment by management. Reserves are established by estimating the number of loans in default that will result in a claim payment, which is referred to as claim frequency, and the amount of the claim payment expected to be paid on each such loan in default, which is referred to as claim severity. Claim frequency and severity estimates are established based on historical observed experience regarding certain loan factors, such as age of the default, size of the loan and LTV ratios, and are strongly influenced by prevailing economic conditions, such as mortgage rates, trends in unemployment and house price appreciation. The Company conducts an annual actuarial review to evaluate, and, if necessary, update these assumptions.

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

#### D. Going Concern

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

## 2. Accounting Changes and Corrections of Errors

The Company had no material changes in accounting principles or corrections of errors for the years ended December 31, 2019 and December 31, 2018.

## 3. Business Combinations and Goodwill

### A. Statutory Purchase Method

Not Applicable.

### B. Statutory Merger

Not Applicable.

### C. Impairment Loss

Not Applicable.

## 4. Discontinued Operations

### A. Discontinued Operation Disposed of or Classified as Held for Sale

Not Applicable.

## Notes to Financial Statements

B. Change in Plan of Sale or Discontinued Operation

Not Applicable.

C. Nature of Any Significant Continuing Involvement with Discontinued Operations After Disposal

Not Applicable.

D. Equity Interest Retained in the Discontinued Operation After Disposal

Not applicable.

### 5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

The Company does not have any mortgage loan investments.

B. Debt Restructuring

The Company does not have any debt restructuring investments.

C. Reverse Mortgages

The Company does not have any reverse mortgage investments.

D. Loan-Backed Securities

- (1) The Company uses widely accepted models for prepayment assumptions in valuing loan-backed securities with inputs from major third party data providers. The Company's investment policy complies with SSAP No.43R - *Loan-backed and Structured Securities* as adopted by the Wisconsin OCI.
- (2) All securities within the scope of *SSAP No. 43R - Loan-backed and Structured Securities* with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment:



## Notes to Financial Statements

	(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	\$ 3,385,697	\$ 381,603	\$ 3,004,094
b. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
c. Total 1st Quarter	\$ 3,385,697	\$ 381,603	\$ 3,004,094
OTTI recognized 2nd Quarter			
d. Intent to sell	\$ —	\$ —	—
e. Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis	—	—	—
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 for a period of time sufficient to recover the amortized cost basis	—	—	—
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 for a period of time sufficient to recover the amortized cost basis	—	—	—
l. Total 4th Quarter	\$ —	\$ —	—
m. Annual Aggregate Total	\$ 3,385,697	\$ 381,603	\$ 3,004,094

For the three months ending March 31, 2019, the Company recognized an other-than-temporary impairment of \$381,603 on one security due to a planned sale in April 2019, reported as a component of net realized capital gains (losses) on the Statement of Income. The security was successfully sold in April 2019. The Company has not recognized any other other-than-temporary impairments for the year ended December 31, 2019.

- (3) For the year ended December 31, 2019, the Company did not recognize any other-than-temporary impairment on any securities due to the present value of cash flows expected to be collected is less than the amortized cost basis in the security.
- (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 (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):
- (a) The aggregate amount of unrealized losses:
- |                        |            |
|------------------------|------------|
| 1. Less than 12 Months | \$ 101,655 |
| 2. 12 Months or Longer | \$ 44,322  |
- (b) The aggregate related fair value of securities with unrealized losses:
- |                        |               |
|------------------------|---------------|
| 1. Less than 12 Months | \$ 18,736,637 |
| 2. 12 Months or Longer | \$ 4,600,181  |
- (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.

## Notes to Financial Statements

To make this determination for each security, the Company considers its intent to sell the security and whether it is more likely than not that the Company would be required to sell the security before recovery, extent and duration of the decline, failure of the issuer to make scheduled interest or principal payments, change in rating below investment grade and adverse conditions specifically related to the security, an industry, or a geographic area.

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, an impairment charge is recorded within net realized investment gains in the statements of operations in the period such determination is made. The Company recognized an other-than-temporary impairment of \$381,603 for the year ended December 31, 2019. The impairment was recognized in the first quarter and as of December 31, 2019, the Company did not hold other-than-temporarily impaired securities.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

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

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None.

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

None.

H. Repurchase Agreements Transactions Accounted for as a Sale

None.

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

None.

J. Real Estate

The Company does not have investments in real estate.

K. Low-Income Housing Tax Credits (LIHTC)

The Company does not have investments in low income housing credits.

L. Restricted Assets

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted						
	Current Year					6	7
	1	2	3	4	5		
Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activities (b)	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	
a. Subject to contractual obligation for which liability is not shown	\$ 2,661,738	\$ —	\$ —	\$ —	\$ 2,661,738	\$ 1,414,490	\$ 1,247,248
b. Collateral held under security lending agreements	—	—	—	—	—	—	—
c. Subject to repurchase agreements	—	—	—	—	—	—	—

## Notes to Financial Statements

d. Subject to reverse repurchase agreements	—	—	—	—	—	—	—
e. Subject to dollar repurchase agreements	—	—	—	—	—	—	—
f. Subject to dollar reverse repurchase agreements	—	—	—	—	—	—	—
g. Placed under option contracts	—	—	—	—	—	—	—
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	—	—	—	—	—	—	—
i. FHLB capital stock	—	—	—	—	—	—	—
j. On deposit with states	5,259,263	—	—	—	5,259,263	5,224,600	34,663
k. On deposit with other regulatory bodies	—	—	—	—	—	—	—
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—	—	—	—	—
m. Pledged as collateral not captured in other categories	—	—	—	—	—	—	—
n. Other restricted assets	—	—	—	—	—	—	—
o. Total Restricted Assets	\$ 7,921,001	\$ —	\$ —	\$ —	\$ 7,921,001	\$ 6,639,090	\$ 1,281,911

(a) Subset of Column 1

(b) Subset of Column 3

## Notes to Financial Statements

Restricted Asset Category	Current Year			
	8	9	Percentage	
	Total Nonadmitted Restricted	Total Admitted Restricted	10 Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	11 Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$ —	\$ 2,661,738	0.22%	0.23%
b. Collateral held under security lending agreements	—	—	—%	—%
c. Subject to repurchase agreements	—	—	—%	—%
d. Subject to reverse repurchase agreements	—	—	—%	—%
e. Subject to dollar repurchase agreements	—	—	—%	—%
f. Subject to dollar reverse repurchase agreements	—	—	—%	—%
g. Placed under option contracts	—	—	—%	—%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	—	—	—%	—%
i. FHLB capital stock	—	—	—%	—%
j. On deposit with states	—	5,259,263	0.44%	0.45%
k. On deposit with other regulatory bodies	—	—	—%	—%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	—	—	—%	—%
m. Pledged as collateral not captured in other categories	—	—	—%	—%
n. Other restricted assets	—	—	—%	—%
<b>o. Total Restricted Assets</b>	<b>—</b>	<b>7,921,001</b>	<b>0.66%</b>	<b>0.68%</b>

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories

The Company does not have assets pledged as collateral not captured in other categories.

## Notes to Financial Statements

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

The Company does not have other restricted assets.

- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

The Company did not receive collateral that is reflected as Assets within its Financial Statements.

### M. Working Capital Finance Investments

The Company does not have working capital finance investments.

### N. Offsetting and Netting of Assets and Liabilities

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

### O. 5GI Securities

The Company does not have any 5GI securities.

### P. Short Sales

The Company does not have any short sale transactions.

### Q. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs	4	—
(2) Aggregate amount of Investment Income	\$100,436	—

## 6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.
- B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

## 7. Investment Income

- A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:
- The Company does not admit any investment income due and accrued for amounts that are over 90 days past due.
- B. The total amount excluded:
- The Company did not exclude any investment income as of December 31, 2019 and December 31, 2018.

## 8. Derivative Instruments

- A. Derivatives under *SSAP No. 86 - Derivatives*
- Not applicable. The Company has no derivative instruments.
- B. Derivatives under *SSAP No. 108 - Derivative Hedging Variable Annuity Guarantees*
- Not applicable. The Company has no derivative instruments.

## Notes to Financial Statements

## 9. Income Taxes

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

1.	December 31, 2019			December 31, 2018			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total	(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 7 + 8) Total
(a) Gross deferred tax assets	\$ 69,202,744	\$ 158,843	\$ 69,361,587	\$ 66,729,350	\$ 381,351	\$ 67,110,701	\$ 2,473,394	\$ (222,508)	\$ 2,250,886
(b) Statutory valuation allowance adjustments	—	—	—	—	—	—	—	—	—
(c) Adjusted gross deferred tax assets (1a - 1b)	69,202,744	158,843	69,361,587	66,729,350	381,351	67,110,701	2,473,394	(222,508)	2,250,886
(d) Deferred tax assets nonadmitted	13,629,588	158,843	13,788,431	13,872,214	381,351	14,253,565	(242,626)	(222,508)	(465,134)
(e) Subtotal net admitted deferred tax assets (1c - 1d)	55,573,156	—	55,573,156	52,857,136	—	52,857,136	2,716,020	—	2,716,020
(f) Deferred tax liabilities	430,023	—	430,023	295,846	—	295,846	134,177	—	134,177
(g) Net admitted deferred tax asset/(Net deferred tax liability) (1e - 1f)	\$ 55,143,133	\$ —	\$ 55,143,133	\$ 52,561,290	\$ —	\$ 52,561,290	\$ 2,581,843	\$ —	\$ 2,581,843

## 2. Admission Calculation Components

Admission calculation components SSAP No. 101	December 31, 2019			December 31, 2018			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total	(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 7 + 8) Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (the lesser of 2(b)1 and 2(b)2 below)	55,143,133	—	55,143,133	52,561,290	—	52,561,290	2,581,843	—	2,581,843
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	72,673,602	—	72,673,602	64,780,459	—	64,780,459	7,893,143	—	7,893,143
2. Adjusted gross deferred tax assets allowed per limitation threshold	55,143,133	—	55,143,133	52,561,290	—	52,561,290	2,581,843	—	2,581,843
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	430,023	—	430,023	295,846	—	295,846	134,177	—	134,177
(d) Deferred tax assets admitted as the result of application of SSAP No. 101 Total (2(a) + 2(b) + 2(c))	\$ 55,573,156	\$ —	\$ 55,573,156	\$ 52,857,136	\$ —	\$ 52,857,136	\$ 2,716,020	\$ —	\$ 2,716,020

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

	December 31, 2019	December 31, 2018
(a) Ratio percentage used to determine recovery period and threshold limitation amount	209%	264%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 54,929,559	\$ 52,561,290

## Notes to Financial Statements

## 4. Impact of Tax Planning Strategies

December 31, 2019		December 31, 2018		Change	
(1)	(2)	(3)	(4)	(5) (Col 1 - 3)	(6) (Col 2 - 4)
Ordinary	Capital	Ordinary	Capital	Ordinary	Capital

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage

1. Adjusted gross DTAs amount from note 9A1(c)	\$ 69,202,744	\$ 158,843	\$ 66,729,350	\$ 381,351	\$ 2,473,394	\$ (222,508)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	92%	—%	91%	—	1%	—
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	\$ 55,573,156	\$ —	\$ 52,857,136	\$ —	\$ 2,716,020	\$ —
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	91%	—%	90%	—	1%	—

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

Yes  No

B. The Company does not have any temporary differences for which deferred tax liabilities are not recognized.

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

	2019	2018	Change
1. Current income tax			
(a) Federal	\$ 8,440,267	\$ 24,031,409	\$ (15,591,142)
(b) Foreign	—	—	—
(c) Subtotal	8,440,267	24,031,409	(15,591,142)
(d) Federal income tax on net capital gains	15,167	108,290	(93,123)
(e) Utilization of capital loss carry-forwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ 8,455,434	\$ 24,139,699	\$ (15,684,265)

## Notes to Financial Statements

	December 31, 2019	December 31, 2018	Change
2. Deferred tax assets			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ 163,769	\$ 76,649	\$ 87,120
(2) Unearned premium reserve	5,081,096	5,388,174	(307,078)
(3) Policyholder reserves	63,447,766	60,433,004	3,014,762
(4) Investment	—	—	—
(5) Deferred acquisition costs	—	—	—
(6) Policyholder dividends accrual	—	—	—
(7) Fixed assets	—	—	—
(8) Compensation and benefits accrual	—	—	—
(9) Pension accrual	—	—	—
(10) Receivables - nonadmitted	39,691	32,801	6,890
(11) Net operating loss carry-forward	—	—	—
(12) Tax credit carry-forward	—	—	—
(13) Other (including items < 5% of total ordinary tax assets)	470,422	798,722	(328,300)
(99) Subtotal	<u>69,202,744</u>	<u>66,729,350</u>	<u>2,473,394</u>
(b) Statutory valuation allowance adjustment	—	—	—
(c) Nonadmitted	<u>13,629,588</u>	<u>13,872,214</u>	<u>(242,626)</u>
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	55,573,156	52,857,136	2,716,020
(e) Capital:			
(1) Investments	158,843	160,890	(2,047)
(2) Net capital loss carry-forward	—	—	—
(3) Real estate	—	—	—
(4) Other (including items <5% of total capital tax assets)	—	—	—
(5) Tax effect of unrealized losses	—	220,461	(220,461)
(99) Subtotal	<u>158,843</u>	<u>381,351</u>	<u>(222,508)</u>
(f) Statutory valuation allowance adjustment	—	—	—
(g) Nonadmitted	<u>158,843</u>	<u>381,351</u>	<u>(222,508)</u>
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	—	—
(i) Admitted deferred tax assets (2d + 2h)	<u>55,573,156</u>	<u>52,857,136</u>	<u>2,716,020</u>
3. Deferred tax liabilities			
(a) Ordinary:			
(1) Investments	—	—	—
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other (including items <5% of total ordinary tax liabilities)	—	—	—
(6) Amortized discount	412,027	275,762	136,265
(7) Loss reserves (Rev. Proc. 2019-06)	17,996	20,084	(2,088)
(99) Subtotal	<u>430,023</u>	<u>295,846</u>	<u>134,177</u>
(b) Capital			
(1) Investments	—	—	—
(2) Real estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
(99) Subtotal	<u>—</u>	<u>—</u>	<u>—</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 430,023</u>	<u>\$ 295,846</u>	<u>\$ 134,177</u>
4. Net deferred tax assets/(liabilities) (2i - 3c)	<u>\$ 55,143,133</u>	<u>\$ 52,561,290</u>	<u>\$ 2,581,843</u>



## Notes to Financial Statements

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

	December 31, 2019	December 31, 2018	Change
(a) Total deferred tax assets	\$ 69,361,587	\$ 67,110,701	\$ 2,250,886
(b) Valuation allowance	—	—	—
(c) Total deferred tax liabilities	430,023	295,846	134,177
(d) Net deferred tax assets/(liabilities)	\$ 68,931,564	\$ 66,814,855	\$ 2,116,709
(e) Tax effect of unrealized gains/(losses)	—	(220,461)	220,461
(f) Change in net deferred income tax	\$ 68,931,564	\$ 66,594,394	\$ 2,337,170

D. The difference between income tax expense as computed at the federal statutory rates and the Company's actual income tax expense is primarily attributable to certain non-deductible differences.

	For the Year Ended December 31, 2019	Effective Tax Rate
(a) Provision computed at statutory rate	\$ 4,763,426	21.00%
(1) Permanent items	1,363,961	6.01
(2) Change in valuation allowance	—	—
(3) Deferred only adjustment	—	—
(4) Change in nonadmitted assets	(6,890)	(0.03)
(5) Return to provision true-up	(2,233)	(0.01)
(6) Deferred - re-rate	—	—
(7) Deferred - re-rate - VA	—	—
(b) Total	\$ 6,118,264	26.97%
(1) Federal income taxes incurred	\$ 8,440,267	37.20%
(2) Federal income taxes incurred - capital gains (loss)	15,167	0.07
(3) Change in net deferred income taxes	(2,337,170)	(10.30)
(c) Total statutory income taxes	\$ 6,118,264	26.97%

As a mortgage guaranty insurance company, the Company is eligible to claim a tax deduction for its statutory contingency reserve, subject to certain limitations outlined under IRC Section 832(e), and only to the extent the Company acquires tax and loss bonds ("T&L Bonds") in an amount equal to the tax benefit derived from the claimed deduction, which is the intent. As of December 31, 2019, the Company held \$7.6 million of T&L Bonds, resulting from current period purchases, which are included in investments in the Company's balance sheet.

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

- The Company does not have federal or foreign net operating losses for the current and prior years available to offset future taxable income.
- Under the terms of the tax sharing agreement, the Company has not incurred federal or foreign income taxes in the current and prior years that will be available for recoupment in the event of future net losses.
- The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated federal income tax return

- The Company's federal income tax return is consolidated with the following entities:  
NMI Holdings, Inc.  
National Mortgage Reinsurance Inc One  
NMI Services, Inc.
- The Company is a party to a tax sharing agreement with NMI Holdings Inc. ("NMI") and its subsidiaries, effective August 23, 2012, which was subsequently amended on September 1, 2016. Under the original and amended agreement, each of the parties agreed to file consolidated federal income tax returns for all tax years beginning in and subsequent to 2012, with NMI as the direct filer and tax payer. The tax liability of each subsidiary that is party to the agreement is limited to the amount of liability it would incur if it filed separate returns. Intercompany tax balances are settled according to the terms of the approved agreement.

G. Federal or foreign income tax loss contingencies

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

## Notes to Financial Statements

### H. Repatriation Transition Tax (RTT)

The Company does not have any foreign operations during the year ended December 31, 2019 and December 31, 2018 and therefore is not subject to the Repatriation Transition Tax (“RTT”) or Global Intangible Low-Taxed Income Tax (“GILTI”).

### I. Alternative Minimum Tax (AMT) Credit

For the period ended December 31, 2018, the Company had an AMT credit carryforward of \$963,628 from prior years. Pursuant to the Company’s tax sharing agreement, the credit balance was held by NMI. The Company did not have any Alternative Minimum Tax (“AMT”) credit carryforward as of the period ended December 31, 2019 as the entire credit was used to offset tax liability on its 2018 consolidated return.

	<u>Amount</u>
(1) Gross AMT Credit Recognized as:	
a. Current year recoverable	\$ —
b. Deferred tax asset (DTA)	—
(2) Beginning Balance of AMT Credit Carryforward	\$ —
(3) Amounts Recovered	—
(4) Adjustments	—
(5) Ending Balance of AMT Credit Carryforward (5 = 2 - 3 - 4)	—
(6) Reduction for Sequestration	—
(7) Nonadmitted by Reporting Entity	—
(8) Reporting Entity Ending Balance (8 = 5 - 6 - 7)	<u>\$ —</u>

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

### A. Nature of Relationships

The Company, National Mortgage Reinsurance Inc One (“Re One”) and NMI Services, Inc. (“NMIS”) are wholly-owned by NMI Holdings, Inc., a Delaware corporation. On November 8, 2013, NMI completed an initial public offering and its common stock began trading on the NASDAQ under the symbol “NMIH.”

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

On April 18, 2018, the Company received a capital contribution of \$70 million in cash from its parent company, NMI. The Company recorded the contribution as paid-in and contributed surplus.

The Company did not have any transactions greater than ½% of admitted assets for the year ended December 31, 2019.

### C. Change in Terms of Intercompany Arrangements

There have been no changes in terms of Intercompany Agreements since December 31, 2018. *See Note 10 - F - Management, Service contracts and Cost Sharing Arrangements*

### D. Amounts Due to or from Related Parties

As of December 31, 2019 and December 31, 2018, the Company reported the following amounts due to and due from related parties:

	<u>December 31, 2019</u>	<u>December 31, 2018</u>
Due to NMI Holdings Inc.	61,092,236	40,528,820
Due to NMI Services, Inc.	130,455	25,415
Amounts Due to Related Parties	<u>61,222,691</u>	<u>40,554,235</u>

The Company settles intercompany tax balances under the terms of the tax sharing agreement with NMI, Re One and NMIS. *See Note 9 - Income Taxes.*

All remaining intercompany balances outstanding are settled within the terms of the cost allocation agreement with NMI, Re One and NMIS. The agreement requires that intercompany balances be settled no later than 60 days after each calendar quarter. *See Note 10 - F - Management, Service contracts, Cost Sharing Arrangements.*

### E. Guarantees or Undertaking for Related Parties

The Company has no guarantees or undertakings for related parties.

## Notes to Financial Statements

### F. Management, Service contracts, Cost Sharing Arrangements

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

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

On March 10, 2017, NMI received approval from the State of Wisconsin to allocate the interest expense on its amended term loan due November 2019 (“2015 Term Loan”) to the Company, consistent with the benefits the Company received from the loan proceeds. On May 9, 2018, the State of Wisconsin extended its approval for NMI to allocate the interest expense for replacement financing to the 2015 Term Loan provided that the replacement financing is secured on better terms and a better interest rate than the 2015 Term loan. The approval also extended to a revolving credit facility of up to \$85 million.

On May 24, 2018, NMI entered into a credit agreement (“2018 Credit Agreement”), which provided for a \$150 million five-year senior secured term loan facility (“2018 Term Loan”) and a \$85 million three-year secured revolving credit facility (“2018 Revolving Credit Facility”). Proceeds from the 2018 Term Loan were used to repay in full the outstanding amount due under NMI’s 2015 Term Loan and to pay fees and expenses incurred in connection with the 2018 Credit Agreement. The 2018 Credit Agreement replaced the 2015 Term Loan and is secured on better terms and interest rate. Under its terms, the State of Wisconsin approval described in the preceding paragraph applies to the 2018 Credit Agreement.

On December 18, 2019, NMI received approval to allocate the expense for share-based compensation for the year ended December 31, 2019 and future periods. For the year ended December 31, 2019, NMI charged the Company \$10,251,229 of direct employee costs related to share-based compensation.

### G. Nature of Relationships that Could Affect Operating Results or Financial Position

All outstanding shares of the Company are owned by NMI.

### H. Amount Deducted for Investment in Upstream Company

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

### I. Detail of Investments in Subsidiaries, Controlled, and Affiliated (“SCA”) Entities in Excess of 10% of Admitted Assets

The Company has no investments in SCA entities.

### J. Write downs for Impairment of Investments in SCA entities

The Company has no investments in SCA entities.

### K. Foreign Subsidiary Valued Using CARVM

The Company has no investments in foreign subsidiaries.

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

The Company has no investments in a downstream holding company.

### M. All SCA Investments

The Company has no investments in SCA entities.

## Notes to Financial Statements

N. Investment in Insurance SCAs

The Company has no investments in Insurance SCA entities.

O. SCA or SSAP No. 48 Loss Tracking

Not applicable. The Company has no investments in SCA entities or SSAP No. 48 Entities.

### 11. Debt

A. The Company has no debt obligations as of December 31, 2019.

B. FHLB (Federal Home Loan Bank) Agreements

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. Investment Policies

Not applicable.

C. Fair Value of Plan Assets

Not applicable.

D. Rate of Return Assumptions

Not applicable.

E. Defined contribution plans

The Company does not contribute to defined contribution pension and other defined contribution postretirement benefit plans

F. Multiemployer Plans

The Company does not contribute to multiemployer plans.

G. Consolidated/Holding Company Plans

Not applicable.

H. Postemployment benefits and Compensated Absences

The Company does not provide postemployment benefits.

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

The Company does not provide postretirement benefits.

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

(1) Number of Shares and Par or Stated Value of Each Class

The Company has 63,250,000 shares of \$0.04 par value authorized common stock, all of which is issued and outstanding. The Company has no other classes of equity stock authorized, issued or outstanding.

(2) Dividend Rate, Liquidation value and Redemption Schedule of Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

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

## Notes to Financial Statements

within the preceding 12 months does not exceed the lesser of (i) 10% of the insurer's statutory policyholders' surplus as of the preceding December 31 or (ii) adjusted net income. Adjusted net income is calculated as the greater of (a) the net income, excluding capital gains, for the immediately preceding calendar year or (b) the aggregate net income, excluding capital gains, for the 3 immediately preceding calendar years, minus shareholder distributions made in the first two of three aforementioned calendar years. Dividends that exceed this amount are extraordinary and require prior approval of the Commissioner. Additionally, statutory minimum capital requirements may limit the amount of dividend that the Company may pay.

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.

The Company's ability to pay dividends may also be restricted pursuant to the Private Mortgage Insurer Eligibility Requirements ("PMIERS") as established by Freddie Mac and Fannie Mae ("GSE"). Under the PMIERS, mortgage insurers are required to maintain Available Assets in excess of Minimum Required Assets (as defined in section 703 of the PMIERS). Mortgage insurers that do not meet this capital requirement are prohibited to pay dividends without prior written approval of the GSE.

#### (4) Dates and Amounts of Dividends Paid

The Company did not declare or pay any dividends during the years ended December 31, 2019 and 2018. NMIC has never paid any dividends to NMI.

#### (5) Amount of Ordinary Dividends That May Be Paid

The amount of Ordinary Dividends that may be paid by the company is \$14,613,073. *See Item 3 - Dividend Restrictions above.*

#### (6) Restrictions of Unassigned Funds

None

#### (7) Mutual Surplus Advance

The Company is not a mutual or similarly organized company.

#### (8) Company Stock held for Special Purposes

The Company holds no stock for special purposes.

#### (9) Changes in Special Surplus Funds

The Company has no special surplus funds.

#### (10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0, as of December 31, 2019.

The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$829,352 (net of capital gains tax of \$220,461), as of December 31, 2018.

#### (11) Surplus Notes

The Company has not issued surplus notes. Not applicable.

#### (12) The Impact of any Restatement due to Prior Quasi-Reorganizations

Not applicable.

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

The Company recorded a quasi-reorganization effective March 31, 2013 to reclassify cumulative net losses generated prior to acquisition in the second quarter of 2012. There are no other quasi-reorganizations.

### 14. Liabilities, Contingencies and Assessments

#### A. Contingent Commitments

The Company has no contingent commitments.

## Notes to Financial Statements

### B. Assessments

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

### C. Gain Contingencies

The Company has no gain contingencies.

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

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

### E. Product Warranties

The Company has no product warranties.

### F. Joint and Several Liabilities

The Company has no joint and several liabilities.

### G. All Other Contingencies

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

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

Sec. 3.09 (14) of the Wisconsin Administrative Code ("Wisconsin Code") allows withdrawals from the reserve in any year to the extent that incurred claims and claim adjustment expenses exceed 35% of earned premiums. Additionally, in order to receive a tax benefit for the deduction of the additions to the statutory contingency reserve, the Company may purchase U.S. government issued tax and loss bonds in the amount equal to the tax benefit. These non-interest-bearing bonds are held in investments for maintaining the statutory liability for ten years or until such time as the contingency reserve is released back into surplus.

The company established contingency reserves in the amount of \$523,992,403 and \$325,398,876 as of December 31, 2019 and 2018, respectively. The contingency reserve calculation is based on 50% of gross premiums earned for the years ended December 31, 2019 and December 31, 2018. The Company did not have contingency reserve withdrawals for the years ended December 31, 2019 and December 31, 2018.

Per the Wisconsin Code, the Company records changes in the contingency reserve through the income statement as an underwriting expense, which differs from NAIC SAP. *See Note 1 - Item A - Accounting Practices* above.

As of December 31, 2019 and December 31, 2018, the Company had net admitted assets of \$46,076,257 and \$35,983,723, respectively, related to premiums receivable due from policyholders. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any potential uncollectible premiums receivable as of the end of the current year are not expected to exceed the nonadmitted amount, and therefore, no additional provision for uncollected amounts have been recorded. The potential for any additional loss is not expected to be material to the Company's financial condition.

## 15. Leases

### A. Lessee Operating Leases

The Company has no lease obligation. NMI entered into an office facility lease effective July 1, 2012 for a term of two years. In October 2013, NMI amended the facility's lease to (i) add 23,000 square feet of furnished office space, and (ii) extend the facility's lease period through October 31, 2017. In December 2016, NMI amended its lease to extend the term of the lease through March 2023. Under the cost allocation agreement, the Company was allocated rental expense of \$2,068,182 and \$2,037,319 related to leases in 2019 and 2018. *See Note 10 - Information Concerning Parent, Subsidiaries and Other Related Parties - F - Management, Service contracts, Cost Sharing Arrangements* for more information on the cost allocation agreement.

### B. Lessor Leases

The Company has no lessor activity.

## Notes to Financial Statements

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

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

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

#### A. Transfers of Receivables Reported as Sales

The Company had no transfers of receivables reported as sales.

#### B. Transfers and Servicing of Financial Assets

The Company had no transfer or servicing of financial assets.

#### C. Wash Sales

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

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

#### A. Administrative Services Only (ASO) Plans

Not applicable.

#### B. Administrative Services Contract (ASC) Plans

Not applicable.

#### C. Medicare or Similarly Structured Cost Based Reimbursement contract

Not applicable.

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

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

### 20. Fair Value Measurements

#### A. Inputs Used for Assets and Liabilities at Fair Value

##### (1) Fair Value Measurements at Reporting Date

Not applicable

##### (2) Fair Value Measurements in Level 3 of the Fair Value Hierarchy

Not applicable.

##### (3) Policy on transfers between levels of the Fair Value Hierarchy

The Company's policy is to recognize transfers between levels of the Fair Value Hierarchy at the end of the reporting period, consistent with the date of the determination of fair value.

##### (4) Valuation techniques and inputs used for Level 2 and Level 3 of the Fair Value Hierarchy

*See Note 20 - C - Fair Values for All Financial Instruments by Levels 1, 2 and 3*

##### (5) Fair Value Disclosures for Derivative Assets and Liabilities

Not applicable. The Company does not have any derivative assets and liabilities.

#### B. Other Fair Value Disclosures

Not Applicable.

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

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three- levels as described below.

## Notes to Financial Statements

Type of Financial Instrument	Fair Value	Admitted Value	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
<b>Financial instruments - assets</b>							
Bonds	\$ 1,054,620,993	\$ 1,027,759,746	\$ 50,158,018	\$ 1,004,462,975	\$ —	\$ —	—
Preferred stocks	—	—	—	—	—	—	—
Common stocks	—	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—	—
Cash, cash equivalents and short term investments	42,473,394	42,467,490	42,473,394	—	—	—	—
<b>Total assets</b>	<b>\$ 1,097,094,387</b>	<b>\$ 1,070,227,236</b>	<b>\$ 92,631,412</b>	<b>\$ 1,004,462,975</b>	<b>\$ —</b>	<b>\$ —</b>	<b>—</b>
<b>Financial instruments - liabilities</b>							
<b>Total liabilities</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>—</b>

There were no transfers between Level 1 and Level 2 of the fair value hierarchy during the twelve months ended December 31, 2019.

The following describes the valuation techniques used by the Company to determine the fair value of financial instruments held as of December 31, 2019.

The Company established a fair value hierarchy by prioritizing the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under this standard are described below:

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

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. Not Practicable to Estimate Fair Values

Not Applicable.

E. Investments measured using the NAV practical expedient pursuant to SSAP No. 100R - Fair Value

Not Applicable.

**21. Other Items**

A. Unusual or Infrequent Items

The Company has no Unusual or Infrequent Items.

B. Troubled Debt Restructuring: Debtors

The Company has no troubled debt restructurings.

C. Other Disclosures

In connection with securing state licenses, the Company has placed funds on deposit with certain states. As of December 31, 2019 and 2018, the total amount on deposit with all states was \$5,259,263 and \$5,224,600, respectively.



## Notes to Financial Statements

In connection with the 2018 Insurance Linked Notes Transaction on July 2018 and 2019 Insurance Linked Notes Transaction on July 2019, the Company has placed funds on deposit with a custodian. As of December 31, 2019, the total amount on deposit with the custodian was \$2,661,738. For further information on the 2018 Insurance Linked Notes Transaction and 2019 Insurance Linked Notes Transaction, *see Footnote 23 - Reinsurance, Excess of Loss Reinsurance.*

**D. Business Interruption Insurance Recoveries**

The Company has no business interruption insurance recoveries.

**E. State Transferable and Non-transferable Tax Credits**

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

**F. Subprime Mortgage Related Risk Exposure**

The Company has no subprime mortgage related risk exposure.

**G. Insurance-Linked Securities (ILS) Contracts**

	Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
Management of Risk Related To:		
(1) Directly Written Insurance Risks	—	\$—
a. ILS Contracts as Issuer	—	\$—
b. ILS Contracts as Ceding Insurer	3	\$565,692,237
c. ILS Contracts as Counterparty	—	\$—
(2) Assumed Insurance Risks	—	\$—
a. ILS Contracts as Issuer	—	\$—
b. ILS Contracts as Ceding Insurer	—	\$—
c. ILS Contracts as Counterparty	—	\$—

For discussion of the Excess of loss reinsurance agreements, *see Footnote 23 - Reinsurance, Excess of Loss Reinsurance*

**H. The amount that could be realized on life insurance where the reporting entity is owner and beneficiary or has otherwise obtained rights to control the policy**

Not applicable. The Company has no life insurance policies where it is the owner and beneficiary or has otherwise obtained rights to control the policy.

### 22. Subsequent Events

The Company has performed subsequent event procedures through February 24, 2020 which is the date the statutory basis financial statements were available for issuance.

	<u>Current Year</u>	<u>Prior Year</u>
A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the federal Affordable Care Act (YES/NO?)	No	No
B. ACA fee assessment payable for the upcoming year	—	—
C. ACA fee assessment paid	—	—
D. Premium written subject to ACA 9010 assessment	—	—
E. Total Adjusted Capital before surplus adjustment (Five-Year Historical Line 28)	—	—
F. Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 28 minus 22B above)	—	—
G. Authorized Control Level (Five-Year Historical Line 29)	—	—
H. Would reporting the ACA assessment as of December 31, 2019, have triggered an RBC action level (YES/NO?)	No	No

## Notes to Financial Statements

### 23. Reinsurance

The Company enters into third-party reinsurance transactions to actively manage its risk, ensure PMIERS, state regulatory and other applicable capital compliance and support the growth of its business. The GSEs and the Wisconsin OCI have non-disapproved all such transactions (subject to certain conditions and ongoing review, including levels of approved capital credit).

#### *Excess of loss reinsurance*

The Company has entered into excess-of-loss reinsurance agreements with Oaktown Re. Ltd., Oaktown Re. II, Ltd. and Oaktown Re. III, Ltd. (special purpose reinsurance entities collectively referred to as the “Oaktown Re Vehicles”) effective May 2, 2017, July 25, 2018 and July 30, 2019, respectively. Each agreement provides NMIC with aggregate excess-of-loss reinsurance coverage on a defined portfolio of mortgage insurance policies written during a discrete period. Under each agreement, NMIC retains a first layer of aggregate loss exposure on covered policies and the respective Oaktown Re Vehicle then provides second layer loss protection up to a defined reinsurance coverage amount. NMIC then retains losses in excess of the respective reinsurance coverage amounts.

The respective reinsurance coverage amounts provided by the Oaktown Re Vehicles decrease from the inception of each agreement over a ten-year period as the underlying insured mortgages are amortized or repaid, and/or the mortgage insurance coverage is canceled. The respective outstanding reinsurance coverage amounts stop amortizing if certain credit enhancement or delinquency thresholds, as defined in each agreement, are triggered.

NMIC makes risk premium payments to the Oaktown Re Vehicles for the applicable outstanding reinsurance coverage amount and pays an additional premium amount for anticipated operating expenses (capped at \$300 thousand per year to Oaktown Re Ltd. and \$250 thousand per year to Oaktown Re II, Ltd. and Oaktown Re III, Ltd.). The monthly reinsurance premiums are equal to the interest payable on ILN Notes, less investment income earned on the reinsurance trust balances. NMIC ceded aggregate premiums to the Oaktown Re Vehicles of \$14.6 million and \$9.6 million for the year ended December 31, 2019 and December 31, 2018, respectively.

NMIC applies claims paid on covered policies against its first layer aggregate retained loss exposure under each excess of loss agreement. NMIC did not cede any incurred losses on covered policies to the Oaktown Re Vehicles during the year ended December 31, 2019 and December 31, 2018, as the aggregate first layer risk retention was not exhausted under each agreement during such periods.

Under the terms of each excess-of-loss reinsurance agreement, each Oaktown Re Vehicle is required to fully collateralize its outstanding reinsurance coverage amount to NMIC with funds deposited into segregated reinsurance trusts. Such trust funds are required to be invested in high credit quality / short-term U.S. Treasury money market funds at all times. Each Oaktown Re Vehicle financed its respective collateral requirement through the issuance of mortgage insurance-linked notes (ILN Notes) to unaffiliated investors. Each ILN note matures ten years from its respective issuance date. The Company refer to the reinsurance agreements with and the ILN Notes issuances by Oaktown Re Ltd., Oaktown Re II, Ltd. and Oaktown Re III, Ltd. individually as the 2017 ILN Transaction, 2018 ILN Transaction and 2019 ILN Transaction, and collectively as the ILN Transactions.

The following tables summarizes the inception date, covered production period, initial and current reinsurance coverage amount, and initial and current first layer retained aggregate loss under each of the ILN Transactions.

<i>(\$ values in Thousands)</i>	<b>Inception Date</b>	<b>Covered Production</b>	<b>Initial Coverage at Issuance</b>	<b>Current Reinsurance Coverage</b>	<b>Initial First Layer Retained Loss</b>	<b>Current First Layer Retained Loss</b>
2017 ILN Transaction	May 2, 2017	1/1/2013 - 12/31/2016	\$211,320	\$61,900	\$126,800	123,330
2018 ILN Transaction	July 25, 2018	1/1/2017 - 5/31/2018	264,545	202,396	125,300	124,594
2019 ILN Transaction	July 30, 2019	6/1/2018 - 6/30/2019	326,905	301,396	123,400	123,424

NMIC holds optional termination rights under each ILN Transaction in the event of certain occurrences, including, among others, an optional call feature which provides NMIC the discretion to terminate the transaction at five years from inception, and a clean-up call if the outstanding reinsurance coverage amount amortizes to 10% or less of the reinsurance coverage amount at inception or if NMIC reasonably determines that changes to GSE or rating agency asset requirements would cause a material and adverse effect on the capital treatment afforded to NMIC under a given agreement. In addition, there are certain events that trigger mandatory termination of an agreement, including NMIC's failure to pay premiums or consent to reductions in a trust account to make principal payments to noteholders, an early call option, among others.

## Notes to Financial Statements

Under the terms of the 2018 ILN Transaction and the 2019 ILN Transaction, NMIC is required to maintain a certain level of restricted funds in premium deposit accounts with Bank of New York Mellon until the respective notes have been redeemed in full. "Cash and cash equivalents" on our balance sheet includes restricted cash of \$2.7 million as of December 31, 2019. NMIC is not required to deposit additional funds into the premium deposit accounts in the future and the restricted balances will decrease over time as the principal balance of the respective ILN Notes decline.

### *Quota share reinsurance*

The Company has entered into quota share reinsurance treaties effective September 1, 2016 ("the 2016 QSR Transaction") and January 1, 2018 ("the 2018 QSR Transaction"), which we refer to collectively as the QSR Transactions. Under each of the QSR Transactions, NMIC cedes a proportional share of its risk on eligible policies written during a discrete period to panels of third-party reinsurance providers. Each of the third-party reinsurers has an insurer financial strength rating of A- or better by Standard and Poor's Rating Services (S&P), A.M. Best or both.

Under the 2016 QSR Transaction, NMIC cedes premiums written related to 25% of the risk on eligible primary policies written for all periods through December 31, 2017 and 100% of the risk under our pool agreement with Fannie Mae. The 2016 QSR Transaction is scheduled to terminate on December 31, 2027, except with respect to the ceded pool risk, which is scheduled to terminate on August 31, 2023. NMIC has the option, based on certain conditions and subject to a termination fee, to terminate the agreement as of December 31, 2020, or at the end of any calendar quarter thereafter, which would result in NMIC reassuming the related risk.

Under the 2018 QSR Transaction, NMIC cedes premiums earned related to 25% of the risk on eligible policies written in 2018 and 20% of the risk on eligible policies written in 2019. The 2018 QSR Transaction is scheduled to terminate on December 31, 2029. NMIC has the option, based on certain conditions and subject to a termination fee, to terminate the agreement as of December 31, 2022, or at the end of any calendar quarter thereafter, which would result in NMIC reassuming the related risk.

NMIC may terminate either or both of the QSR Transactions without penalty if, due to a change in PMIERS requirements, it is no longer able to take full PMIERS asset credit for the risk-in-force ("RIF") ceded under the respective agreements. Additionally, under the terms of the QSR Transactions, NMIC may elect to selectively terminate its engagement with individual reinsurers on a run-off basis (i.e., reinsurers continue providing coverage on all risk ceded prior to the termination date, with no new cessions going forward) or cut-off basis (i.e., the reinsurance arrangement is completely terminated with NMIC recapturing all previously ceded risk) under certain circumstances. Such selective termination rights arise when, among other reasons, a reinsurer experiences a deterioration in its capital position below a prescribed threshold and/or a reinsurer breaches (and fails to cure) its collateral posting obligations under the relevant agreement.

Effective April 1, 2019, NMIC elected to terminate its engagement with one reinsurer under the 2016 QSR Transaction on a cut-off basis. In connection with the termination, NMIC recaptured approximately \$500 million of previously ceded primary RIF and stopped ceding new premiums earned or written with respect to the recaptured risk. With this termination, ceded premiums written under the 2016 QSR Transaction decreased from 25% to 20.5% on eligible policies. The termination has no effect on the cession of pool risk under the 2016 QSR Transaction.

For historical reasons, the Company cedes premiums and claims to National Mortgage Reinsurance Inc One ("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 that were in effect until January 10, 2019. The reinsurance agreement relating to primary mortgage insurance policies was amended effective September 1, 2016, to reduce the risk ceded by NMIC to Re One, due to the inception of the 2016 QSR Transaction. The amendment was non-disapproved by the OCI in a letter dated September 19, 2016. The agreement was amended on May 2017 to reflect the impact of the 2017 ILN Transaction. OCI non-disapproved the second amendment in a letter dated June 19, 2017.

On March 25, 2019, the Company amended the terms of its intercompany reinsurance agreement with Re One. The amendment in the agreement sets forth formulae to determine reinsurance coverage amounts and reinsurance premiums applicable to certificates issued by NMIC on or after January 1, 2019. Under the formulae, NMIC cedes to Re One, on an excess share basis, the portion of risk on each certificate that exceeds 33.3% of the original loan amount. If the coverage percentage on each certificate is less than 33.3%, no risk will be ceded to Re One. Reinsurance premiums are equal to the portion of risk ceded to Re One divided by the coverage percentage specified on the applicable certificate. The amendment was non-disapproved by the Wisconsin OCI on April 22, 2019.

## Notes to Financial Statements

A. Unsecured Reinsurance Recoverables

The Company does not have an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium that exceeds 3% of the Company's policyholder surplus.

B. Reinsurance Recoverables in Dispute

The Company does not have any reinsurance recoverables in dispute.

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 December 31, 2019, with the return of unearned premium reserves is as follows:

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	\$ —	\$ —	\$ 176,166	\$ 35,233	\$ (176,166)	\$ (35,233)
b. All Other	—	—	15,487,528	3,097,506	(15,487,528)	(3,097,506)
c. Total	\$ —	\$ —	\$ 15,663,694	\$ 3,132,739	\$ (15,663,694)	\$ (3,132,739)
d. Direct Unearned Premium Reserve				\$ 136,642,079		

(2) The additional or return commission, predicted on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements

Not applicable.

(3) Protected Cells

Not applicable.

D. Uncollectible Reinsurance

The Company has not written off any reinsurance as uncollectible.

E. Commutation of Ceded Reinsurance

The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1) Losses incurred	\$	—
(2) Loss adjustment expenses incurred	\$	—
(3) Premiums earned	\$	—
(4) Other	\$	—
(5) <u>Company</u>		<u>Amount</u>
Greenlight Reins Ltd	\$	—

The pool reinsurance agreement between the Company and Re One was terminated September 2016 because NMIC ceded 100% of pool risk under the 2016 QSR Transaction. If the 2016 QSR Transaction is early terminated (ie. before August 31, 2023), the pool reinsurance agreement with Re One will be automatically reinstated.

No losses or loss adjustment expenses were incurred as result of the restructuring, and no premiums were returned.

As described in Note 23, effective April 1, 2019, NMIC elected to terminate its engagement with one reinsurer under the 2016 QSR Transaction on a cut-off basis. In connection with the termination, NMIC recaptured approximately \$500 million of previously ceded primary RIF and stopped ceding new premiums earned or written with respect to the recaptured risk. The termination has no effect on the cession of pool risk under the 2016 QSR Transaction.

With this termination, all outstanding primary cessions (including incurred but unpaid losses) to the reinsurer were settled and no future premium will be ceded to this reinsurer on primary risk under the 2016 QSR Transaction. The settlement resulted in a decrease to the Company's funds withheld in an amount equal to

## Notes to Financial Statements

the related decrease in the Company's ceded unearned premium reserve and ceded loss reserves. Consequently, the settlement of the primary outstanding cessions had no net income impact, but included a reclassification of \$549,016 from change in ceded losses to ceded losses paid.

F. Retroactive Reinsurance

The Company does not have retroactive reinsurance.

G. Reinsurance Accounted for as a Deposit

The Company does not have any reinsurance accounted for as a deposit.

H. Disclosures for the Transfer of Property and Casualty Run-off Agreements

The Company has not entered into any agreements qualified pursuant to SSAP No. 62R, Property and Casualty Reinsurance to receive P&C Run-off Accounting Treatment.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

(1) Reporting entity ceding to certified reinsurer whose rating was downgraded or status subject to revocation

Not applicable. The Company does not have any reinsurance agreements with certified reinsurers.

(2) Reporting entity's certified reinsurer rating downgraded or status subject to revocation

Not applicable. The Company does not have a certified reinsurer rating.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

(1) Significant terms of retroactive reinsurance agreement

Not applicable. The Company has not entered into any agreements pursuant to SSAP No. 62R, Property and Casualty Reinsurance covering asbestos and pollution liabilities.

(2) The amount of unexhausted limit as of the reporting date.

Not applicable. The Company has not entered into any agreements pursuant to SSAP No. 62R, Property and Casualty Reinsurance covering asbestos and pollution liabilities.

### 24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

A. Method Used to Estimate Accrued Retrospective Premium Adjustments

Not applicable.

B. Method Used to Record Retrospective Premium Adjustments

Not applicable.

C. Amount and Percent of Net Retrospective Premiums

Not applicable.

D. Medical Loss Ratio Rebates

Not applicable.

E. Calculation of Nonadmitted Accrued Retrospective Premiums

(1) For Ten Percent (10%) Method of Determining Nonadmitted Retrospective Premium

Not applicable.

(2) For Quality Rating Method of Determining Nonadmitted Retrospective Premium

Not applicable.

F. Risk-Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions (YES/NO?)

No, the Company did not write accident and health insurance premium that is subject to the Affordable Care Act risk-sharing provisions.

## Notes to Financial Statements

### 25. Changes in Incurred Losses and Loss Adjustment Expenses

#### A. Changes in Incurred Losses and Loss Adjustment Expenses

The Company incurred claims and claim adjustment expenses (net of reinsurance) of \$18,677,120 and \$9,705,636 for the years ended December 31, 2019 and 2018, respectively. During 2019, the Company had a \$2,240,244 favorable prior year development for the provision for incurred claim and claim adjustment expenses attributable to insured events for prior years. Loss reserves remaining as of December 31, 2019 for defaults occurring (net of reinsurance) in prior years have been reduced to \$4,221,811, following re-estimation of unpaid claims and claim adjustment expenses. The net increase in loss reserves as of the end of the period is the result of current year defaults of \$14,659,277 offset by current year claims paid of \$203,968 and reinsurance termination of \$549,016. Original loss reserve estimates will be increased or decreased as additional information becomes known regarding individual claims and as claims are settled.

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

The following tables provide claim development data, by accident year, and a reconciliation to the reserve for insurance claims and claim expenses:

Accident Year	Cumulative Incurred Claims and Allocated Claims Adjustment Expenses, net of Reinsurance <sup>(1)</sup>							As of December 31, 2019	
	2013	2014	2015	2016	2017	2018	2019	Total of IBNR	NODs <sup>(2)</sup>
2013	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	—
2014		76	29	4	4	4	4	—	—
2015			626	602	671	689	797	—	1
2016				2,194	1,379	1,605	1,753	—	5
2017					5,936	3,439	3,479	—	34
2018						7,704	5,168	—	174
2019							14,309	1,278	1,234
							<u>25,510</u>	<u>1,278</u>	<u>1,448</u>
							Total		

1) Amounts include case and IBNR reserves.

2) The number of NODs outstanding as of December 31, 2019 is the total number of loans in default over 60 days for which the Company have established reserves.

Accident Year	Cumulative Paid Claims and Allocated Claims Adjustment Expenses, Net of Reinsurance						
	2013	2014	2015	2016	2017	2018	2019
2013	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2014		—	4	4	4	4	4
2015			42	220	622	652	722
2016				155	774	1,429	1,654
2017					26	1,624	2,836
2018						128	1,909
2019							64
							<u>7,189</u>
							Total

#### Reconciliation of Disclosure of Incurred and Paid Claims Development to the Liability for Unpaid Claims and Claim Adjustment Expenses

(In Thousands)

Cumulative Incurred Claims and Allocated Claims Adjustment Expenses, net of Reinsurance	25,510
Cumulative Paid Claims and Allocated Claims Adjustment Expenses, net of Reinsurance	7,189
Liabilities for unpaid claims and allocated claims adjustment expenses, net of reinsurance	18,321
Unallocated claims adjustment expenses	356
Total net liability for unpaid claims and claim adjustment expenses	<u>18,677</u>

## Notes to Financial Statements

The following table shows, on average, the percentage of claims and allocated claims adjustment expenses paid over the years after a claim is incurred.

	Average annual percentage payout of incurred claims and allocated claims adjustment expenses by age, net of reinsurance						
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7
Claims duration disclosure	3%	38%	91%	96%	95%	100%	—%

B. Information about Significant Changes in Methodologies and Assumptions

Not applicable.

### 26. Intercompany Pooling Arrangements

A. Identification of the Lead Entity and all Affiliated Entities Participating in the Intercompany Pool

Not applicable. The Company has no intercompany pooling agreements.

B. Description of Lines and Types of Business Subject to the Pooling Agreement

Not applicable. The Company has no intercompany pooling agreements.

C. Description of Cessions to Non-Affiliated Reinsurance Subject to Pooling Agreement

Not applicable. The Company has no intercompany pooling agreements.

D. Identification of all Pool Members that are Parties to Reinsurance Agreements with Non-Affiliated Reinsurers

Not applicable. The Company has no intercompany pooling agreements.

E. Explanation of Discrepancies between Entries of Pooled Business

Not applicable. The Company has no intercompany pooling agreements.

F. Description of Intercompany Sharing

Not applicable. The Company has no intercompany pooling agreements.

G. Amounts Due To / From Lead Entity and all Affiliated Entities Participating in the Intercompany Pool

Not applicable. The Company has no intercompany pooling agreements.

### 27. Structured Settlements

A - B Not applicable. The Company had no structured settlements.

### 28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Not applicable. The Company has no health care receivables.

B. Risk-Sharing Receivables

Not applicable. The Company has no health care receivables.

### 29. Participating Policies

Not applicable. The Company has no participating policies.

### 30. Premium Deficiency Reserves

The Company has no premium deficiency reserves for the years ended December 31, 2019 and 2018. The Company performs a premium deficiency calculation each fiscal quarter using best estimate assumptions as of the testing date. The Company uses anticipated investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, *Property-Casualty Contracts - Premiums*.

1. Liability carried for premium deficiency reserves	\$	—
2. Date of the most recent evaluation of this liability		December 31, 2019
3. Was anticipated investment income utilized in the calculation?		Yes

## Notes to Financial Statements

### 31. High Deductibles

- A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles

Not applicable. The Company has no reserve credit recorded for high deductibles on unpaid claims.

- B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group Under the Same Management or Control Which Are Greater Than 1% of Capital and Surplus. For this purpose, a group of entities under common control shall be regarded as a single customer.

Not applicable. The Company has no unsecured recoverables on high deductible policies.

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

- A. Tabular Discount

Not applicable. The Company does not discount reserves for unpaid losses or unpaid loss adjustment expenses.

- B. Nontabular Discount

Not applicable. The Company does not discount reserves for unpaid losses or unpaid loss adjustment expenses.

- C. Changes in Rate(s) or Assumptions Used to Discount Prior Years' Liabilities

Not applicable. The Company does not discount reserves for unpaid losses or unpaid loss adjustment expenses.

### 33. Asbestos/Environmental Reserves

- A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses?

No. The Company has no known potential exposure to asbestos claims.

- B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE).

Not applicable. The Company has no known potential exposure to asbestos claims.

- C. State the amount of ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR).

Not applicable. The Company has no known potential exposure to asbestos claims.

- D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to environmental losses?

No. The Company has no known potential exposure to environmental claims.

- E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE).

Not applicable. The Company has no known potential exposure to environmental claims.

- F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR).

Not applicable. The Company has no known potential exposure to environmental claims.

### 34. Subscriber Savings Accounts

Not applicable. The Company is not a reciprocal insurance company.

### 35. Multiple Peril Crop Insurance

Not applicable. The Company does not offer multiple peril crop insurance.

### 36. Financial Guaranty Insurance

A - B Not applicable. The Company is a monoline mortgage guaranty reinsurer and does not engage in the business of financial guaranty insurance.



# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating? Wisconsin
- 1.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[X] No[ ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001547903

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

- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .....12/31/2016.....
- 3.2 State 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. .....12/31/2016.....
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .....03/28/2018.....

- 3.4 By what department or departments?  
Wisconsin Office of the Commissioner of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[ ] No[ ] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]

- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]

- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?  
If yes, complete and file the merger history data file with the NAIC. Yes[ ] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity
.....	.....

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
BDO USA, LLC, One Bush Street, Suite 1700, San Francisco, CA 94104
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is no or n/a please explain:

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Marc Oberholtzer, FCAS, MAAA, PricewaterhouseCoopers LLP, 2001 Market Street, Two Commerce Square Philadelphia, PA 19103, consulting actuary

## GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No[X]  
 12.11 Name of real estate holding company  
 12.12 Number of parcels involved  
 12.13 Total book/adjusted carrying value \$ ..... 0  
 12.2 If yes, provide explanation \$ ..... 0
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ] N/A[X]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ] N/A[X]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A[X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No [ ]  
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 c. Compliance with applicable governmental laws, rules and regulations;  
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 e. Accountability for adherence to the code.  
 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes[X] No [ ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 Amended May 9, 2019 to include administrative and other updates, including clarifications to the corporate political contribution policy.  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No[X]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No[X]  
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

### BOARD OF DIRECTORS

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

### FINANCIAL

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

### INVESTMENT

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

## GENERAL INTERROGATORIES (Continued)

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

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[X] No[ ]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ ..... 0
- 25.22 Subject to reverse repurchase agreements \$ ..... 0
- 25.23 Subject to dollar repurchase agreements \$ ..... 0
- 25.24 Subject to reverse dollar repurchase agreements \$ ..... 0
- 25.25 Placed under option agreements \$ ..... 0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ ..... 0
- 25.27 FHLB Capital Stock \$ ..... 0
- 25.28 On deposit with states \$ ..... 5,259,263
- 25.29 On deposit with other regulatory bodies \$ ..... 0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ ..... 0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ ..... 0
- 25.32 Other \$ ..... 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[ ] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]  
If no, attach a description with this statement.
- LINES 26.3 through 26.5: FOR LIFE/FRATERNAL REPORTING ENTITIES ONLY:
- 26.3 Does the reporting entity utilize derivatives to hedge variable annuity guarantees subject to fluctuations as a result of interest rate sensitivity? Yes[ ] No[X]
- 26.4 If the response to 26.3 is yes, does the reporting entity utilize:
- 26.41 Special Accounting Provision of SSAP No. 108 Yes[ ] No[X]
- 26.42 Permitted Accounting Practice Yes[ ] No[X]
- 26.43 Other Accounting Guidance Yes[ ] No[X]
- 26.5 By responding yes to 26.41 regarding utilizing the special accounting provisions of SSAP No. 108, does the reporting entity at tests to the following: Yes[ ] No[X]
- The reporting entity has obtained explicit approval from the domiciliary state.
  - Hedging strategy subject to the special accounting provisions is consistent with the requirements of VM-21.
  - Actuarial certification has been obtained which indicates that the hedging strategy is incorporated with in the establishment of VM-21 reserves and provides the impact of the hedging strategy within the Actuarial Guideline Conditional Tail Expectation Amount.
  - Financial Officer Certification has been obtained which indicates that the hedging strategy meets the definition of a Clearly Defined Hedging Strategy within VM-21 and that the Clearly Defined Hedging Strategy is the hedging strategy being used by the company in its actual day-to-day risk mitigation efforts

- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[ ] No[X]
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$ ..... 0

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[ ]
- 28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
Wells Fargo Bank, N.A. ....	600 California Street, San Francisco, CA 94108 .....
The Bank of New York Mellon .....	385 Rifle Camp Road, 3rd Floor, Woodland Park, NJ 07424 .....

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

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

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

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

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

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

## GENERAL INTERROGATORIES (Continued)

- 28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes[X] No[ ]
- 28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes[X] No[ ]
- 28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

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 .....	5493000IMDFZDQYB2Q11 .....	SEC .....	NO .....
108559 .....	First Republic Investment Management, Inc. ....	549300D5KLHOKLMLG887 .....	SEC .....	NO .....
104973 .....	Wells Capital Management Incorporated .....	549300B3H210O2L85190 .....	SEC .....	DS .....

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

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds .....	1,044,250,707 .....	1,071,117,858 .....	26,867,150 .....
30.2 Preferred stocks .....			
30.3 Totals .....	1,044,250,707 .....	1,071,117,858 .....	26,867,150 .....

- 30.4 Describe the sources or methods utilized in determining the fair values:  
The Company has obtained the fair values from Interactive Data at December 31, 2019.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[ ]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:  
Not Applicable
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes[X] No[ ]
- 32.2 If no, list exceptions:
33. By self-designation 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
  - Issuer or obligor is current on all contracted interest and principal payments.
  - The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting-entity self-designated 5GI securities? Yes[ ] No[X]
34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
- The security was purchased prior to January 1, 2018.
  - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
  - The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities? Yes[ ] No[X]
35. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- The shares were purchased prior to January 1, 2019.
  - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
  - The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.

## GENERAL INTERROGATORIES (Continued)

- d. The fund only or predominantly holds bonds in its portfolio.
- e. The current reported NAIC Designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
- f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.

Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria?

Yes [ ] No [X]

### OTHER

- 36.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ ..... 667,981
- 36.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
USMI .....	311,312
Moody's Investors Service Inc. ....	196,170

- 37.1 Amount of payments for legal expenses, if any? \$ ..... 108,802
- 37.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Philip Levin & Associates, Prof. Corp. ....	39,029

- 38.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ ..... 307,040
- 38.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
The OB-C Group, LLC .....	210,000
USMI .....	77,828

# GENERAL INTERROGATORIES (Continued)

## PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator .....	293,442,254	207,514,546
2.2 Premium Denominator .....		
2.3 Premium Ratio (2.1 / 2.2) .....		
2.4 Reserve Numerator .....		
2.5 Reserve Denominator .....	139,655,506	137,993,843
2.6 Reserve Ratio (2.4 / 2.5) .....		

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No[X]
- 3.2 If yes, state the amount of calendar year premiums written on:
  - 3.21 Participating policies \$ ..... 0
  - 3.22 Non-participating policies \$ ..... 0
- 4. For Mutual reporting entities and Reciprocal Exchanges only:
  - 4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ] N/A[X]
  - 4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ] N/A[X]
  - 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... 0.000%
  - 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ ..... 0
- 5. For Reciprocal Exchanges Only:
  - 5.1 Does the exchange appoint local agents? Yes [ ] No [ ] N/A[X]
  - 5.2 If yes, is the commission paid:
    - 5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A[X]
    - 5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A[X]
  - 5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact? Yes [ ] No [ ] N/A[X]
  - 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions been deferred? Yes [ ] No [ ] N/A[X]
  - 5.5 If yes, give full information:
- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:  
The Company does not write workers' compensation business.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:  
The Company writes mortgage guaranty insurance on mortgages issued to residential borrowers throughout the United States. Loss exposures on individual mortgage loans are driven by loan, borrower and economic factors. Losses are bounded by specified coverage percentage on each issued loan. Stress scenarios are performed by management using proprietary models, taking past and projected economic factors into consideration.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss:  
The Company is a monoline mortgage guaranty insurer for mortgages issued to United States residential borrowers. Loss exposures are on individual mortgage loans and are governed by the coverage percentage on the loan. The Company is required to establish and maintain a contingency reserve to be used for excessive losses. In addition, the Company has entered into quote share and excess-of-loss reinsurance agreements that will significantly reduce net losses in the event of an economic downturn.
- 6.4 Does the reporting entity carry catastrophic reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [ ] No[X]
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss  
See responses 6.2 and 6.3 above.
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes[X] No [ ]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions. ..... 2
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No[X] N/A [ ]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes [ ] No[X]
- 8.2 If yes, give full information.

# GENERAL INTERROGATORIES (Continued)

- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
 (c) Aggregate stop loss reinsurance coverage;  
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes[X] No[ ]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes[ ] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.  
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 37 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:  
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or  
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes[ ] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:  
 (a) The entity does not utilize reinsurance; or Yes[ ] No[X]  
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes[ ] No[X]  
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes[ ] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[ ] No[ ] N/A[X]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes[ ] No[X]  
 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:  
 12.11 Unpaid losses \$ ..... 0  
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$ ..... 0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. \$ ..... 0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes[ ] No[ ] N/A[X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:  
 12.41 From ..... 0.000%  
 12.42 To ..... 0.000%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes[ ] No[X]
- 12.6 If yes, state the amount thereof at December 31 of current year:  
 12.61 Letters of Credit \$ ..... 0  
 12.62 Collateral and other funds \$ ..... 0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ ..... 368,040  
 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes[ ] No[X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ..... 0
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[ ] No[X]  
 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants  
 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes[ ] No[ ] N/A[X]  
 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes[ ] No[ ] N/A[X]  
 14.5 If the answer to 14.4 is no, please explain  
 Not Applicable
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes[ ] No[X]  
 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business? Yes[ ] No[X]  
 If yes, disclose the following information for each of the following types of warranty coverage:

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

\* Disclose type of coverage:

## GENERAL INTERROGATORIES (Continued)

- |   |              |
|---|--------------|
| <p>17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F - Part 3 that is exempt from the statutory provision for unauthorized reinsurance?<br/>                 Incurred but not reported losses on contracts in force prior to July 1, 1984 and not subsequently renewed are exempt from the statutory provision for unauthorized reinsurance. Provide the following information for this exemption.</p> | Yes[ ] No[X] |
| 17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 exempt from the statutory provision for unauthorized reinsurance  | \$ ..... 0   |
| 17.12 Unfunded portion of Interrogatory 17.11   | \$ ..... 0   |
| 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11   | \$ ..... 0   |
| 17.14 Case reserves portion of Interrogatory 17.11  | \$ ..... 0   |
| 17.15 Incurred but not reported portion of Interrogatory 17.11  | \$ ..... 0   |
| 17.16 Unearned premium portion of Interrogatory 17.11   | \$ ..... 0   |
| 17.17 Contingent commission portion of Interrogatory 17.11  | \$ ..... 0   |
| 18.1 Do you act as a custodian for health savings accounts?   | Yes[ ] No[X] |
| 18.2 If yes, please provide the amount of custodial funds held as of the reporting date:  | \$ ..... 0   |
| 18.3 Do you act as an administrator for health savings accounts?  | Yes[ ] No[X] |
| 18.4 If yes, please provide the balance of the funds administered as of the reporting date:   | \$ ..... 0   |
| 19. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states?  | Yes[X] No[ ] |
| 19.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity?  | Yes[ ] No[X] |



## FIVE - YEAR HISTORICAL DATA

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

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 &amp; 3)</b>					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26) .....					
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....					
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	376,052,490	287,790,977	202,585,844	177,962,229	114,210,694
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33) .....					
6. TOTAL (Line 35) .....	376,052,490	287,790,977	202,585,844	177,962,229	114,210,694
<b>Net Premiums Written (Page 8, Part 1B, Column 6)</b>					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26) .....					
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27) .....					
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	286,132,433	213,157,232	145,058,822	129,819,260	103,907,204
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33) .....					
12. TOTAL (Line 35) .....	286,132,433	213,157,232	145,058,822	129,819,260	103,907,204
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain or (loss) (Line 8) .....	6,315,392	(5,225,720)	(32,953,869)	(39,884,291)	(55,258,634)
14. Net investment gain or (loss) (Line 11) .....	16,737,948	8,894,211	1,440,210	12,132,935	4,952,038
15. TOTAL other income (Line 15) .....					
16. Dividends to policyholders (Line 17) .....					
17. Federal and foreign income taxes incurred (Line 19) .....	8,440,267	24,031,409	4,732,426	746,913	
18. Net income (Line 20) .....	14,613,073	(20,362,918)	(36,246,085)	(28,498,269)	(50,306,596)
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3) .....	1,177,886,787	942,794,437	717,815,260	634,838,622	487,699,415
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1) .....	46,076,257	35,983,723	25,168,971	13,720,689	5,140,173
20.2 Deferred and not yet due (Line 15.2) .....					
20.3 Accrued retrospective premiums (Line 15.3) .....					
21. TOTAL liabilities excluding protected cell business (Page 3, Line 26) .....	756,546,593	539,653,401	373,797,585	247,801,192	120,809,360
22. Losses (Page 3, Line 1) .....	18,321,520	9,603,281	6,562,661	2,421,360	609,241
23. Loss adjustment expenses (Page 3, Line 3) .....	355,600	102,355	119,320	58,563	
24. Unearned premiums (Page 3, Line 9) .....	120,978,386	128,288,207	122,645,521	114,713,335	82,172,000
25. Capital paid up (Page 3, Lines 30 & 31) .....	2,530,000	2,530,000	2,530,000	2,530,000	2,530,000
26. Surplus as regards policyholders (Page 3, Line 37) .....	421,340,194	403,141,036	344,017,675	387,037,430	366,890,055
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11) .....	228,709,320	139,479,443	68,631,957	63,049,698	31,444,766
<b>Risk-Based Capital Analysis</b>					
28. TOTAL adjusted capital .....					
29. Authorized control level risk-based capital .....					
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)</b>					
(Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1) .....	96.0	95.5	96.5	89.5	92.7
31. Stocks (Lines 2.1 & 2.2) .....					
32. Mortgage loans on real estate (Lines 3.1 and 3.2) .....					
33. Real estate (Lines 4.1, 4.2 & 4.3) .....					
34. Cash, cash equivalents and short-term investments (Line 5) .....	4.0	4.5	3.5	10.5	7.3
35. Contract loans (Line 6) .....					
36. Derivatives (Line 7) .....					
37. Other invested assets (Line 8) .....					
38. Receivables for securities (Line 9) .....					0.0
39. Securities lending reinvested collateral assets (Line 10) .....					
40. Aggregate write-ins for invested assets (Line 11) .....					
41. Cash, cash equivalents and invested assets (Line 12) .....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1) .....					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1) .....					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1) .....					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10) .....					
46. Affiliated mortgage loans on real estate .....					
47. All other affiliated .....					
48. TOTAL of above Lines 42 to 47 .....					
49. TOTAL investment in parent included in Lines 42 to 47 above .....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0) .....					

## FIVE - YEAR HISTORICAL DATA (Continued)

	1 2019	2 2018	3 2017	4 2016	5 2015
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains or (Losses) (Line 24) .....	829,352	(829,352)			
52. Dividends to stockholders (Line 35) .....					
53. Change in surplus as regards policyholders for the year (Line 38) .....	18,199,158	59,123,361	(43,019,755)	20,147,375	143,771,756
<b>Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34) .....	4,942,580	3,126,616	1,247,842	360,403	53,906
58. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
59. TOTAL (Line 35) .....	4,942,580	3,126,616	1,247,842	360,403	53,906
<b>Net Losses Paid (Page 9, Part 2, Column 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4) .....					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26) .....					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27) .....					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34) .....	3,351,914	2,410,691	1,047,533	333,123	45,520
64. Nonproportional reinsurance lines (Lines 31, 32 & 33) .....					
65. TOTAL (Line 35) .....	3,351,914	2,410,691	1,047,533	333,123	45,520
<b>Operating Percentages (Page 4)</b>					
<b>(Item divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1) .....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2) .....	4.1	2.6	3.8	2.2	1.4
68. Loss expenses incurred (Line 3) .....	0.1	0.0	0.1	0.1	
69. Other underwriting expenses incurred (Line 4) .....	25.9	29.7	50.3	82.2	180.4
70. Net underwriting gain (loss) (Line 8) .....	2.2	(2.5)	(24.0)	(41.0)	(131.8)
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0) .....	96.0	97.2	113.6	104.0	93.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0) .....	4.2	2.6	3.8	2.3	1.4
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0) .....	67.9	52.9	42.2	33.5	28.3
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11) .....	(2,238)	(2,252)	(733)	(49)	(47)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0) .....	(0.6)	(0.7)	(0.2)	0.0	0.0
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12) .....	(1,956)	(501)	26	(72)	
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0) .....	(0.6)	(0.1)	0.0	0.0	

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

If no, please explain:

# EXHIBIT OF PREMIUMS AND LOSSES

(Statutory Page 14)



NAIC Group Code: 4760

BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR

NAIC Company Code: 13695

19 Grand Total

Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees
	1 Direct Premiums Written	2 Direct Premiums Earned										
1. Fire												
2.1 Allied lines												
2.2 Multiple peril crop												
2.3 Federal flood												
2.4 Private crop												
2.5 Private flood												
3. Farmowners multiple peril												
4. Homeowners multiple peril												
5.1 Commercial multiple peril (non - liability portion)												
5.2 Commercial multiple peril (liability portion)												
6. Mortgage guaranty	376,052,490	398,302,677		136,642,233	4,942,580	15,661,506	23,395,107					7,436,371
8. Ocean marine												
9. Inland marine												
10. Financial guaranty												
11. Medical professional liability												
12. Earthquake												
13. Group accident and health (b)												
14. Credit A & H (group and individual)												
15.1 Collectively renewable A & H (b)												
15.2 Non-cancelable A & H (b)												
15.3 Guaranteed renewable A & H (b)												
15.4 Non-renewable for stated reasons only (b)												
15.5 Other accident only												
15.6 Medicare Title XVIII exempt from state taxes or fees												
15.7 All other A & H (b)												
15.8 Federal Employees Health Benefits Plan premium												
16. Workers' compensation												
17.1 Other liability - occurrence												
17.2 Other Liability - claims-made												
17.3 Excess Workers' Compensation												
18. Products liability												
19.1 Private passenger auto no-fault (personal injury protection)												
19.2 Other private passenger auto liability												
19.3 Commercial auto no-fault (personal injury protection)												
19.4 Other commercial auto liability												
21.1 Private passenger auto physical damage												
21.2 Commercial 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												
34. Aggregate write-ins for other lines of business												
35. TOTALS (a)	376,052,490	398,302,677		136,642,233	4,942,580	15,661,506	23,395,107					7,436,371
<b>DETAILS OF WRITE-INS</b>												
3401.												
3402.												
3403.												
3498. Summary of remaining write-ins for Line 34 from overflow page												
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)												

(a) Finance and service charges not included in Lines 1 to 35 \$.....0

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.

**20 Schedule F Part 1 Assumed Reinsurance . . . . . NONE**

**21 Schedule F Part 2 Reinsurance Effected . . . . . NONE**

### SCHEDULE F - PART 3

#### Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)

1 ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Special Code	6 Reinsurance Premiums Ceded	Reinsurance Recoverable On									16 Amount in Dispute Included in Column 15	Reinsurance Payable		19 Net Amount Recoverable From Reinsurers Cols. 15 - [17 + 18]	20 Funds Held By Company Under Reinsurance Treaties	
						7 Paid Losses	8 Paid LAE	9 Known Case Loss Reserves	10 Known Case LAE Reserves	11 IBNR Loss Reserves	12 IBNR LAE Reserves	13 Unearned Premiums	14 Contingent Commissions	15 Columns 7 thru 14 Totals		17 Ceded Balances Payable	18 Other Amounts Due to Reinsurers			
<b>Authorized - Affiliates - U.S. Non-Pool - Other</b>																				
27-1439373	13758	NATIONAL MORTGAGE REINS INC ONE	WI		1,002			124	2	9			176		311		206		105	
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other					1,002		124	2	9				176		311		206		105	
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total					1,002		124	2	9				176		311		206		105	
0899999 Total - Authorized - Affiliates					1,002		124	2	9				176		311		206		105	
<b>Authorized - Other U.S. Unaffiliated Insurers</b>																				
51-0434766	20370	AXIS REINS CO	NY		4,309			258		19			944		1,221		357		864	866
22-2005057	26921	EVEREST REINS CO	DE		6,563			358		27			944		1,329		600		729	866
13-6108721	26433	HARCO NATL INS CO	IL		12,621			788		59			3,211		4,058		994		3,064	2,944
06-1481194	10829	MARKEL GLOBAL REINS CO	DE		2,254			100		7					107		243		(136)	
37-0915434	13056	RLI INS CO	IL		1,127			50		4					54		121		(67)	
13-5616275	19453	TRANSATLANTIC REINS CO	NY		2,254			100		7					107		243		(136)	
0999999 Total - Authorized - Other U.S. Unaffiliated Insurers					29,128		1,654		123				5,100		6,877		2,558		4,319	4,676
<b>Authorized - Other Non-U.S. Insurers</b>																				
AA-3190339	00000	RENAISSANCE REINS LTD	BMU		25,853			1,550		116			5,666		7,332		2,140		5,192	5,195
1299999 Total - Authorized - Other Non-U.S. Insurers					25,853		1,550		116				5,666		7,332		2,140		5,192	5,195
1499999 Total - Authorized					55,983		3,328	2	248				10,942		14,520		4,904		9,616	9,871
<b>Unauthorized - Other Non-U.S. Insurers</b>																				
AA-1120337	00000	Aspen Ins UK Ltd	GBR		2,154			129		10			472		611		178		433	433
AA-3770280	00000	Greenlight Reins Ltd	CYM		57			200		15					215		486		(271)	
AA-3191190	00000	Hamilton Re Ltd	BMU		2,055			158		12			944		1,114		114		1,000	866
AA-3191179	00000	Third Point Reins Co Ltd	BMU		15,081			904		68			3,305		4,277		1,249		3,028	3,030
AA-3191335	00000	Oaktown Re Ltd	BMU		4,483												36		(36)	
AA-3191371	00000	Oaktown Re II Ltd	BMU		6,388												64		(64)	
AA-3191406	00000	Oaktown Re III Ltd	BMU		3,719												88		(88)	
2699999 Total - Unauthorized - Other Non-U.S. Insurers					33,937		1,391		105				4,722		6,218		2,215		4,003	4,329
2899999 Total - Unauthorized					33,937		1,391		105				4,722		6,218		2,215		4,003	4,329
4399999 Total - Authorized, Unauthorized and Certified					89,920		4,719	2	353				15,664		20,738		7,119		13,619	14,200
9999999 Totals					89,920		4,719	2	353				15,664		20,738		7,119		13,619	14,200

**SCHEDULE F - PART 3 (continued)**  
**Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)**  
**(Credit Risk)**

ID Number from Col 1	Name of Reinsurer from Col 3	Collateral				25 Total Funds Held, Payables & Collateral	26 Net Recoverable Net of Funds Held & Collateral	27 Applicable Sch. F Penalty Col. 78)	Ceded Reinsurance Credit Risk								
		21 Multiple Beneficiary Trusts	22 Letters of Credit	23 Issuing or Confirming Bank Reference Number	24 Single Beneficiary Trusts & Other Allowable Collateral				28 Total Amount Recoverable from Reinsurers Less Penalty (Col. 15 - 27)	29 Stressed Recoverable (Col. 28 * 120%)	30 Reinsurance Payable & Funds Held (Cols. 17+ 18+20;but not in excess of Col. 29)	31 Stressed Net Recoverable (Cols. 29-30)	32 Total Collateral (Cols. 21 + 22 + 24, not in Excess of Col. 31)	33 Stressed Net Recoverable Net of Collateral Offsets (Cols. 31-32)	34 Reinsurer Designation Equivalent	35 Credit Risk on Collateralized Recoverables (Col. 32 * Factor Applicable to Reinsurer Designation Equivalent in Col. 34)	36 Credit Risk on Uncollateralized Recoverables (Col. 33 * Factor Applicable to Reinsurer Designation Equivalent in Col. 34)
<b>Authorized - Affiliates - U.S. Non-Pool - Other</b>																	
..... 27-1439373 .....	NATIONAL MORTGAGE REINS INC ONE .....			0000 .....		206 .....	105 .....										
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other .....				X X X .....		206 .....	105 .....		X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total .....				X X X .....		206 .....	105 .....		X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	X X X .....	
0899999 Total - Authorized - Affiliates .....				X X X .....		206 .....	105 .....							X X X .....			
<b>Authorized - Other U.S. Unaffiliated Insurers</b>																	
..... 51-0434766 .....	AXIS REINS CO .....			0000 .....	4,539 .....	1,221 .....			1,221 .....	1,466 .....	1,223 .....	243 .....	243 .....		2 .....	10 .....	
..... 22-2005057 .....	EVEREST REINS CO .....			0000 .....	7,491 .....	1,329 .....			1,329 .....	1,595 .....	1,466 .....	129 .....	129 .....		2 .....	5 .....	
..... 13-6108721 .....	HARCO NATL INS CO .....			0000 .....	15,812 .....	4,058 .....			4,058 .....	4,869 .....	3,938 .....	931 .....	931 .....		4 .....	47 .....	
..... 06-1481194 .....	MARKEL GLOBAL REINS CO .....			0000 .....	3,746 .....	107 .....			107 .....	128 .....	128 .....				4 .....		
..... 37-0915434 .....	RLI INS CO .....			0000 .....	1,556 .....	54 .....			54 .....	65 .....	65 .....				2 .....		
..... 13-5616275 .....	TRANSATLANTIC REINS CO .....			0000 .....	3,605 .....	107 .....			107 .....	128 .....	128 .....				2 .....		
0999999 Total - Authorized - Other U.S. Unaffiliated Insurers .....				X X X .....	36,748 .....	6,877 .....			6,877 .....	8,252 .....	6,949 .....	1,303 .....	1,303 .....		X X X .....	62 .....	
<b>Authorized - Other Non-U.S. Insurers</b>																	
..... AA-3190339 .....	RENAISSANCE REINS LTD .....			0000 .....	27,006 .....	7,332 .....			7,332 .....	8,799 .....	7,335 .....	1,464 .....	1,464 .....		2 .....	60 .....	
1299999 Total - Authorized - Other Non-U.S. Insurers .....				X X X .....	27,006 .....	7,332 .....			7,332 .....	8,799 .....	7,335 .....	1,464 .....	1,464 .....		X X X .....	60 .....	
1499999 Total - Authorized .....				X X X .....	63,754 .....	14,415 .....	105 .....		14,209 .....	17,050 .....	14,284 .....	2,767 .....	2,767 .....		X X X .....	122 .....	
<b>Unauthorized - Other Non-U.S. Insurers</b>																	
..... AA-1120337 .....	Aspen Ins UK Ltd .....			0000 .....	2,346 .....	611 .....			611 .....	733 .....	611 .....	122 .....	122 .....		3 .....	6 .....	
..... AA-3770280 .....	Greenlight Reins Ltd .....			0000 .....	13,197 .....	215 .....			215 .....	258 .....	258 .....				4 .....		
..... AA-3191190 .....	Hamilton Re Ltd .....			0000 .....	2,271 .....	1,114 .....			1,114 .....	1,337 .....	980 .....	357 .....	357 .....		4 .....	18 .....	
..... AA-3191179 .....	Third Point Reins Co Ltd .....			0000 .....	20,126 .....	4,277 .....			4,277 .....	5,133 .....	4,279 .....	854 .....	854 .....		4 .....	43 .....	
..... AA-3191335 .....	Oaktown Re Ltd .....			0000 .....											6 .....		
..... AA-3191371 .....	Oaktown Re II Ltd .....			0000 .....											6 .....		
..... AA-3191406 .....	Oaktown Re III Ltd .....			0000 .....											6 .....		
2699999 Total - Unauthorized - Other Non-U.S. Insurers .....				X X X .....	37,940 .....	6,218 .....			6,218 .....	7,461 .....	6,128 .....	1,333 .....	1,333 .....		X X X .....	66 .....	
2899999 Total - Unauthorized .....				X X X .....	37,940 .....	6,218 .....			6,218 .....	7,461 .....	6,128 .....	1,333 .....	1,333 .....		X X X .....	66 .....	
4399999 Total - Authorized, Unauthorized and Certified .....				X X X .....	101,694 .....	20,633 .....	105 .....		20,427 .....	24,512 .....	20,412 .....	4,100 .....	4,100 .....		X X X .....	188 .....	
9999999 Totals .....				X X X .....	101,694 .....	20,633 .....	105 .....		20,427 .....	24,512 .....	20,412 .....	4,100 .....	4,100 .....		X X X .....	188 .....	

**SCHEDULE F - PART 3 (continued)**  
**Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)**  
**(Aging of Ceded Reinsurance)**

ID Number from Col 1	Name of Reinsurer from Col 3	Reinsurance Recoverable on Paid Losses and Paid Loss Adjustment Expenses						44 Total Recoverable on Paid Losses & LAE Amounts in Dispute Included in Col. 43	45 Recoverable on Paid Losses & LAE Over 90 Days Past Due Amounts in Dispute Included in Cols. 40 & 41	46 Total Recoverable on Paid Losses & LAE Amounts Not in Dispute (Cols. 43-44)	47 Recoverable on Paid Losses & LAE Over 90 Days Past Due Amounts Not in Dispute (Cols. 40 + 41 - 45)	48 Amounts Received Prior 90 Days	49 Percentage Overdue Col. 42/ Col. 43	50 Percentage of Amounts More Than 90 Days Overdue Not in Dispute (Col. 47/(Cols. 46 + 48))	51 Percentage More Than 120 Days Overdue (Col. 41/ Col. 43)	52 Is the Amount in Col. 50 Less Than 20%? (Yes or No)	53 Amounts in Col. 47 for Reinsurers with Values Less Than 20% in Col. 50	
		37	Overdue															43 Total Due Cols. 37+42 (In total should equal Cols. 7 + 8)
		Current	38 1 to 29 Days	39 30-90 Days	40 91-120 Days	41 Over 120 Days	42 Total Overdue Cols. 38+ 39+40+41											
<b>Authorized - Affiliates - U.S. Non-Pool - Other</b>																		
..... 27-1439373 .....	NATIONAL MORTGAGE REINS INC ONE .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other .....																		
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total .....																		
0899999 Total - Authorized - Affiliates .....																		
<b>Authorized - Other U.S. Unaffiliated Insurers</b>																		
..... 51-0434766 .....	AXIS REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 22-2005057 .....	EVEREST REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 13-6108721 .....	HARCO NATL INS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 06-1481194 .....	MARKEL GLOBAL REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 37-0915434 .....	RLI INS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 13-5616275 .....	TRANSATLANTIC REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
0999999 Total - Authorized - Other U.S. Unaffiliated Insurers .....																		
<b>Authorized - Other Non-U.S. Insurers</b>																		
..... AA-3190339 .....	RENAISSANCE REINS LTD .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1299999 Total - Authorized - Other Non-U.S. Insurers .....																		
1499999 Total - Authorized .....																		
<b>Unauthorized - Other Non-U.S. Insurers</b>																		
..... AA-1120337 .....	Aspen Ins UK Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3770280 .....	Greenlight Reins Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191190 .....	Hamilton Re Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191179 .....	Third Point Reins Co Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191335 .....	Oaktown Re Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191371 .....	Oaktown Re II Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191406 .....	Oaktown Re III Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2699999 Total - Unauthorized - Other Non-U.S. Insurers .....																		
2899999 Total - Unauthorized .....																		
4399999 Total - Authorized, Unauthorized and Certified .....																		
9999999 Totals .....																		

**SCHEDULE F - PART 3 (continued)**  
**Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)**  
**(Provision for Reinsurance for Certified Reinsurers)**

ID Number from Col 1	Name of Reinsurer from Col 3	Provision for Certified Reinsurance														
		54 Certified Reinsurer Rating (1 through 6)	55 Effective Date of Certified Reinsurer Rating	56 Percent Collateral Required for Full Credit (0% through 100%)	57 Catastrophe Recoverables Qualifying for Collateral Deferral	58 Net Recoverables Subject to Collateral Requirements for Full Credit (Col. 19- Col. 57)	59 Dollar Amount of Collateral Required (Col. 56 * Col. 58)	60 Percent of Collateral Provided for Net Recoverables Subject to Collateral Requirements ((Col. 20 + Col. 21 + Col. 22 + Col.24) / Col. 58)	61 Percent Credit Allowed on Net Recoverables Subject to Collateral Requirements (Col. 60 / Col. 56, not to exceed 100%)	62 20% of Recoverable on Paid Losses & LAE Over 90 Days past Due Amounts in Dispute (Col. 45 * 20%)	63 Amount of Credit Allowed for Net Recoverables (Col. 57 + [Col. 58 * Col. 61])	64 Provision for Reinsurance with Certified Reinsurers Due to Collateral Deficiency (Col. 19- Col. 63)	65 20% of Recoverable on Paid Losses & LAE Over 90 Days past Due Amounts Not in Dispute (Col. 47 * 20%)	Complete if Col. 52 = "No"; Otherwise Enter 0		
		66 Total Collateral Provided (Col. 20 + Col. 21 + Col. 22 + Col.24 not to Exceed Col. 63)	67 Net Unsecured Recoverable for Which Credit is Allowed (Col. 63 -Col. 66)	68 20% of Amount in Col. 67												
<b>Authorized - Affiliates - U.S. Non-Pool - Other</b>																
..... 27-1439373 .....	NATIONAL MORTGAGE REINS INC ONE .....															
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
0899999 Total - Authorized - Affiliates .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
<b>Authorized - Other U.S. Unaffiliated Insurers</b>																
..... 51-0434766 .....	AXIS REINS CO .....															
..... 22-2005057 .....	EVEREST REINS CO .....															
..... 13-6108721 .....	HARCO NATL INS CO .....															
..... 06-1481194 .....	MARKEL GLOBAL REINS CO .....															
..... 37-0915434 .....	RLI INS CO .....															
..... 13-5616275 .....	TRANSATLANTIC REINS CO .....															
0999999 Total - Authorized - Other U.S. Unaffiliated Insurers .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
<b>Authorized - Other Non-U.S. Insurers</b>																
..... AA-3190339 .....	RENAISSANCE REINS LTD .....															
1299999 Total - Authorized - Other Non-U.S. Insurers .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
1499999 Total - Authorized .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
<b>Unauthorized - Other Non-U.S. Insurers</b>																
..... AA-1120337 .....	Aspen Ins UK Ltd .....															
..... AA-3770280 .....	Greenlight Reins Ltd .....															
..... AA-3191190 .....	Hamilton Re Ltd .....															
..... AA-3191179 .....	Third Point Reins Co Ltd .....															
..... AA-3191335 .....	Oaktown Re Ltd .....															
..... AA-3191371 .....	Oaktown Re II Ltd .....															
..... AA-3191406 .....	Oaktown Re III Ltd .....															
2699999 Total - Unauthorized - Other Non-U.S. Insurers .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
2899999 Total - Unauthorized .....		... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...
4399999 Total - Authorized, Unauthorized and Certified .....		... X X X ...	... X X X ...	... X X X ...				... X X X ...	... X X X ...							
9999999 Totals .....		... X X X ...	... X X X ...	... X X X ...				... X X X ...	... X X X ...							



**SCHEDULE F - PART 3 (continued)**  
**Ceded Reinsurance as of December 31, Current Year (\$000 Omitted)**  
**(Total Provision for Reinsurance)**

ID Number from Col 1	Name of Reinsurer from Col 3	70  20% of Recoverable on Paid Losses & LAE Over 90 Days past Due Amounts Not in Dispute (Col. 47*20%)	Provision for Unauthorized Reinsurance		Provision for Overdue Authorized Reinsurance		Total Provision for Reinsurance			
			71  Provision for Reinsurance with Unauthorized Reinsurers Due to Collateral Deficiency (Col. 26)	72  Provision for Overdue Reinsurance from Unauthorized Reinsurers and Amounts in Dispute (Col. 70 + 20% of the Amount in Col. 16)	73  Complete if Col. 52= "Yes"; Otherwise Enter 0 20% of Recoverable on Paid Losses & LAE Over 90 Days past Due Amounts Not in Dispute + 20% of Amounts in Dispute ([Col. 47 * 20%] + [Col. 45 * 20%])	74  Complete if Col. 52 = "No"; Otherwise Enter 0 Greater of 20% of Net Recoverable Net of Funds Held & Collateral, or 20% of Recoverable on Paid Losses & LAE Over 90 Days Past Due (Greater of Col 26*20% or [Cols. 40+41] *20%)	75  Provision for Amounts Ceded to Authorized Reinsurers (Cols. 73+ 74)	76  Provision for Amounts Ceded to Unauthorized Reinsurers (Cols. 71 + 72 Not in Excess of Col. 15)	77  Provision for Amounts Ceded to Certified Reinsurers (Cols. 64 + 69)	78  Total Provision for Reinsurance (Cols. 75 + 76 + 77)
<b>Authorized - Affiliates - U.S. Non-Pool - Other</b>										
..... 27-1439373 .....	NATIONAL MORTGAGE REINS INC ONE .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
0899999 Total - Authorized - Affiliates .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
<b>Authorized - Other U.S. Unaffiliated Insurers</b>										
..... 51-0434766 .....	AXIS REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 22-2005057 .....	EVEREST REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 13-6108721 .....	HARCO NATL INS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 06-1481194 .....	MARKEL GLOBAL REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 37-0915434 .....	RLI INS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... 13-5616275 .....	TRANSATLANTIC REINS CO .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
0999999 Total - Authorized - Other U.S. Unaffiliated Insurers .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
<b>Authorized - Other Non-U.S. Insurers</b>										
..... AA-3190339 .....	RENAISSANCE REINS LTD .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
1299999 Total - Authorized - Other Non-U.S. Insurers .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
1499999 Total - Authorized .....			..... X X X .....	..... X X X .....	.....	.....	.....	..... X X X .....	..... X X X .....	.....
<b>Unauthorized - Other Non-U.S. Insurers</b>										
..... AA-1120337 .....	Aspen Ins UK Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3770280 .....	Greenlight Reins Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191190 .....	Hamilton Re Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191179 .....	Third Point Reins Co Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191335 .....	Oaktown Re Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191371 .....	Oaktown Re II Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
..... AA-3191406 .....	Oaktown Re III Ltd .....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2699999 Total - Unauthorized - Other Non-U.S. Insurers .....			.....	.....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	.....
2899999 Total - Unauthorized .....			.....	.....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	..... X X X .....	.....
4399999 Total - Authorized, Unauthorized and Certified .....			.....	.....	.....	.....	.....	.....	.....	.....
9999999 Totals .....			.....	.....	.....	.....	.....	.....	.....	.....

**SCHEDULE F - PART 4**

**Issuing or Confirming Banks for Letters of Credit from Schedule F, Part 3 (\$000 Omitted)**

Issuing or Confirming Bank Reference Number Used in Col. 23 of Sch F Part 3	Letter of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letter of Credit Amount
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> <p><b>N O N E</b></p> </div>				
9999999 Total .....				

## SCHEDULE F PART 5

### Interrogatories for Schedule F, Part 3 (000 Omitted)

A. Report the five largest provisional commission rates included in the cedant's reinsurance treaties. The commission rate to be reported is by contract with ceded premium in excess of \$50,000:

	1	2	3
	Name of Reinsurer	Commission Rate	Ceded Premium
1)	.....	.....	.....
2)	.....	.....	.....
3)	.....	.....	.....
4)	.....	.....	.....
5)	.....	.....	.....

B. Report the five largest reinsurance recoverables reported in Schedule F, Part 3, Column 15, due from any one reinsurer (based on the total recoverables, Schedule F, Part 3, Line 9999999, Column 15), the amount of ceded premium, and indicate whether the recoverables are due from an affiliated insurer.

	1	2	3	4
	Name of Reinsurer	Total Recoverables	Ceded Premiums	Affiliated
1)	RENAISSANCE REINS LTD .....	7,332	25,853	Yes[ ] No[X] ...
2)	THIRD POINT REINS CO LTD .....	4,277	15,081	Yes[ ] No[X] ...
3)	HARCO NATL INS CO .....	4,058	12,621	Yes[ ] No[X] ...
4)	EVEREST REINSURANCE CO .....	1,329	6,563	Yes[ ] No[X] ...
5)	AXIS REINSURANCE COMPANY .....	1,222	4,309	Yes[ ] No[X] ...

NOTE: Disclosure of the five largest provisional commission rates should exclude mandatory pools and joint underwriting associations.

## SCHEDULE F - PART 6

### Restatement of Balance Sheet to Identify Net Credit for Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
<b>ASSETS (Page 2, Column 3)</b>			
1. Cash and invested assets (Line 12) .....	1,070,227,230	68,991,027	1,139,218,257
2. Premiums and considerations (Line 15) .....	46,076,257		46,076,257
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1) .....			
4. Funds held by or deposited with reinsured companies (Line 16.2) .....			
5. Other assets .....	61,583,300		61,583,300
6. Net amount recoverable from reinsurers .....		(71,942,048)	(71,942,048)
7. Protected cell assets (Line 27) .....			
8. TOTALS (Line 28) .....	1,177,886,787	(2,951,021)	1,174,935,766
<b>LIABILITIES (Page 3)</b>			
9. Losses and loss adjustment expenses (Lines 1 through 3) .....	18,677,120	5,508,335	24,185,455
10. Taxes, expenses, and other obligations (Lines 4 through 8) .....	1,651,378		1,651,378
11. Unearned premiums (Line 9) .....	120,978,386	15,487,528	136,465,914
12. Advance premiums (Line 10) .....	83		83
13. Dividends declared and unpaid (Line 11.1 and 11.2) .....			
14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12) .....	7,118,059	(7,118,059)	
15. Funds held by company under reinsurance treaties (Line 13) .....	14,199,836	(14,199,836)	
16. Amounts withheld or retained by company for account of others (Line 14) .....			
17. Provision for reinsurance (Line 16) .....			
18. Other liabilities .....	593,921,731	(2,628,989)	591,292,742
19. TOTAL Liabilities excluding protected cell business (Line 26) .....	756,546,593	(2,951,021)	753,595,572
20. Protected cell liabilities (Line 27) .....			
21. Surplus as regards policyholders (Line 37) .....	421,340,194	X X X	421,340,194
22. TOTALS (Line 38) .....	1,177,886,787	(2,951,021)	1,174,935,766

Note: Is the restatement of this exhibit the result of grossing up balances ceded to affiliates under 100 percent reinsurance or pooling arrangements? Yes [ ] No[X]

If yes, give full explanation:

**30 Schedule H Part 1 A & H Exhibit ..... NONE**

**31 Schedule H Parts 2, 3 & 4 - A & H Exh Cont ..... NONE**

**32 Schedule H Part 5 Health Claims ..... NONE**

# SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

## SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1-2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X									X X X
2. 2010												X X X
3. 2011												X X X
4. 2012												X X X
5. 2013	2,095	130	1,965									X X X
6. 2014	13,407	997	12,410	4							4	X X X
7. 2015	45,506	3,588	41,918	797	75				12	1	733	X X X
8. 2016	115,830	18,552	97,278	2,045	390				38	2	1,691	X X X
9. 2017	192,326	55,199	137,127	3,787	951				52	1	2,887	X X X
10. 2018	292,064	84,550	207,514	2,840	931				59	1	1,967	X X X
11. 2019	398,303	104,860	293,443	260	195				5		70	X X X
12. Totals	X X X	X X X	X X X	9,733	2,542				166	5	7,352	X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior												X X X	
2. 2010												X X X	
3. 2011												X X X	
4. 2012												X X X	
5. 2013												X X X	
6. 2014												X X X	
7. 2015	90	15							1		76	X X X	
8. 2016	122	23							2		101	X X X	
9. 2017	804	161							11		654	X X X	
10. 2018	4,127	868							64		3,323	X X X	
11. 2019	16,620	3,653	1,632	354					278		14,523	X X X	
12. Totals	21,763	4,720	1,632	354					356		18,677	X X X	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 2010											
3. 2011											
4. 2012											
5. 2013											
6. 2014	4		4	0.0		0.0					
7. 2015	900	91	809	2.0	2.5	1.9				75	1
8. 2016	2,207	415	1,792	1.9	2.2	1.8				99	2
9. 2017	4,654	1,113	3,541	2.4	2.0	2.6				643	11
10. 2018	7,090	1,800	5,290	2.4	2.1	2.5				3,259	64
11. 2019	18,795	4,202	14,593	4.7	4.0	5.0				14,245	278
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	18,321	356

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

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	One Year	Two Year
1. Prior												
2. 2010												
3. 2011	XXX											
4. 2012	XXX	XXX										
5. 2013	XXX	XXX	XXX									
6. 2014	XXX	XXX	XXX	XXX	76	29	4	4	4	4		
7. 2015	XXX	XXX	XXX	XXX	XXX	626	602	671	689	797	108	126
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	2,194	1,379	1,606	1,754	148	375
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,936	3,439	3,479	40	(2,457)
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,702	5,168	(2,534)	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,310	XXX	XXX
12. TOTALS											(2,238)	(1,956)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019		
1. Prior	000										XXX	XXX
2. 2010											XXX	XXX
3. 2011	XXX										XXX	XXX
4. 2012	XXX	XXX									XXX	XXX
5. 2013	XXX	XXX	XXX								XXX	XXX
6. 2014	XXX	XXX	XXX	XXX	4	4	4	4	4	4	XXX	XXX
7. 2015	XXX	XXX	XXX	XXX	XXX	42	220	622	652	722	XXX	XXX
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	155	774	1,429	1,655	XXX	XXX
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	26	1,624	2,836	XXX	XXX
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	128	1,909	XXX	XXX
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	65	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
1. Prior										
2. 2010										
3. 2011	XXX									
4. 2012	XXX	XXX								
5. 2013	XXX	XXX	XXX							
6. 2014	XXX	XXX	XXX	XXX	3					
7. 2015	XXX	XXX	XXX	XXX	XXX	47				
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX	184			
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	470		
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	652	
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,278

35	Schedule P - Part 1A - Homeowners/Farmowners .....	NONE
36	Schedule P - Part 1B - Private Passenger Auto Liability/Medical .....	NONE
37	Schedule P - Part 1C - Comm. Auto/Truck Liability/Medical .....	NONE
38	Schedule P - Part 1D - Workers' Compensation (Excl. Excess Workers' Comp.)	NONE
39	Schedule P - Part 1E - Commercial Multiple Peril .....	NONE
40	Schedule P - Part 1F Sn 1 - Medical Professional Liability - Occurrence .....	NONE
41	Schedule P - Part 1F Sn 2 - Medical Professional Liability - Claims-Made .....	NONE
42	Schedule P - Part 1G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry) .....	NONE
43	Schedule P - Part 1H Sn 1 - Other Liability - Occurrence .....	NONE
44	Schedule P - Part 1H Sn 2 - Other Liability - Claims-Made .....	NONE
45	Schedule P - Part 1I - Special Property (Fire, Ald. Lines, Inld Mar.) .....	NONE
46	Schedule P - Part 1J - Auto Physical Damage .....	NONE
47	Schedule P - Part 1K - Fidelity/Surety .....	NONE
48	Schedule P - Part 1L - Other (Incl. Credit, Accident and Health) .....	NONE
49	Schedule P - Part 1M - International .....	NONE
50	Schedule P - Part 1N - Reins. Nonproportional Assumed Property .....	NONE
51	Schedule P - Part 1O - Reins. Nonproportional Assumed Liability .....	NONE
52	Schedule P - Part 1P - Reins. Nonproportional Assumed Financial Lines .....	NONE
53	Schedule P - Part 1R Sn 1 - Products Liability - Occurrence .....	NONE
54	Schedule P - Part 1R Sn 2 - Products Liability - Claims-Made .....	NONE



# SCHEDULE P - PART 1S

## FINANCIAL GUARANTY/MORTGAGE GUARANTY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1-2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior ...	... X X X ...	... X X X ...	... X X X ...	6,633	1,416			102	4		5,315	... X X X ...
2. 2018 ...	292,064	84,550	207,514	2,840	931			59	1		1,967	... X X X ...
3. 2019 ...	398,303	104,860	293,443	260	195			5			70	... X X X ...
4. Totals ...	... X X X ...	... X X X ...	... X X X ...	9,733	2,542			166	5		7,352	... X X X ...

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded			
1. Prior ...	1,016	199							14			831	
2. 2018 ...	4,127	868							64			3,323	
3. 2019 ...	16,620	3,653	1,632	354					278			14,523	
4. Totals ...	21,763	4,720	1,632	354					356			18,677	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...			... X X X ...	817	14
2. 2018 ...	7,090	1,800	5,290	2.4	2.1	2.5				3,259	64
3. 2019 ...	18,795	4,202	14,593	4.7	4.0	5.0				14,245	278
4. Totals ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...			... X X X ...	18,321	356

56	Schedule P - Part 1T - Warranty	NONE
57	Schedule P - Part 2A - Homeowners/Farmowners	NONE
57	Schedule P - Part 2B - Private Passenger Auto Liability/Medical	NONE
57	Schedule P - Part 2C - Comm. Auto/Truck Liability/Medical	NONE
57	Schedule P - Part 2D - Workers' Compensation (Excl. Excess Workers' Comp.)	NONE
57	Schedule P - Part 2E - Commercial Multiple Peril	NONE
58	Schedule P - Part 2F Sn 1 - Medical Professional Liability - Occurrence	NONE
58	Schedule P - Part 2F Sn 2 - Medical Professional Liability - Claims-Made	NONE
58	Schedule P - Part 2G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry)	NONE
58	Schedule P - Part 2H Sn 1 - Other Liability - Occurrence	NONE
58	Schedule P - Part 2H Sn 2 - Other Liability - Claims-Made	NONE
59	Schedule P - Part 2I - Special Property (Fire, Ald. Lines, Inld Mar.)	NONE
59	Schedule P - Part 2J - Auto Physical Damage	NONE
59	Schedule P - Part 2K - Fidelity/Surety	NONE
59	Schedule P - Part 2L - Other (Incl. Credit, Accident and Health)	NONE
59	Schedule P - Part 2M - International	NONE
60	Schedule P - Part 2N - Reins. Nonproportional Assumed Property	NONE
60	Schedule P - Part 2O - Reins. Nonproportional Assumed Liability	NONE
60	Schedule P - Part 2P - Reins. Nonproportional Assumed Financial Lines	NONE

**SCHEDULE P - PART 2R - SECTION 1**  
**PRODUCTS LIABILITY - OCCURRENCE**

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT			
	1	2	3	4	5	6	7	8	9	10	11	12		
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	One Year	Two Year		
1. Prior														
2. 2010														
3. 2011	XXX													
4. 2012	XXX	XXX												
5. 2013	XXX	XXX	XXX											
6. 2014	XXX	XXX	XXX	XXX	<b>NONE</b>									
7. 2015	XXX	XXX	XXX	XXX										
8. 2016	XXX	XXX	XXX	XXX										
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX		
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX		
12. TOTALS														

**SCHEDULE P - PART 2R - SECTION 2**  
**PRODUCTS LIABILITY - CLAIMS-MADE**

1. Prior														
2. 2010														
3. 2011	XXX													
4. 2012	XXX	XXX												
5. 2013	XXX	XXX	XXX											
6. 2014	XXX	XXX	XXX	XXX	<b>NONE</b>									
7. 2015	XXX	XXX	XXX	XXX										
8. 2016	XXX	XXX	XXX	XXX										
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX		
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX		
12. TOTALS														

**SCHEDULE P - PART 2S**  
**FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,990	5,738	6,034	296	(1,956)
2. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,702	5,168	(2,534)	XXX
3. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,310	XXX	XXX
4. TOTALS												(2,238)	(1,956)

**SCHEDULE P - PART 2T**  
**WARRANTY**

1. Prior	XXX	XXX	XXX	XXX										
2. 2018	XXX	XXX	XXX	XXX	<b>NONE</b>			XXX				XXX		
3. 2019	XXX	XXX	XXX	XXX				XXX	XXX		XXX		XXX	XXX
4. TOTALS														

62	Schedule P - Part 3A - Homeowners/Farmowners	NONE
62	Schedule P - Part 3B - Private Passenger Auto Liability/Medical	NONE
62	Schedule P - Part 3C - Comm. Auto/Truck Liability/Medical	NONE
62	Schedule P - Part 3D - Workers' Compensation (Excl. Excess Workers' Comp.)	NONE
62	Schedule P - Part 3E - Commercial Multiple Peril	NONE
63	Schedule P - Part 3F Sn 1 - Medical Professional Liability - Occurrence	NONE
63	Schedule P - Part 3F Sn 2 - Medical Professional Liability - Claims-Made	NONE
63	Schedule P - Part 3G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry)	NONE
63	Schedule P - Part 3H Sn 1 - Other Liability - Occurrence	NONE
63	Schedule P - Part 3H Sn 2 - Other Liability - Claims-Made	NONE
64	Schedule P - Part 3I - Special Property (Fire, Ald. Lines, Inld Mar.)	NONE
64	Schedule P - Part 3J - Auto Physical Damage	NONE
64	Schedule P - Part 3K - Fidelity/Surety	NONE
64	Schedule P - Part 3L - Other (Incl. Credit, Accident and Health)	NONE
64	Schedule P - Part 3M - International	NONE
65	Schedule P - Part 3N - Reins. Nonproportional Assumed Property	NONE
65	Schedule P - Part 3O - Reins. Nonproportional Assumed Liability	NONE
65	Schedule P - Part 3P - Reins. Nonproportional Assumed Financial Lines	NONE

**SCHEDULE P - PART 3R SECTION 1**  
**PRODUCTS LIABILITY - OCCURRENCE**

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment	
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019			
1. Prior	000												
2. 2010													
3. 2011	XXX												
4. 2012	XXX	XXX											
5. 2013	XXX	XXX	XXX										
6. 2014	XXX	XXX	XXX	XXX									
7. 2015	XXX	XXX	XXX	XXX	XXX								
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX							
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

**SCHEDULE P - PART 3R SECTION 2**  
**PRODUCTS LIABILITY - CLAIMS MADE**

1. Prior	000												
2. 2010													
3. 2011	XXX												
4. 2012	XXX	XXX											
5. 2013	XXX	XXX	XXX										
6. 2014	XXX	XXX	XXX	XXX									
7. 2015	XXX	XXX	XXX	XXX	XXX								
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX							
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

**SCHEDULE P - PART 3S**  
**FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000		5,217	XXX	XXX
2. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	128	1,909	XXX	XXX
3. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	65	XXX	XXX

**SCHEDULE P - PART 3T**  
**WARRANTY**

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	000				
2. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
3. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			

67	Schedule P - Part 4A - Homeowners/Farmowners	NONE
67	Schedule P - Part 4B - Private Passenger Auto Liability/Medical	NONE
67	Schedule P - Part 4C - Comm. Auto/Truck Liability/Medical	NONE
67	Schedule P - Part 4D - Workers' Compensation (Excl. Excess Workers' Comp.	NONE
67	Schedule P - Part 4E - Commercial Multiple Peril	NONE
68	Schedule P - Part 4F Sn 1 - Medical Professional Liability - Occurrence	NONE
68	Schedule P - Part 4F Sn 2 - Medical Professional Liability - Claims-Made	NONE
68	Schedule P - Part 4G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry)	NONE
68	Schedule P - Part 4H Sn 1 - Other Liability - Occurrence	NONE
68	Schedule P - Part 4H Sn 2 - Other Liability - Claims-Made	NONE
69	Schedule P - Part 4I - Special Property (Fire, Ald. Lines, Inld Mar.)	NONE
69	Schedule P - Part 4J - Auto Physical Damage	NONE
69	Schedule P - Part 4K - Fidelity/Surety	NONE
69	Schedule P - Part 4L - Other (Incl. Credit, Accident and Health)	NONE
69	Schedule P - Part 4M - International	NONE
70	Schedule P - Part 4N - Reins. Nonproportional Assumed Property	NONE
70	Schedule P - Part 4O - Reins. Nonproportional Assumed Liability	NONE
70	Schedule P - Part 4P - Reins. Nonproportional Assumed Financial Lines	NONE

**SCHEDULE P - PART 4R - SECTION 1**  
**PRODUCTS LIABILITY - OCCURRENCE**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2010	2 2011	3 2012	4 2013	5 2014	6 2015	7 2016	8 2017	9 2018	10 2019
1. Prior										
2. 2010										
3. 2011	XXX									
4. 2012	XXX	XXX								
5. 2013	XXX	XXX	XXX							
6. 2014	XXX	XXX	XXX	XXX						
7. 2015	XXX	XXX	XXX	XXX	XXX					
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

**SCHEDULE P - PART 4R - SECTION 2**  
**PRODUCTS LIABILITY - CLAIMS MADE**

1. Prior										
2. 2010										
3. 2011	XXX									
4. 2012	XXX	XXX								
5. 2013	XXX	XXX	XXX							
6. 2014	XXX	XXX	XXX	XXX						
7. 2015	XXX	XXX	XXX	XXX	XXX					
8. 2016	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2017	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

**SCHEDULE P - PART 4S**  
**FINANCIAL GUARANTY/MORTGAGE GUARANTY**

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	470		
2. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	652	
3. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,278

**SCHEDULE P - PART 4T**  
**WARRANTY**

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
2. 2018	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
3. 2019	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		

72	Schedule P - Part 5A - Homeowners/Farmowners - Sn 1	NONE
72	Schedule P - Part 5A - Homeowners/Farmowners - Sn 2	NONE
72	Schedule P - Part 5A - Homeowners/Farmowners - Sn 3	NONE
73	Schedule P - Part 5B - Private Passenger Auto Liability/Medical - Sn 1	NONE
73	Schedule P - Part 5B - Private Passenger Auto Liability/Medical - Sn 2	NONE
73	Schedule P - Part 5B - Private Passenger Auto Liability/Medical - Sn 3	NONE
74	Schedule P - Part 5C - Comm. Auto/Truck Liability/Medical - Sn 1	NONE
74	Schedule P - Part 5C - Comm. Auto/Truck Liability/Medical - Sn 2	NONE
74	Schedule P - Part 5C - Comm. Auto/Truck Liability/Medical - Sn 3	NONE
75	Schedule P - Part 5D - Workers' Compen. (Excl. Excess Workers' Comp.) -Sn 1	NONE
75	Schedule P - Part 5D - Workers' Compen. (Excl. Excess Workers' Comp.) -Sn 2	NONE
75	Schedule P - Part 5D - Workers' Compen. (Excl. Excess Workers' Comp.) -Sn 3	NONE
76	Schedule P - Part 5E - Commercial Multiple Peril - Sn 1	NONE
76	Schedule P - Part 5E - Commercial Multiple Peril - Sn 2	NONE
76	Schedule P - Part 5E - Commercial Multiple Peril - Sn 3	NONE
77	Schedule P - Part 5F - Medical Professional Liability - Occurrence - Sn 1A	NONE
77	Schedule P - Part 5F - Medical Professional Liability - Occurrence - Sn 2A	NONE
77	Schedule P - Part 5F - Medical Professional Liability - Occurrence - Sn 3A	NONE
78	Schedule P - Part 5F - Medical Professional Liability - Claims-Made - Sn 1B	NONE
78	Schedule P - Part 5F - Medical Professional Liability - Claims-Made - Sn 2B	NONE
78	Schedule P - Part 5F - Medical Professional Liability - Claims-Made - Sn 3B	NONE
79	Schedule P - Part 5H - Other Liability - Occurrence - Sn 1A	NONE
79	Schedule P - Part 5H - Other Liability - Occurrence - Sn 2A	NONE
79	Schedule P - Part 5H - Other Liability - Occurrence - Sn 3A	NONE
80	Schedule P - Part 5H - Other Liability - Claims-Made - Sn 1B	NONE
80	Schedule P - Part 5H - Other Liability - Claims-Made - Sn 2B	NONE
80	Schedule P - Part 5H - Other Liability - Claims-Made - Sn 3B	NONE
81	Schedule P - Part 5R - Products Liability - Occurrence - Sn 1A	NONE
81	Schedule P - Part 5R - Products Liability - Occurrence - Sn 2A	NONE
81	Schedule P - Part 5R - Products Liability - Occurrence - Sn 3A	NONE
82	Schedule P - Part 5R - Products Liability - Claims-Made - Sn 1B	NONE
82	Schedule P - Part 5R - Products Liability - Claims-Made - Sn 2B	NONE
82	Schedule P - Part 5R - Products Liability - Claims-Made - Sn 3B	NONE
83	Schedule P - Part 5T - Warranty - Sn 1	NONE
83	Schedule P - Part 5T - Warranty - Sn 2	NONE
83	Schedule P - Part 5T - Warranty - Sn 3	NONE
84	Schedule P - Part 6C - Comm. Auto/Truck Liability/Medical - Sn 1	NONE
84	Schedule P - Part 6C - Comm. Auto/Truck Liability/Medical - Sn 2	NONE
84	Schedule P - Part 6D - Workers' Comp. (Excl. Excess Workers' Comp.) - Sn 1	NONE
84	Schedule P - Part 6D - Workers' Comp. (Excl. Excess Workers' Comp.) - Sn 2	NONE
85	Schedule P - Part 6E - Commercial Multiple Peril - Sn 1	NONE
85	Schedule P - Part 6E - Commercial Multiple Peril - Sn 2	NONE
85	Schedule P - Part 6H - Other Liability - Occurrence - Sn 1A	NONE
85	Schedule P - Part 6H - Other Liability - Occurrence - Sn 2A	NONE
86	Schedule P - Part 6H - Other Liability - Claims-Made - Sn 1B	NONE
86	Schedule P - Part 6H - Other Liability - Claims-Made - Sn 2B	NONE
86	Schedule P - Part 6M - International - Sn 1	NONE
86	Schedule P - Part 6M - International - Sn 2	NONE
87	Schedule P - Part 6N - Reins. Nonproportional Assumed Property - Sn 1	NONE
87	Schedule P - Part 6N - Reins. Nonproportional Assumed Property - Sn 2	NONE
87	Schedule P - Part 6O - Reins. Nonproportional Assumed Liability - Sn 1	NONE
87	Schedule P - Part 6O - Reins. Nonproportional Assumed Liability - Sn 2	NONE
88	Schedule P - Part 6R - Products Liability - Occurrence - Sn 1A	NONE
88	Schedule P - Part 6R - Products Liability - Occurrence - Sn 2A	NONE
88	Schedule P - Part 6R - Products Liability - Claims-Made - Sn 1B	NONE
88	Schedule P - Part 6R - Products Liability - Claims-Made - Sn 2B	NONE
89	Schedule P - Part 7A - Primary Loss Sensitive Contracts - Sn 1	NONE
89	Schedule P - Part 7A - Primary Loss Sensitive Contracts - Sn 2	NONE
89	Schedule P - Part 7A - Primary Loss Sensitive Contracts - Sn 3	NONE
90	Schedule P - Part 7A - Primary Loss Sensitive Contracts - Sn 4	NONE
90	Schedule P - Part 7A - Primary Loss Sensitive Contracts - Sn 5	NONE
91	Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 1	NONE
91	Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 2	NONE
91	Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 3	NONE



92 Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 4 . . . . . NONE

92 Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 5 . . . . . NONE

92 Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 6 . . . . . NONE

92 Schedule P - Part 7B - Reinsurance Loss Sensitive Contracts - Sn 7 . . . . . NONE

## SCHEDULE P INTERROGATORIES

1. The following questions relate to yet-to-be-issued Extended Reporting Endorsements (EREs) arising from Death, Disability, or Retirement (DDR) provisions in Medical Professional Liability Claims Made insurance policies, EREs provided for reasons other than DDR are not to be included.
- 1.1 Does the company issue Medical Professional Liability Claims-Made insurance policies that provide tail (also known as an extended reporting endorsement, or "ERE") benefits in the event of Death, Disability, or Retirement (DDR) at a reduced charge or at no additional cost? If the answer to question 1.1 is "no", leave the following questions blank. If the answer to question 1.1 is "yes", please answer the following questions:
- 1.2 What is the total amount of the reserve for that provision (DDR Reserve), as reported, explicitly or not, elsewhere in this statement (in dollars)?
- 1.3 Does the company report any DDR reserve as Unearned Premium Reserve per SSAP #65?
- 1.4 Does the company report any DDR reserve as loss or loss adjustment expense reserve?
- 1.5 If the company reports DDR reserve as Unearned Premium Reserve, does that amount match the figure on the Underwriting and Investment Exhibit, Part 1A - Recapitulation of all Premiums (Page 7) Column 2, Lines 11.1 plus 11.2?
- 1.6 If the company reports DDR reserve as loss or loss adjustment expense reserve, please complete the following table corresponding to where these reserves are reported in Schedule P:

Yes[ ] No[X] 0  
 Yes[ ] No[ ] N/A[X]  
 Yes[ ] No[ ] N/A[X]  
 Yes[ ] No[ ] N/A[X]

Years in which premiums were earned and losses were incurred	DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability Column 24: Total Net Losses and Expenses Unpaid	
	1 Section 1: Occurrence	2 Section 2: Claims-Made
1.601 Prior .....		
1.602 2010 .....		
1.603 2011 .....		
1.604 2012 .....		
1.605 2013 .....		
1.606 2014 .....		
1.607 2015 .....		
1.608 2016 .....		
1.609 2017 .....		
1.610 2018 .....		
1.611 2019 .....		
1.612 TOTALS .....		

2. The definition of allocated loss adjustment expenses (ALAE) and, therefore, unallocated loss adjustment expenses (ULAE) was changed effective January 1, 1998. This change in definition applies to both paid and unpaid expenses. Are these expenses (now reported as "Defense and Cost Containment" and "Adjusting and Other") reported in compliance with these definitions in this statement?
3. The Adjusting and Other expense payments and reserves should be allocated to the years in which the losses were incurred based on the number of claims reported, closed and outstanding in those years. When allocating Adjusting and Other expense between companies in a group or a pool, the Adjusting and Other expense should be allocated in the same percentage used for the loss amounts and the claim counts. For reinsurers, Adjusting and Other expense assumed should be reported according to the reinsurance contract. For Adjusting and Other expense incurred by reinsurers, or in those situations where suitable claim count information is not available, Adjusting and Other expense should be allocated by a reasonable method determined by the company and described in Interrogatory 7, below. Are they so reported in this Statement?
4. Do any lines in Schedule P include reserves that are reported gross of any discount to present value of future payments, and that are reported net of such discounts on page 10?  
 If Yes, proper disclosure must be made in the Notes to Financial Statements, as specified in the Instructions. Also, the discounts must be reported in Schedule P - Part 1, Columns 32 and 33.  
 Schedule P must be completed gross of non-tabular discounting. Work papers relating to discount calculations must be available for examination upon request.  
 Discounting is allowed only if expressly permitted by the state insurance department to which this Annual Statement is being filed.

Yes[X] No[ ]  
 Yes[X] No[ ]  
 Yes[ ] No[X]

5. What were the net premiums in force at the end of the year for: (in thousands of dollars)

5.1 Fidelity \$ ..... 0  
 5.2 Surety \$ ..... 0

6. Claim count information is reported per claim or per claimant (Indicate which).

6.1 per claim .....  
 6.2 per claimant ..... ✓

If not the same in all years, explain in Interrogatory 7.

- 7.1 The information provided in Schedule P will be used by many persons to estimate the adequacy of the current loss and expense reserves, among other things. Are there any especially significant events, coverage, retention or accounting changes that have occurred that must be considered when making such analyses?
- 7.2 An extended statement may be attached.

Yes[X] No[ ]

The increase in the ending default inventory at December 31, 2019 compared to December 31, 2018 primary relates to current year defaults, the growth in the number of policies in-force and the aging of the Company's earlier book years. This was partially offset by the settlement of reinsurance recoverable, in conjunction with the termination of one reinsurer under the 2016 QSR transaction on a cut-off basis.

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

	1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
States, Etc.	Active Status (a)	Direct Premiums Written	Direct Premiums Earned						
1. Alabama (AL)	L	2,542,176	2,988,364		30,425	143,597	187,659		
2. Alaska (AK)	L	194,496	242,820						
3. Arizona (AZ)	L	18,466,912	19,741,992		116,005	873,992	1,283,390		
4. Arkansas (AR)	L	1,515,392	1,628,092			35,117	122,649		
5. California (CA)	L	44,385,495	47,691,257		363,440	1,573,112	2,528,787		
6. Colorado (CO)	L	11,934,047	12,889,322		192,673	279,810	365,020		
7. Connecticut (CT)	L	2,865,889	3,038,361			58,552	307,393		
8. Delaware (DE)	L	1,241,357	1,352,300			106,325	146,390		
9. District of Columbia (DC)	L	4,771,415	4,731,036			(31,427)	19,026		
10. Florida (FL)	L	22,117,697	22,666,192		79,274	1,279,021	2,067,967		
11. Georgia (GA)	L	9,902,391	10,502,818		247,711	462,613	442,066		
12. Hawaii (HI)	L	1,781,350	1,880,229			46,501	46,501		
13. Idaho (ID)	L	3,222,797	3,505,035		9,895	35,371	47,316		
14. Illinois (IL)	L	13,583,092	14,256,602		119,615	441,780	1,127,291		
15. Indiana (IN)	L	6,760,368	7,192,543		87,099	378,497	508,882		
16. Iowa (IA)	L	2,062,837	2,167,011		43,506	62,041	161,623		
17. Kansas (KS)	L	1,835,914	2,256,283		72,079	248,052	259,966		
18. Kentucky (KY)	L	1,607,693	1,917,863			94,821	116,457		
19. Louisiana (LA)	L	2,161,593	2,363,853		28,440	327,995	373,346		
20. Maine (ME)	L	1,128,274	1,174,506			(4,851)	34,846		
21. Maryland (MD)	L	11,078,946	11,478,523		118,859	434,713	603,584		
22. Massachusetts (MA)	L	9,928,918	9,890,432		21,504	201,623	359,144		
23. Michigan (MI)	L	18,126,194	19,225,432		1,062,669	1,595,898	2,202,563		
24. Minnesota (MN)	L	8,858,950	9,436,682		33,939	315,698	496,469		
25. Mississippi (MS)	L	1,067,028	1,117,305		90,885	121,549	94,953		
26. Missouri (MO)	L	5,997,982	6,749,936		66,103	126,663	157,392		
27. Montana (MT)	L	1,103,131	1,261,108		40,950	45,525	42,063		
28. Nebraska (NE)	L	2,270,708	2,341,155			58,736	76,714		
29. Nevada (NV)	L	7,091,617	7,401,207		89,684	419,292	598,449		
30. New Hampshire (NH)	L	2,462,409	2,538,680			97,113	169,802		
31. New Jersey (NJ)	L	9,565,781	10,087,640		460,596	909,773	1,123,409		
32. New Mexico (NM)	L	1,260,249	1,389,235		8,390	71,132	137,299		
33. New York (NY)	L	9,490,131	9,581,875		74,695	317,472	805,825		
34. North Carolina (NC)	L	10,665,002	11,252,032		145,815	395,364	475,483		
35. North Dakota (ND)	L	334,293	376,368			8,843	8,843		
36. Ohio (OH)	L	10,565,970	11,549,121		67,700	326,466	570,474		
37. Oklahoma (OK)	L	1,292,939	1,420,053			230,761	311,745		
38. Oregon (OR)	L	6,148,078	6,540,687		46,232	162,519	238,075		
39. Pennsylvania (PA)	L	12,571,724	13,242,390		98,557	222,961	433,951		
40. Rhode Island (RI)	L	788,365	847,856			405	43,452		
41. South Carolina (SC)	L	5,992,079	6,295,882		59,354	228,079	351,301		
42. South Dakota (SD)	L	1,222,825	1,282,471		2,305	74,607	106,759		
43. Tennessee (TN)	L	6,015,328	6,110,733		133,402	375,179	366,317		
44. Texas (TX)	L	33,837,371	34,228,325		639,373	1,431,651	1,936,683		
45. Utah (UT)	L	9,307,902	11,157,213			61,757	229,187		
46. Vermont (VT)	L	284,611	293,632			16,307	16,307		
47. Virginia (VA)	L	15,367,478	16,998,195		122,605	553,075	668,617		
48. Washington (WA)	L	11,506,737	11,649,068			162,415	216,373		
49. West Virginia (WV)	L	912,241	932,395		63,017	62,705	39,180		
50. Wisconsin (WI)	L	6,282,516	6,822,662		42,021	184,969	339,781		
51. Wyoming (WY)	L	573,802	617,905		63,763	37,337	28,338		
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	X X X	376,052,490	398,302,677		4,942,580	15,661,506	23,395,107		

**DETAILS OF WRITE-INS**

58001. write-in description 1 for line 580	X X X								
58002. write-in description 2 for line 580	X X X								
58003. write-in description 3 for line 580	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(a) Active Status Counts:

L Licensed or Chartered - Licensed insurance carrier or domiciled RRG

E Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile See DSLI)

D Domestic Surplus Lines Insurer (DSLII) Reporting entities authorized to write surplus lines in the state of domicile.

51

R Registered - Non-domiciled RRGs

Q Qualified - Qualified or accredited reinsurer

N None of the above Not allowed to write business in the state

6

(b) Explanation of basis of allocation of premiums by states, etc.: Premiums paid by the borrower are allocated by state based on the location of the insured property. Premiums paid by the lender are allocated based on the location of the insured.

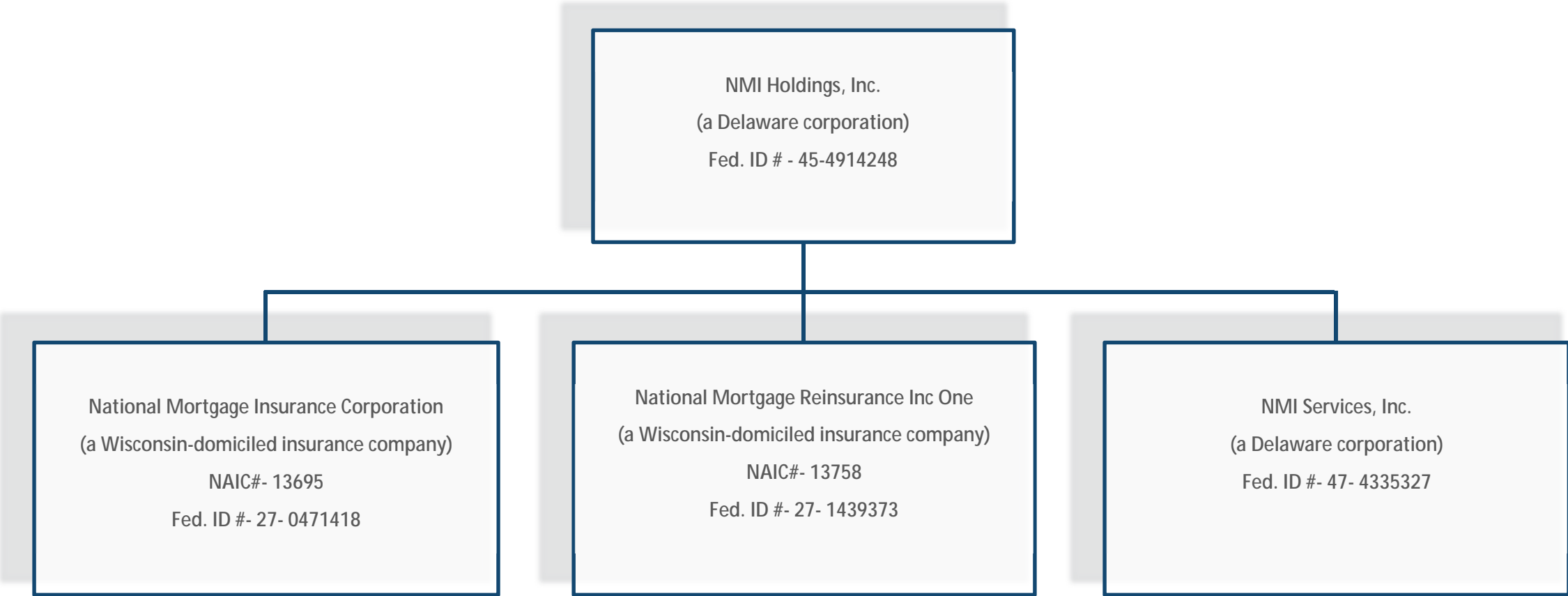
**SCHEDULE T - PART 2**  
**INTERSTATE COMPACT - EXHIBIT OF PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Direct Business only						
States, Etc.	1 Life (Group and Individual)	2 Annuities (Group and Individual)	3 Disability Income (Group and Individual)	4 Long-Term Care (Group and Individual)	5 Deposit-Type Contracts	6 Totals
1. Alabama (AL)						
2. Alaska (AK)						
3. Arizona (AZ)						
4. Arkansas (AR)						
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)						
11. Georgia (GA)						
12. Hawaii (HI)						
13. Idaho (ID)						
14. Illinois (IL)						
15. Indiana (IN)						
16. Iowa (IA)						
17. Kansas (KS)						
18. Kentucky (KY)						
19. Louisiana (LA)						
20. Maine (ME)						
21. Maryland (MD)						
22. Massachusetts (MA)						
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)						
30. New Hampshire (NH)						
31. New Jersey (NJ)						
32. New Mexico (NM)						
33. New York (NY)						
34. North Carolina (NC)						
35. North Dakota (ND)						
36. Ohio (OH)						
37. Oklahoma (OK)						
38. Oregon (OR)						
39. Pennsylvania (PA)						
40. Rhode Island (RI)						
41. South Carolina (SC)						
42. South Dakota (SD)						
43. Tennessee (TN)						
44. Texas (TX)						
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)						
48. Washington (WA)						
49. West Virginia (WV)						
50. Wisconsin (WI)						
51. Wyoming (WY)						
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)						
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CAN)						
58. Aggregate other alien (OT)						
59. TOTALS						

**NONE**

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

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## SCHEDULE Y

### PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

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

Asterisk	Explanation
0000001	.....

## SCHEDULE Y

### PART 2 - SUMMARY OF INSURER'S TRANSACTIONS WITH ANY AFFILIATES

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
.....	45-4914248 ..	NMI HOLDINGS INC. ....	.....	(800,000)	.....	(117,101,277)	.....	.....	.....	.....	(117,901,277)	.....
13695 ..	27-0471418 ..	NATIONAL MORTGAGE INS CORP .....	.....	.....	.....	116,600,920	.....	.....	.....	.....	116,600,920	.....
13758 ..	27-1439373 ..	NATIONAL MORTGAGE REINS INC ONE .....	.....	.....	.....	168,117	.....	.....	.....	.....	168,117	176,166
.....	47-4335327 ..	NMI Services, Inc. ....	.....	800,000	.....	332,240	.....	.....	.....	.....	1,132,240	.....
9999999 Control Totals .....			.....	.....	.....	0	.....	.....	X X X	.....	0	176,166

Schedule Y Part 2 Explanation:

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

**Response**

The following supplemental reports are required to be filed as part of your statement filing unless specifically waived by the domiciliary state. However, in the event that your domiciliary state waives the filing requirement, your response of WAIVED to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

**MARCH FILING**

- |  |                 |
|--|-----------------|
| 1. Will an actuarial opinion be filed by March 1?  | Yes             |
| 2. Will the Supplemental Compensation Exhibit be filed with the state of domicile by March 1?                    | Yes             |
| 3. Will the confidential Risk-based Capital Report be filed with the NAIC by March 1?                            | See Explanation |
| 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? | See Explanation |

**APRIL FILING**

- |  |     |
|--|-----|
| 5. Will the Insurance Expense Exhibit be filed with the state of domicile and the NAIC by April 1? | Yes |
| 6. Will Management's Discussion and Analysis be filed by April 1?                                  | Yes |
| 7. Will the Supplemental Investment Risk Interrogatories be filed by April 1?                      | Yes |

**MAY FILING**

- |   |     |
|---|-----|
| 8. Will this company be included in a combined annual statement that is filed with the NAIC by May 1? | Yes |
|---|-----|

**JUNE FILING**

- |   |     |
|---|-----|
| 9. Will an audited financial report be filed by June 1?   | Yes |
| 10. Will Accountants Letter of Qualifications be filed with the state of domicile and electronically with the NAIC by June 1? | Yes |

**AUGUST FILING**

- |   |     |
|---|-----|
| 11. Will the regulator-only (non-public) Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile and electronically with the NAIC (as a regulator-only non-public document) by August 1? | Yes |
|---|-----|

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

**MARCH FILING**

- |  |     |
|--|-----|
| 12. Will Schedule SIS (Stockholder Information Supplement) be filed with the state of domicile by March 1?   | No  |
| 13. Will the Financial Guaranty Insurance Exhibit be filed by March 1?   | No  |
| 14. Will the Medicare Supplement Insurance Experience Exhibit be filed with the state of domicile and the NAIC by March 1?   | No  |
| 15. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed by March 1?   | No  |
| 16. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC by March 1?   | No  |
| 17. Will the Premiums Attributed to Protected Cells Exhibit be filed by March 1?   | No  |
| 18. Will the Reinsurance Summary Supplemental Filing for General Interrogatory 9 be filed with the state of domicile and the NAIC by March 1?  | Yes |
| 19. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC by March 1?  | No  |
| 20. Will the Confidential Actuarial Opinion Summary be filed with the state of domicile, if required, by March 15 (or the date otherwise specified)?   | Yes |
| 21. Will the Reinsurance Attestation Supplement be filed with the state of domicile and the NAIC by March 1?   | Yes |
| 22. Will the Exceptions to the Reinsurance Attestation Supplement be filed with the state of domicile by March 1?  | No  |
| 23. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1?   | No  |
| 24. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1?   | No  |
| 25. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? | No  |
| 26. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1?       | No  |
| 27. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1?                     | No  |
| 28. Will the Supplemental Schedule for Reinsurance Counterparty Reporting Exception - Asbestos and Pollution contracts be filed with the state of domicile and the NAIC by March 1?                  | No  |

**APRIL FILING**

- |   |    |
|---|----|
| 29. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1?   | No |
| 30. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1?   | No |
| 31. Will the Accident and Health Policy Experience Exhibit be filed by April 1?   | No |
| 32. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1?   | No |
| 33. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile and the NAIC by April 1?                                      | No |
| 34. Will the Cybersecurity and Identity Theft Insurance Coverage Supplement be filed with the state of domicile and the NAIC by April 1?  | No |
| 35. Will the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit be filed with the state of domicile and the NAIC by April 1?                                  | No |
| 36. Will the Adjustments to the Life, Health & Annuity Guaranty Association Model Act Assessment Base Reconciliation Exhibit (if required) be filed with the state of domicile and the NAIC by April 1? | No |

**AUGUST FILING**

- |  |    |
|--|----|
| 37. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | No |
|--|----|

**Explanations:**

3. As a mortgage guaranty insurance company, NMIC is not subject to risk-based capital requirements.
4. As a mortgage guaranty insurance company, NMIC is not subject to risk-based capital requirements.

**Bar Codes:**

Schedule SIS



Financial Guaranty Insurance Exhibit



Medicare Supplement Insurance Experience Exhibit



Supplement A to Schedule T





# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Trusteed Surplus Statement



Premiums Attributed to Protected Cells Exhibit



Medicare Part D Coverage Supplement



Exceptions to the Reinsurance Attestation Supplement



Bail Bond Supplement



Director and Officer Supplement



Approval for Relief related to five-year rotation for lead Audit Partner



Approval for Relief related to one-year cooling off period for inde. CPA



Approval for Relief related to Require. for Audit Committees



Reinsurance Counterparty Reporting Exception



Credit Insurance Exhibit



LTC Supplemental Interrogatories



Accident and Health Policy Experience Exhibit



Supplemental Health Care Exhibit



Supplemental Health Care Exhibit's Expense Allocation Report



Cybersecurity and Identity Theft Insurance Coverage Supplement



LHA Guaranty Association Reconciliation



LHA Guaranty Association Adjustment Exhibit



Management's Report of Internal Control over Financial Reporting



**UNDERWRITING AND INVESTMENT EXHIBIT****PART 3 - EXPENSES**

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Miscellaneous Expense .....	.....	52,372	.....	52,372
2405. Charitable Contributions .....	.....	68,302	.....	68,302
2497. Summary of remaining write-ins for Line 24 (Lines 2404 through 2496) .....	.....	120,674	.....	120,674

**SUMMARY INVESTMENT SCHEDULE**

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage of Column 1 Line 13	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage of Column 5 Line 13
1. Long-Term Bonds (Schedule D Part 1):						
1.01 U.S. governments	49,062,048	4.583	49,062,048		49,062,048	4.584
1.02 All other governments						
1.03 U.S. states, territories and possessions, etc. guaranteed	23,893,147	2.232	23,893,147		23,893,147	2.233
1.04 U.S. political subdivisions of states, territories and possessions, guaranteed	17,801,607	1.663	17,801,607		17,801,607	1.663
1.05 U.S. special revenue and special assessment obligations, etc. non-guaranteed	146,582,415	13.694	146,582,415		146,582,415	13.696
1.06 Industrial and miscellaneous	784,546,735	73.293	784,546,735		784,546,735	73.307
1.07 Hybrid securities	5,873,788	0.549	5,873,788		5,873,788	0.549
1.08 Parent, subsidiaries and affiliates						
1.09 SVO identified funds						
1.10 Bank loans						
1.11 Total long-term bonds	1,027,759,740	96.015	1,027,759,740		1,027,759,740	96.032
2. Preferred stocks (Schedule D, Part 2, Section 1):						
2.01 Industrial and miscellaneous (Unaffiliated)						
2.02 Parent, subsidiaries and affiliates						
2.03 Total preferred stocks						
3. Common stocks (Schedule D, Part 2, Section 2):						
3.01 Industrial and miscellaneous Publicly traded (Unaffiliated)						
3.02 Industrial and miscellaneous Other (Unaffiliated)						
3.03 Parent, subsidiaries and affiliates Publicly traded						
3.04 Parent, subsidiaries and affiliates Other						
3.05 Mutual Funds						
3.06 Unit investment trusts						
3.07 Closed-end funds						
3.08 Total common stocks						
4. Mortgage loans (Schedule B):						
4.01 Farm mortgages						
4.02 Residential mortgages						
4.03 Commercial mortgages						
4.04 Mezzanine real estate loans						
4.05 Total mortgages loans						
5. Real estate (Schedule A):						
5.01 Properties occupied by company						
5.02 Properties held for production of income						
5.03 Properties held for sale						
5.04 Total real estate						
6. Cash, cash equivalents and short-term investments:						
6.01 Cash (Schedule E, Part 1)	10,231,742	0.956	10,231,742		10,231,742	0.956
6.02 Cash equivalents (Schedule E, Part 2)	32,235,748	3.012	32,235,748		32,235,748	3.012
6.03 Short-term investments (Schedule DA)						
6.04 Total Cash, cash equivalents and short-term investments	42,467,490	3.967	42,467,490		42,467,490	3.968
7. Contract loans						
8. Derivatives (Schedule DB)						
9. Other invested assets (Schedule BA)						
10. Receivables for securities						
11. Securities Lending (Schedule DL, Part 1)				X X X	X X X	X X X
12. Other invested assets (Page 2, Line 11)	192,811	0.018				
13. Total invested assets	1,070,420,041	100.000	1,070,227,230		1,070,227,230	100.000

## SCHEDULE A - VERIFICATION BETWEEN YEARS

### Real Estate

1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 6) .....		
2.2 Additional investment made after acquisition (Part 2, Column 9) .....		
3. Current year change in encumbrances:		
3.1 TOTALS, Part 1, Column 13 .....		
3.2 TOTALS, Part 3, Column 11 .....		
4. TOTAL gain (loss) on disposals, Part 3, Column 18 .....		
5. Deduct amounts received on disposals, Part 3, Column 15 .....		
6. TOTAL foreign exchange change in book/adjusted	<b>NONE</b>	
6.1 TOTALS, Part 1, Column 15 .....		
6.2 TOTALS, Part 3, Column 13 .....		
7. Deduct current year's other-than-temporary impairment recognized:		
7.1 TOTALS, Part 1, Column 12 .....		
7.2 TOTALS, Part 3, Column 10 .....		
8. Deduct current year's depreciation:		
8.1 TOTALS, Part 1, Column 11 .....		
8.2 TOTALS, Part 3, Column 9 .....		
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 (Lines 9 minus 10) .....		

## SCHEDULE B - VERIFICATION BETWEEN YEARS

### Mortgage Loans

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 (Part 2, Column 7) .....		
2.2 Additional investment made after acquisition (Part 2, Column 8) .....		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 12 .....		
3.2 TOTALS, Part 3, Column 11 .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 9 .....		
5.2 TOTALS, Part 3, Column 8 .....		
6. TOTAL gain (loss) on disposals, Part 3, Column 18 .....		
7. Deduct amounts received on disposals, Part 3, Column 15 .....	<b>NONE</b>	
8. Deduct amortization of premium and mortgage interest .....		
9. TOTAL foreign exchange change in book value/recorded interest		
9.1 TOTALS, Part 1, Column 13 .....		
9.2 TOTALS, Part 3, Column 13 .....		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 11 .....		
10.2 TOTALS, Part 3, Column 10 .....		
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 (Lines 11 plus 12) .....		
14. Deduct total nonadmitted amounts .....		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14) .....		

## SCHEDULE BA - VERIFICATION BETWEEN YEARS

### Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year .....		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8) .....		
2.2 Additional investment made after acquisition (Part 2, Column 9) .....		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 16 .....		
3.2 TOTALS, Part 3, Column 12 .....		
4. Accrual of discount .....		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 13 .....		
5.2 TOTALS, Part 3, Column 9 .....		
6. TOTAL gain (loss) on disposals, Part 3, Column 19 .....		
7. Deduct amounts received on disposals, Part 3, Column 18 .....		
8. Deduct amortization of premium and depreciation .....		
9. TOTAL foreign exchange change in book/adjusted carrying value:		
9.1 TOTALS, Part 1, Column 17 .....		
9.2 TOTALS, Part 3, Column 14 .....		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 15 .....		
10.2 TOTALS, Part 3, Column 11 .....		
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) .....		

N O N E

## SCHEDULE D - VERIFICATION BETWEEN YEARS

### Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year .....		810,414,908
2. Cost of bonds and stocks acquired, Part 3, Column 7 .....		301,172,770
3. Accrual of Discount .....		648,872
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12 .....		
4.2 Part 2, Section 1, Column 15 .....		
4.3 Part 2, Section 2, Column 13 .....		
4.4 Part 4, Column 11 .....	1,049,813	1,049,813
5. TOTAL gain (loss) on disposals, Part 4, Column 19 .....		318,712
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....		83,851,301
7. Deduct amortization of premium .....		1,712,863
8. TOTAL foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15 .....		
8.2 Part 2, Section 1, Column 19 .....		
8.3 Part 2, Section 2, Column 16 .....		
8.4 Part 4, Column 15 .....		
9. Deduct current year's other-than-temporary impairment recognized:		
9.1 Part 1, Column 14 .....		
9.2 Part 2, Section 1, Column 17 .....		
9.3 Part 2, Section 2, Column 14 .....		
9.4 Part 4, Column 13 .....	381,603	381,603
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees, Notes 5Q, Line 5Q(2) .....		100,436
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) .....		1,027,759,744
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....		1,027,759,744

## SCHEDULE D - SUMMARY BY COUNTRY

### Long-Term Bonds and Stocks OWNED December 31 of Current Year

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
<b>BONDS</b>					
Governments (Including all obligations guaranteed by governments)	1. United States .....	49,062,049	49,801,778	49,024,444	49,251,595
	2. Canada .....				
	3. Other Countries .....				
	4. TOTALS .....	49,062,049	49,801,778	49,024,444	49,251,595
U.S. States, Territories and Possessions (Direct and guaranteed)	5. TOTALS .....	23,893,147	24,101,135	24,134,715	23,635,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. TOTALS .....	17,801,607	18,237,221	18,898,498	16,530,000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. TOTALS .....	146,582,415	146,616,435	147,196,926	145,665,000
Industrial and Miscellaneous, SVO Identified Funds, Unaffiliated Bank Loans and Hybrid Securities (unaffiliated)	8. United States .....	746,547,513	770,561,956	748,394,824	746,193,162
	9. Canada .....	2,992,411	3,172,244	2,992,411	2,992,411
	10. Other Countries .....	40,880,602	42,130,228	40,938,706	40,857,143
	11. TOTALS .....	790,420,526	815,864,428	792,325,941	790,042,716
Parent, Subsidiaries and Affiliates	12. TOTALS .....				
	13. TOTAL Bonds .....	1,027,759,744	1,054,620,997	1,031,580,524	1,025,124,311
<b>PREFERRED STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	14. United States .....				
	15. Canada .....				
	16. Other Countries .....				
	17. TOTALS .....				
Parent, Subsidiaries and Affiliates	18. TOTALS .....				
	19. TOTAL Preferred Stocks .....				
<b>COMMON STOCKS</b>					
Industrial and Miscellaneous (unaffiliated)	20. United States .....				
	21. Canada .....				
	22. Other Countries .....				
	23. TOTALS .....				
Parent, Subsidiaries and Affiliates	24. TOTALS .....				
	25. TOTAL Common Stocks .....				
	26. TOTAL Stocks .....				
	27. TOTAL Bonds and Stocks .....	1,027,759,744	1,054,620,997	1,031,580,524	

## SCHEDULE D - PART 1A - SECTION 1

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11	12
NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 11.7	Total From Column 7 Prior Year	% From Column 8 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments												
1.1 NAIC 1	16,490,961	26,669,541	22,392,508			X X X	65,553,010	6.28	53,380,633	6.35	65,553,010	
1.2 NAIC 2						X X X						
1.3 NAIC 3						X X X						
1.4 NAIC 4						X X X						
1.5 NAIC 5						X X X						
1.6 NAIC 6						X X X						
1.7 TOTALS	16,490,961	26,669,541	22,392,508			X X X	65,553,010	6.28	53,380,633	6.35	65,553,010	
2. All Other Governments												
2.1 NAIC 1						X X X						
2.2 NAIC 2						X X X						
2.3 NAIC 3						X X X						
2.4 NAIC 4						X X X						
2.5 NAIC 5						X X X						
2.6 NAIC 6						X X X						
2.7 TOTALS						X X X						
3. U.S. States, Territories and Possessions, etc., Guaranteed												
3.1 NAIC 1	2,008,159	16,634,988	5,250,000			X X X	23,893,147	2.29	18,746,832	2.23	23,893,147	
3.2 NAIC 2						X X X						
3.3 NAIC 3						X X X						
3.4 NAIC 4						X X X						
3.5 NAIC 5						X X X						
3.6 NAIC 6						X X X						
3.7 TOTALS	2,008,159	16,634,988	5,250,000			X X X	23,893,147	2.29	18,746,832	2.23	23,893,147	
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed												
4.1 NAIC 1	2,538,854	7,878,259	6,499,631	884,864		X X X	17,801,608	1.70	18,202,710	2.17	17,801,608	
4.2 NAIC 2						X X X						
4.3 NAIC 3						X X X						
4.4 NAIC 4						X X X						
4.5 NAIC 5						X X X						
4.6 NAIC 6						X X X						
4.7 TOTALS	2,538,854	7,878,259	6,499,631	884,864		X X X	17,801,608	1.70	18,202,710	2.17	17,801,608	
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed												
5.1 NAIC 1	9,422,354	33,696,148	97,083,451	3,500,000	2,880,462	X X X	146,582,415	14.04	53,809,642	6.41	146,582,415	
5.2 NAIC 2						X X X						
5.3 NAIC 3						X X X						
5.4 NAIC 4						X X X						
5.5 NAIC 5						X X X						
5.6 NAIC 6						X X X						
5.7 TOTALS	9,422,354	33,696,148	97,083,451	3,500,000	2,880,462	X X X	146,582,415	14.04	53,809,642	6.41	146,582,415	

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## SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Types of Issues and NAIC Designations

	1	2	3	4	5	6	7	8	9	10	11	12
NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	No Maturity Date	Total Current Year	Column 7 as a % of Line 11.7	Total From Column 7 Prior Year	% From Column 8 Prior Year	Total Publicly Traded	Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)												
6.1 NAIC 1	87,088,133	346,276,979	201,504,322	9,097,914	2,060,986	X X X	646,028,334	61.87	547,075,070	65.12	391,594,976	254,433,358
6.2 NAIC 2	273,771	75,584,720	62,522,888	137,025		X X X	138,518,404	13.26	140,663,150	16.74	114,333,734	24,184,670
6.3 NAIC 3						X X X			2,361,470	0.28		
6.4 NAIC 4						X X X						
6.5 NAIC 5						X X X						
6.6 NAIC 6						X X X						
6.7 TOTALS	87,361,904	421,861,699	264,027,210	9,234,939	2,060,986	X X X	784,546,738	75.13	690,099,690	82.14	505,928,710	278,618,028
7. Hybrid Securities												
7.1 NAIC 1						X X X						
7.2 NAIC 2		2,100,000			3,773,788	X X X	5,873,788	0.56	5,873,778	0.70	5,873,788	
7.3 NAIC 3						X X X						
7.4 NAIC 4						X X X						
7.5 NAIC 5						X X X						
7.6 NAIC 6						X X X						
7.7 TOTALS		2,100,000			3,773,788	X X X	5,873,788	0.56	5,873,778	0.70	5,873,788	
8. Parent, Subsidiaries and Affiliates												
8.1 NAIC 1						X X X						
8.2 NAIC 2						X X X						
8.3 NAIC 3						X X X						
8.4 NAIC 4						X X X						
8.5 NAIC 5						X X X						
8.6 NAIC 6						X X X						
8.7 TOTALS						X X X						
9. SVO Identified Funds												
9.1 NAIC 1	X X X	X X X	X X X	X X X	X X X							
9.2 NAIC 2	X X X	X X X	X X X	X X X	X X X							
9.3 NAIC 3	X X X	X X X	X X X	X X X	X X X							
9.4 NAIC 4	X X X	X X X	X X X	X X X	X X X							
9.5 NAIC 5	X X X	X X X	X X X	X X X	X X X							
9.6 NAIC 6	X X X	X X X	X X X	X X X	X X X							
9.7 TOTALS	X X X	X X X	X X X	X X X	X X X							
10. Unaffiliated Bank Loans												
10.1 NAIC 1						X X X						
10.2 NAIC 2						X X X						
10.3 NAIC 3						X X X						
10.4 NAIC 4						X X X						
10.5 NAIC 5						X X X						
10.6 NAIC 6						X X X						
10.7 TOTALS						X X X						

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## SCHEDULE D - PART 1A - SECTION 1 (Continued)

Quality and Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values By Major Types of Issues and NAIC Designations

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.7	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed (a)
11. Total Bonds Current Year												
11.1 NAIC 1	(d) 117,548,461	431,155,915	332,729,912	13,482,778	4,941,448		899,858,514	86.17	X X X	X X X	645,425,156	254,433,358
11.2 NAIC 2	(d) 273,771	77,684,720	62,522,888	137,025	3,773,788		144,392,192	13.83	X X X	X X X	120,207,522	24,184,670
11.3 NAIC 3	(d)								X X X	X X X		
11.4 NAIC 4	(d)								X X X	X X X		
11.5 NAIC 5	(d)						(c)		X X X	X X X		
11.6 NAIC 6	(d)						(c)		X X X	X X X		
11.7 TOTALS	117,822,232	508,840,635	395,252,800	13,619,803	8,715,236		(b) 1,044,250,706	100.00	X X X	X X X	765,632,678	278,618,028
11.8 Line 11.7 as a % of Column 7	11.28	48.73	37.85	1.30	0.83		100.00	X X X	X X X	X X X	73.32	26.68
12. Total Bonds Prior Year												
12.1 NAIC 1	69,518,820	353,338,427	244,476,930	17,418,874	6,461,836		X X X	X X X	691,214,887	82.28	509,660,820	181,554,068
12.2 NAIC 2	4,668,319	64,723,938	72,650,166	720,727	3,773,778		X X X	X X X	146,536,928	17.44	127,770,481	18,766,446
12.3 NAIC 3	216,706	1,010,586	646,588	400,765	86,825		X X X	X X X	2,361,470	0.28		2,361,470
12.4 NAIC 4							X X X	X X X				
12.5 NAIC 5							X X X	X X X	(c)			
12.6 NAIC 6							X X X	X X X	(c)			
12.7 TOTALS	74,403,845	419,072,951	317,773,684	18,540,366	10,322,439		X X X	X X X	(b) 840,113,285	100.00	637,431,301	202,681,984
12.8 Line 12.7 as a % of Col. 9	8.86	49.88	37.83	2.21	1.23		X X X	X X X	100.00	X X X	75.87	24.13
13. Total Publicly Traded Bonds												
13.1 NAIC 1	78,418,009	286,943,213	271,150,517	5,544,353	3,369,065		645,425,157	61.81	509,660,820	60.67	645,425,157	X X X
13.2 NAIC 2		58,717,818	57,715,916		3,773,788		120,207,522	11.51	127,770,481	15.21	120,207,522	X X X
13.3 NAIC 3												X X X
13.4 NAIC 4												X X X
13.5 NAIC 5												X X X
13.6 NAIC 6												X X X
13.7 TOTALS	78,418,009	345,661,031	328,866,433	5,544,353	7,142,853		765,632,679	73.32	637,431,301	75.87	765,632,679	X X X
13.8 Line 13.7 as a % of Col. 7	10.24	45.15	42.95	0.72	0.93		100.00	X X X	X X X	X X X	100.00	X X X
13.9 Line 13.7 as a % of Line 11.7, Col. 7, Section 11	7.51	33.10	31.49	0.53	0.68		73.32	X X X	X X X	X X X	73.32	X X X
14. Total Privately Placed Bonds												
14.1 NAIC 1	39,130,453	144,212,701	61,579,396	7,938,424	1,572,384		254,433,358	24.37	181,554,068	21.61	X X X	254,433,358
14.2 NAIC 2	273,771	18,966,902	4,806,971	137,026			24,184,670	2.32	18,766,446	2.23	X X X	24,184,670
14.3 NAIC 3									2,361,470	0.28	X X X	
14.4 NAIC 4											X X X	
14.5 NAIC 5											X X X	
14.6 NAIC 6											X X X	
14.7 TOTALS	39,404,224	163,179,603	66,386,367	8,075,450	1,572,384		278,618,028	26.68	202,681,984	24.13	X X X	278,618,028
14.8 Line 14.7 as a % of Col. 7	14.14	58.57	23.83	2.90	0.56		100.00	X X X	X X X	X X X	X X X	100.00
14.9 Line 14.7 as a % of Line 11.7, Col. 7, Section 11	3.77	15.63	6.36	0.77	0.15		26.68	X X X	X X X	X X X	X X X	26.68

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(a) Includes \$.....277,618,027 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.  
 (b) Includes \$.....0 current year of bonds with Z designations, \$.....0 prior year of bonds with Z designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z\*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.  
 (c) Includes \$.....0 current year of bonds with 5GI designations, \$.....0 prior year of bonds with 5\* or 5GI designations and \$.....0 current year, \$.....0 prior year of bonds with 6\* designations. "5GI" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6\*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.  
 (d) Includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....16,490,961; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

# SCHEDULE D - PART 1A - SECTION 2

## Maturity Distribution of All Bonds Owned December 31, At Book/Adjusted Carrying Values by Major Type and Subtype of Issues

Distribution by Type		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.08	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
1.	U.S. Governments												
1.01	Issuer Obligations	16,490,961	26,669,541	22,392,508			X X X	65,553,010	6.28	53,380,633	6.35	65,553,010	
1.02	Residential Mortgage-Backed Securities						X X X						
1.03	Commercial Mortgage-Backed Securities						X X X						
1.04	Other Loan-Backed and Structured Securities						X X X						
1.05	TOTALS	16,490,961	26,669,541	22,392,508			X X X	65,553,010	6.28	53,380,633	6.35	65,553,010	
2.	All Other Governments												
2.01	Issuer Obligations						X X X						
2.02	Residential Mortgage-Backed Securities						X X X						
2.03	Commercial Mortgage-Backed Securities						X X X						
2.04	Other Loan-Backed and Structured Securities						X X X						
2.05	TOTALS						X X X						
3.	U.S. States, Territories and Possessions, Guaranteed												
3.01	Issuer Obligations	2,008,159	16,634,988	5,250,000			X X X	23,893,147	2.29	18,746,832	2.23	23,893,147	
3.02	Residential Mortgage-Backed Securities						X X X						
3.03	Commercial Mortgage-Backed Securities						X X X						
3.04	Other Loan-Backed and Structured Securities						X X X						
3.05	TOTALS	2,008,159	16,634,988	5,250,000			X X X	23,893,147	2.29	18,746,832	2.23	23,893,147	
4.	U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed												
4.01	Issuer Obligations	2,538,854	7,878,259	6,499,631	884,864		X X X	17,801,608	1.70	18,202,710	2.17	17,801,608	
4.02	Residential Mortgage-Backed Securities						X X X						
4.03	Commercial Mortgage-Backed Securities						X X X						
4.04	Other Loan-Backed and Structured Securities						X X X						
4.05	TOTALS	2,538,854	7,878,259	6,499,631	884,864		X X X	17,801,608	1.70	18,202,710	2.17	17,801,608	
5.	U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed												
5.01	Issuer Obligations	9,422,354	33,696,148	97,083,451	3,500,000	2,880,462	X X X	146,582,415	14.04	53,809,642	6.41	146,582,416	
5.02	Residential Mortgage-Backed Securities						X X X						
5.03	Commercial Mortgage-Backed Securities						X X X						
5.04	Other Loan-Backed and Structured Securities						X X X						
5.05	TOTALS	9,422,354	33,696,148	97,083,451	3,500,000	2,880,462	X X X	146,582,415	14.04	53,809,642	6.41	146,582,416	
6.	Industrial and Miscellaneous												
6.01	Issuer Obligations	55,992,449	303,818,450	233,399,709	1,681,792		X X X	594,892,400	56.97	499,652,612	59.47	455,606,410	139,285,990
6.02	Residential Mortgage-Backed Securities						X X X						
6.03	Commercial Mortgage-Backed Securities						X X X						
6.04	Other Loan-Backed and Structured Securities	31,369,455	118,043,249	30,627,501	7,553,147	2,060,986	X X X	189,654,338	18.16	190,447,078	22.67	50,322,301	139,332,037
6.05	TOTALS	87,361,904	421,861,699	264,027,210	9,234,939	2,060,986	X X X	784,546,738	75.13	690,099,690	82.14	505,928,711	278,618,027
7.	Hybrid Securities												
7.01	Issuer Obligations		2,100,000			3,773,788	X X X	5,873,788	0.56	5,873,778	0.70	5,873,788	
7.02	Residential Mortgage-Backed Securities						X X X						
7.03	Commercial Mortgage-Backed Securities						X X X						
7.04	Other Loan-Backed and Structured Securities						X X X						
7.05	TOTALS		2,100,000			3,773,788	X X X	5,873,788	0.56	5,873,778	0.70	5,873,788	
8.	Parent, Subsidiaries and Affiliates												
8.01	Issuer Obligations						X X X						
8.02	Residential Mortgage-Backed Securities						X X X						
8.03	Commercial Mortgage-Backed Securities						X X X						
8.04	Other Loan-Backed and Structured Securities						X X X						
8.05	Affiliated Bank Loans - Issued						X X X						
8.06	Affiliated Bank Loans - Acquired						X X X						
8.07	TOTALS						X X X						

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## SCHEDULE D - PART 1A - SECTION 2 (Continued)

Maturity Distribution of All Bonds Owned December 31, at Book/Adjusted Carrying Values by Major Type and Subtype of Issues

	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 No Maturity Date	7 Total Current Year	8 Column 7 as a % of Line 11.08	9 Total From Column 7 Prior Year	10 % From Column 8 Prior Year	11 Total Publicly Traded	12 Total Privately Placed
Distribution by Type												
9. SVO Identified Funds												
9.01 Exchange Traded Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X							
9.02 Bond Mutual Funds - as Identified by the SVO	X X X	X X X	X X X	X X X	X X X							
9.03 TOTALS	X X X	X X X	X X X	X X X	X X X							
10. Unaffiliated Bank Loans												
10.01 Unaffiliated Bank Loans - Issued						X X X						
10.02 Unaffiliated Bank Loans - Acquired						X X X						
10.03 TOTALS						X X X						
11. Total Bonds Current Year												
11.01 Issuer Obligations	86,452,777	390,797,386	364,625,299	6,066,656	6,654,250	X X X	854,596,368	81.84	X X X	X X X	715,310,379	139,285,990
11.02 Residential Mortgage-Backed Securities						X X X			X X X	X X X		
11.03 Commercial Mortgage-Backed Securities						X X X			X X X	X X X		
11.04 Other Loan-Backed and Structured Securities	31,369,455	118,043,249	30,627,501	7,553,147	2,060,986	X X X	189,654,338	18.16	X X X	X X X	50,322,301	139,332,037
11.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
11.06 Affiliated Bank Loans						X X X			X X X	X X X		
11.07 Unaffiliated Bank Loans						X X X			X X X	X X X		
11.08 TOTALS	117,822,232	508,840,635	395,252,800	13,619,803	8,715,236		1,044,250,706	100.00	X X X	X X X	765,632,680	278,618,027
11.09 Line 11.08 as a % of Col. 7	11.28	48.73	37.85	1.30	0.83		100.00	X X X	X X X	X X X	73.32	26.68
12. Total Bonds Prior Year												
12.01 Issuer Obligations	41,968,515	306,106,046	284,490,912	9,547,155	7,553,579	X X X	X X X	X X X	649,666,207	77.33	569,507,051	80,159,153
12.02 Residential Mortgage-Backed Securities						X X X	X X X	X X X				
12.03 Commercial Mortgage-Backed Securities						X X X	X X X	X X X				
12.04 Other Loan-Backed and Structured Securities	32,435,330	112,966,904	33,282,772	8,993,216	2,768,856	X X X	X X X	X X X	190,447,078	22.67	67,924,249	122,522,832
12.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X				X X X	X X X		
12.06 Affiliated Bank Loans						X X X			X X X	X X X		
12.07 Unaffiliated Bank Loans						X X X			X X X	X X X		
12.08 TOTALS	74,403,845	419,072,950	317,773,684	18,540,371	10,322,435		X X X	X X X	840,113,285	100.00	637,431,300	202,681,985
12.09 Line 12.08 as a % of Col. 9	8.86	49.88	37.83	2.21	1.23		X X X	X X X	100.00	X X X	75.87	24.13
13. Total Publicly Traded Bonds												
13.01 Issuer Obligations	65,651,053	315,099,552	323,520,660	4,384,864	6,654,251	X X X	715,310,380	68.50	569,507,051	67.79	715,310,380	X X X
13.02 Residential Mortgage-Backed Securities						X X X						X X X
13.03 Commercial Mortgage-Backed Securities						X X X						X X X
13.04 Other Loan-Backed and Structured Securities	12,766,956	30,561,479	5,345,774	1,159,490	488,602	X X X	50,322,301	4.82	67,924,249	8.09	50,322,301	X X X
13.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X							X X X
13.06 Affiliated Bank Loans						X X X						X X X
13.07 Unaffiliated Bank Loans						X X X						X X X
13.08 TOTALS	78,418,009	345,661,031	328,866,434	5,544,354	7,142,853		765,632,681	73.32	637,431,300	75.87	765,632,681	X X X
13.09 Line 13.08 as a % of Col. 7	10.24	45.15	42.95	0.72	0.93		100.00	X X X	X X X	X X X	100.00	X X X
13.10 Line 13.08 as a % of Line 11.08, Col. 7, Section 11	7.51	33.10	31.49	0.53	0.68		73.32	X X X	X X X	X X X	73.32	X X X
14. Total Privately Placed Bonds												
14.01 Issuer Obligations	20,801,726	75,697,834	41,104,639	1,681,792		X X X	139,285,991	13.34	80,159,153	9.54	X X X	139,285,991
14.02 Residential Mortgage-Backed Securities						X X X					X X X	
14.03 Commercial Mortgage-Backed Securities						X X X					X X X	
14.04 Other Loan-Backed and Structured Securities	18,602,498	87,481,770	25,281,728	6,393,657	1,572,384	X X X	139,332,037	13.34	122,522,832	14.58	X X X	139,332,037
14.05 SVO Identified Funds	X X X	X X X	X X X	X X X	X X X						X X X	
14.06 Affiliated Bank Loans						X X X					X X X	
14.07 Unaffiliated Bank Loans						X X X					X X X	
14.08 TOTALS	39,404,224	163,179,604	66,386,367	8,075,449	1,572,384		278,618,028	26.68	202,681,985	24.13	X X X	278,618,028
14.09 Line 14.08 as a % of Col. 7	14.14	58.57	23.83	2.90	0.56		100.00	X X X	X X X	X X X	100.00	100.00
14.10 Line 14.08 as a % of Line 11.08, Col. 7, Section 11	3.77	15.63	6.36	0.77	0.15		26.68	X X X	X X X	X X X	26.68	26.68

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## SCHEDULE DA - VERIFICATION BETWEEN YEARS

### Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year .....					
2. Cost of short-term investments acquired .....	22,600,819	22,600,819			
3. Accrual of discount .....					
4. Unrealized valuation increase (decrease) .....					
5. TOTAL gain (loss) on disposals .....					
6. Deduct consideration received on disposals .....	22,600,819	22,600,819			
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) .....					
11. Deduct total nonadmitted amounts .....					
12. Statement value at end of current period (Line 10 minus Line 11) .....					

(a) Indicate the category of such assets, for example, joint ventures, transportation equipment: 0

SI11 Schedule DB Part A Verification ..... NONE

SI11 Schedule DB Part B Verification ..... NONE

SI12 Schedule DB Part C Sn 1 - Rep. (Syn Asset) Transactions ..... NONE

SI13 Schedule DB Part C Sn 2 - Rep. (Syn Asset) Transactions ..... NONE

SI14 Schedule DB Verification ..... NONE

## SCHEDULE E - PART 2 - VERIFICATION BETWEEN YEARS (Cash Equivalents)

	1	2	3	4
	Total	Bonds	Money Market Mutual Funds	Other (a)
1. Book/adjusted carrying value, December 31 of prior year .....	34,192,513	29,698,378	4,494,135	
2. Cost of cash equivalents acquired .....	472,962,503	97,572,926	375,389,577	
3. Accrual of discount .....				
4. Unrealized valuation increase (decrease) .....				
5. TOTAL gain (loss) on disposals .....				
6. Deduct consideration received on disposals .....	474,919,268	110,780,343	364,138,925	
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) .....	32,235,748	16,490,961	15,744,787	
11. Deduct total nonadmitted amounts .....				
12. Statement value at end of current period (Lines 10 minus 11) .....	32,235,748	16,490,961	15,744,787	

(a) Indicate the category of such investments, for example, joint ventures, transportation equipment:

**E01 Schedule A - Part 1 Real Estate Owned ..... NONE**

**E02 Schedule A - Part 2 Real Estate Acquired ..... NONE**

**E03 Schedule A - Part 3 Real Estate Disposed ..... NONE**

**E04 Schedule B Part 1 - Mortgage Loans Owned ..... NONE**

**E05 Schedule B Part 2 - Mortgage Loans Acquired ..... NONE**

**E06 Schedule B Part 3 - Mortgage Loans Disposed ..... NONE**

**E07 Schedule BA Part 1 - Long-Term Invested Assets Owned ..... NONE**

**E08 Schedule BA Part 2 - Long-Term Invested Assets Acquired ..... NONE**

**E09 Schedule BA Part 3 - Long-Term Invested Assets Disposed ..... NONE**















**E11 Schedule D - Part 2 Sn 1 Prfrd Stocks Owned ..... NONE**

**E12 Schedule D - Part 2 Sn 2 Common Stocks Owned ..... NONE**

## SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

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
<b>Bonds - U.S. Governments</b>								
201926904	U. S. MORTGAGE GUARANTY INSURANCE		09/26/2019	DIRECT	X X X	7,625,595	7,625,595	
912828W48	UNITED STATES TREAS NTS		03/01/2019	FIRST REPUBLIC BANK	X X X	123,417	125,000	1,313
0599999 Subtotal - Bonds - U.S. Governments						7,749,012	7,750,595	1,313
<b>Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)</b>								
68609TMN5	OREGON ST		11/01/2019	MORGAN STANLEY & CO	X X X	1,500,000	1,500,000	
68609TNF1	OREGON ST		11/01/2019	MORGAN STANLEY & CO	X X X	1,000,000	1,000,000	
97705MNC4	WISCONSIN ST TAXABLE GO REF BDS 20		10/02/2019	GOLDMAN SACHS & COMPANY	X X X	2,750,000	2,750,000	
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						5,250,000	5,250,000	
<b>Bonds - U.S. Special Revenue, Special Assessment</b>								
114894ZP6	BROWARD CNTY FLA ARPT SYS REV		11/01/2019	MERRIL LYNCH	X X X	12,000,000	12,000,000	
2350364N7	DALLAS FORT WORTH TEX INTL ARP		08/08/2019	CHASE SECURITIES	X X X	3,000,000	3,000,000	
44244CXT9	HOUSTON TEX UTIL SYS REV		09/01/2019	CITIGROUP	X X X	10,000,000	10,000,000	
516391DJ5	LANSING MICH BRD WTR & LT UTIL		12/13/2019	CHASE SECURITIES INC	X X X	1,300,000	1,300,000	
516391DK2	LANSING MICH BRD WTR & LT UTIL		12/13/2019	CHASE SECURITIES INC	X X X	1,000,000	1,000,000	
516391DL0	LANSING MICH BRD WTR & LT UTIL		12/13/2019	CHASE SECURITIES INC	X X X	750,000	750,000	
523530LP6	LEE CNTY FLA WTR & SWR REV		12/04/2019	CHASE SECURITIES INC	X X X	1,000,000	1,000,000	
523530LQ4	LEE CNTY FLA WTR & SWR REV		12/04/2019	CHASE SECURITIES INC	X X X	600,000	600,000	
576000XG3	MASSACHUSETTS ST SCH BLDG AUTH		11/07/2019	MERRIL LYNCH	X X X	2,255,000	2,255,000	
64971XMK1	NEW YORK N Y CITY TRANSITIONAL		12/19/2019	MORGAN STANLEY & CO	X X X	7,000,000	7,000,000	
64990FQS6	NEW YORK ST DORM AUTH ST PERS		12/19/2019	WELLS FARGO	X X X	3,500,000	3,500,000	
650009S38	NEW YORK ST TWY AUTH GEN REV		10/18/2019	CITIGROUP	X X X	2,750,000	2,750,000	
650009S46	NEW YORK ST TWY AUTH GEN REV		10/21/2019	CITIGROUP	X X X	5,753,120	5,750,000	
67919PPV9	OKLAHOMA ST WTR RES BRD REVOLV		12/04/2019	MERRIL LYNCH	X X X	5,000,000	5,000,000	
68607DTY1	OREGON ST DEPT TRANSN HWY USER		11/07/2019	CITIGROUP GLOBAL MARKETS INC.	X X X	2,710,000	2,710,000	
76221UGE0	RHODE IS INFRASTRUCTURE BK WTR		12/05/2019	MORGAN STANLEY & CO	X X X	5,000,000	5,000,000	
76221UGF7	RHODE IS INFRASTRUCTURE BK WTR		12/05/2019	MORGAN STANLEY & CO	X X X	2,500,000	2,500,000	
783186UE7	RUTGERS ST UNIV N J		10/18/2019	MORGAN STANLEY & CO	X X X	5,000,000	5,000,000	
783186UF4	RUTGERS ST UNIV N J		10/18/2019	MORGAN STANLEY & CO	X X X	3,000,000	3,000,000	
797669ZN1	SAN FRANCISCO CALIF BAY AREA R		10/23/2019	BARCLAYS CAPITAL INC	X X X	5,300,000	5,300,000	
79765R4Q9	SAN FRANCISCO CALIF CITY & CNT		12/13/2019	WELLS FARGO	X X X	250,000	250,000	
79765R4R7	SAN FRANCISCO CALIF CITY & CNT		12/13/2019	WELLS FARGO	X X X	500,000	500,000	
79765R4S5	SAN FRANCISCO CALIF CITY & CNT		12/13/2019	WELLS FARGO	X X X	350,000	350,000	
79765R4W6	SAN FRANCISCO CALIF CITY & CNT		12/13/2019	WELLS FARGO	X X X	1,000,000	1,000,000	
914639KQ1	UNIVERSITY NEB FACS CORP REV		10/11/2019	MORGAN STANLEY & CO	X X X	7,000,000	7,000,000	
958697KV5	WESTERN MINN MUN PWR AGY MINN		10/17/2019	CITIGROUP	X X X	3,500,000	3,500,000	
958697KW3	WESTERN MINN MUN PWR AGY MINN		10/17/2019	CITIGROUP	X X X	3,500,000	3,500,000	
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						95,518,120	95,515,000	
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>								
88579YBJ9	3M CO SR GLBL NT 29		08/19/2019	BANK OF AMERICA SEC LLC	X X X	6,429,670	6,500,000	
00287YBQ1	ABBVIE INC 144A		11/12/2019	MORGAN STANLEY & CO	X X X	3,996,440	4,000,000	
037833DN7	APPLE INC		09/04/2019	GOLDMAN SACHS & COMPANY	X X X	4,991,550	5,000,000	
04685A2F7	ATHENE GLOBAL FUNDING GLBL 22 144A		01/17/2019	STIFEL NICOLAUS & CO	X X X	3,001,260	3,000,000	6,393
05377RDL5	AVIS BUDGET RENTAL 144A FD 2019-2		04/16/2019	CITIGROUP	X X X	2,034,280	2,035,000	
05377RDM3	AVIS BUDGET RENTAL FD 144A 2019-2		04/16/2019	CITIGROUP	X X X	2,099,546	2,100,000	
05492MAC9	BCC FDG XVI 144A 2019-1 20240920 2		10/10/2019	WELLS FARGO	X X X	1,999,383	2,000,000	
09247XAP6	BLACKROCK INC		04/17/2019	CITIGROUP	X X X	1,983,800	2,000,000	
097023CC7	BOEING CO		02/13/2019	BANK OF AMERICA SEC LLC	X X X	3,467,905	3,500,000	
110122BQ0	BRISTOL MYERS SQUIBB CO 144A		11/25/2019	EXCHANGE	X X X	2,991,243	3,000,000	
110122BZ0	BRISTOL MYERS SQUIBB CO 144A		05/07/2019	MORGAN STANLEY & CO	X X X	3,984,480	4,000,000	
110122CA4	BRISTOL MYERS SQUIBB CO 144A		05/07/2019	MORGAN STANLEY & CO	X X X	5,360,380	5,375,000	

## SCHEDULE D - PART 3

Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year

1	2	3	4	5	6	7	8	9
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends
141781BG8	CARGILL INC SR GLBL 144A		03/06/2019	RAYMOND JAMES/FI	X X X	2,007,120	2,000,000	1,264
15189XAQ1	CENTERPOINT ENERGY HOUSTON ELE		02/13/2019	KEYBANC CAPITAL MARKETS	X X X	929,880	1,000,000	10,933
17325FAS7	CITIBANK NA N Y		01/15/2019	CITIGROUP	X X X	6,141,636	6,150,000	
12563LAL1	CLU FDG VI LLC 144A 2019-1		05/07/2019	RBC DAIN RAUSCHER INC	X X X	4,312,962	4,313,000	
21054PAB1	CONSUMER LN 144A BD TR 2019-P2		09/04/2019	CITIGROUP	X X X	6,999,983	7,000,000	
126650DF4	CVS HEALTH CORP		08/08/2019	BARCLAYS CAPITAL INC	X X X	1,997,740	2,000,000	
24422EUU1	DEERE JOHN CAP CORP MTNS BE		03/04/2019	HSBC SECURITIES INC	X X X	1,993,800	2,000,000	
23341KAB1	DRB PRIME ST 144A LN TR 2015-D		04/30/2019	WELLS FARGO	X X X	5,953,643	5,930,494	
26442CAY0	DUKE ENERGY CAROLINAS LLC MTG		08/12/2019	BARCLAYS CAPITAL INC	X X X	4,993,850	5,000,000	
26442UAG9	DUKE ENERGY PROGRESS LLC		01/11/2019	KEYBANC CAPITAL MARKETS	X X X	3,010,350	3,000,000	48,100
26442UAH7	DUKE ENERGY PROGRESS LLC		03/04/2019	BARCLAYS CAPITAL INC	X X X	1,991,760	2,000,000	
29364DAU4	ENTERGY ARK INC		01/11/2019	KEYBANC CAPITAL MARKETS	X X X	2,964,450	3,000,000	30,333
337738AS7	FISERV INC		06/10/2019	CHASE SECURITIES	X X X	7,986,560	8,000,000	
35137LAA3	FOX CORP 144A		01/15/2019	GOLDMAN SACHS & COMPANY	X X X	2,000,000	2,000,000	
36257AAG6	GM FINANCIAL AUTOMOBILE LEASING TR		04/30/2019	WELLS FARGO	X X X	2,389,571	2,390,000	
40139LAF0	GUARDIAN LIFE GLBL FDG 144A		04/29/2019	WELLS FARGO	X X X	2,996,820	3,000,000	
40438DAE9	HPEFS EQUIPMENT TRUST 144A 2019-1		09/12/2019	GOLDMAN SACHS & COMPANY	X X X	1,849,712	1,850,000	
46617FAA2	JGWPT XXVIII LLC 144A 2013-1		09/10/2019	ROBERT W. BAIRD	X X X	659,217	629,371	1,576
485134BN9	KANSAS CITY PWR & LT CO		03/20/2019	KEYBANC CAPITAL MARKETS	X X X	3,536,505	3,500,000	2,144
26138EAU3	KEURIG DR PEPPER INC SR GLBL NT 26		08/13/2019	CREDIT SUISSE SECURITIES (USA)	X X X	6,321,380	6,500,000	69,063
546676AW7	LOUISVILLE GAS & ELEC CO		03/19/2019	KEYBANC CAPITAL MARKETS	X X X	1,717,459	1,700,000	26,492
571676AA3	MARS INC DEL 144A		03/26/2019	BANK OF AMERICA SEC LLC	X X X	3,497,690	3,500,000	
57629WCE8	MASSMUTUAL GLBL FDG II MTN144A		01/16/2019	GOLDMAN SACHS & COMPANY	X X X	3,849,560	4,000,000	7,944
59217GCD9	METROPOLITAN LIFE GLOBAL FDG 144A		01/16/2019	BNY CAPITAL MKTS	X X X	2,138,831	2,185,000	16,084
59217GCS6	METROPOLITAN LIFE GLOBAL FDG 144A		01/16/2019	KEYBANC CAPITAL MARKETS	X X X	1,302,184	1,300,000	853
606822BG8	MITSUBISHI UFJ FINL GROUP INC	C	03/01/2019	MITSUBISHI SECURITIES	X X X	4,000,000	4,000,000	
68269BAA6	ONEMAIN FINL 144A TR 2019-2		09/16/2019	BARCLAYS CAPITAL INC	X X X	4,997,869	5,000,000	
68269BAB4	ONEMAIN FINL 144A TR 2019-2		09/16/2019	BARCLAYS CAPITAL INC	X X X	2,499,145	2,500,000	
709599BF0	PENSKE TRUCK LEASING CO 144A L P		04/24/2019	WELLS FARGO	X X X	2,494,100	2,500,000	
717081ES8	PFIZER INC		03/04/2019	BARCLAYS CAPITAL INC	X X X	3,498,215	3,500,000	
74153WCL1	PRICOA GLBL 144A FDG I MTN		09/16/2019	CHASE SECURITIES	X X X	4,199,622	4,200,000	
74256LBG3	PRINCIPAL LIFE GLOBAL 144A FDG II		09/09/2019	GOLDMAN SACHS & COMPANY	X X X	4,618,613	4,650,000	
74256LAQ2	PRINCIPAL LIFE GLOBAL FDG II 144A		01/16/2019	VARIOUS	X X X	5,743,160	5,800,000	35,444
74368CAH7	PROTECTIVE LIFE GLOBAL FUND 144A		02/15/2019	BARCLAYS CAPITAL INC	X X X	1,956,820	2,000,000	25,859
771367CD9	ROCHESTER GAS & ELEC CORP 144A		02/13/2019	KEYBANC CAPITAL MARKETS	X X X	3,496,875	3,590,000	22,876
80285JAN6	SANTANDER RETAIL AUTO 144A 2019-		04/10/2019	CHASE SECURITIES	X X X	8,499,725	8,500,000	
78403DAN0	SBA TOWER TRUST 2019-144A		09/10/2019	BARCLAYS CAPITAL INC	X X X	2,850,000	2,850,000	
828807DF1	SIMON PPTY GROUP LP		09/04/2019	BANK OF AMERICA SEC LLC	X X X	4,204,525	4,250,000	
83406CAC3	SOFI CONSUMER LN 144A PRGRM 2019-2		04/18/2019	WELLS FARGO	X X X	1,499,833	1,500,000	
87612EBH8	TARGET CORP		03/18/2019	BARCLAYS CAPITAL INC	X X X	3,999,600	4,000,000	
906548CP5	UNION ELEC CO		03/04/2019	BARCLAYS CAPITAL INC	X X X	3,272,216	3,275,000	
931142EL3	WALMART INC SR GLBL NT 24		04/16/2019	MIZHUO SECURITIES USA	X X X	1,997,560	2,000,000	
82620KAE3	SIEMENS FIN NV 144A	C	01/17/2019	BANK OF AMERICA SEC LLC	X X X	2,945,160	3,000,000	14,896
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					192,655,638	193,572,865	320,254
8399997	Subtotal - Bonds - Part 3					301,172,770	302,088,460	321,567
8399998	Summary item from Part 5 for Bonds							
8399999	Subtotal - Bonds					301,172,770	302,088,460	321,567
9999999	Totals					301,172,770	X X X	321,567



**SCHEDULE D - PART 4**

Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21
										11	12	13	14	15						
CUSIP Identification	Description	Forfeiture	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 (Amortization/Accretion)	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 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
<b>Bonds - U.S. Governments</b>																				
912828C24	UNITED STATES TREAS NTS		03/01/2019	MATURITY	X X X	110,000	110,000	109,678	109,989		11		11		110,000				825	02/28/2019
0599999 Subtotal - Bonds - U.S. Governments						110,000	110,000	109,678	109,989		11		11		110,000				825	X X X
<b>Bonds - U.S. Special Revenue, Special Assessment</b>																				
01026CAC5	ALABAMA ECONOMIC SETTLEMENT AU		09/15/2019	Sink PMT @ 100.0000000	X X X	465,000	465,000	465,000	465,000					465,000					14,708	09/15/2025
011420MG8	ALAMO TEX CMNTY COLLEGE DIST R		11/01/2019	VARIOUS	X X X	2,000,000	2,000,000	2,063,720	2,058,477		(58,477)		(58,477)	2,000,000					60,000	11/01/2046
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						2,465,000	2,465,000	2,528,720	2,523,477		(58,477)		(58,477)	2,465,000					74,708	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																				
00507UAS0	ACTAVIS FUNDING SCS	C	05/16/2019	WELLS FARGO	X X X	1,304,812	1,300,000	1,295,385	1,296,941		165		165	1,297,106		7,706	7,706		33,499	03/15/2025
009088AA3	AIR CANADA 2015-2 144 A	C	12/15/2019	PRINCIPAL RECEIPT	X X X	173,597	173,597	173,597	173,597					173,597					4,882	06/15/2029
0258M0EJ4	AMERICAN EXPRESS CR CORP MTNBE		04/02/2019	CALLED @ 100.0000000	X X X	2,500,000	2,500,000	2,500,000	2,500,000					2,500,000					30,541	05/03/2019
03065MAF4	AMERICREDIT AUTO REC V 2015-4		12/08/2019	PRINCIPAL RECEIPT	X X X	1,059,276	1,059,276	1,059,079	1,059,247		29		29	1,059,276					22,649	07/08/2021
03076CAD8	AMERIPRISE FINL INC		06/28/2019	MATURITY	X X X	510,000	510,000	590,535	521,709		(11,709)		(11,709)	510,000					18,615	06/28/2019
035242AL0	ANHEUSER BUSCH INBEV FIN INC		04/24/2019	CALLED @ 102.3160000	X X X	478,839	468,000	466,226	466,922		78		78	467,000		1,000	1,000		18,926	02/01/2023
05353TAA6	AVANT LOANS FDG TR 2018-B- 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	877,503	877,503	877,465	877,467		36		36	877,503					14,876	01/18/2022
05352PAA5	AVNT 18A A 144A		10/03/2019	VARIOUS	X X X	2,977,204	2,977,204	2,977,129	2,976,417		787		787	2,977,204					34,222	06/15/2021
12189PAK8	BURLINGTON NORTH SF 2001-2		12/31/2019	PRINCIPAL RECEIPT	X X X	400,611	400,611	462,478	414,283		(13,672)		(13,672)	400,611					13,600	01/15/2021
13975NAF0	CAPITAL AUTO REC V ABN 2016-1		12/20/2019	PRINCIPAL RECEIPT	X X X	1,205,599	1,205,599	1,205,573	1,205,593		6		6	1,205,599					39,031	05/20/2021
14149YBHO	CARDINAL HEALTH INC		09/24/2019	WELLS FARGO	X X X	2,530,150	2,500,000	2,500,000	2,500,000					2,500,000		30,150	30,150		60,083	06/15/2024
20268MAA4	CBSLT 18BGS A1 144A		12/25/2019	PRINCIPAL RECEIPT	X X X	895,481	895,481	895,433	895,432		49		49	895,481					17,695	09/25/2045
151020BB9	CELGENE CORP		11/25/2019	EXCHANGE	X X X	2,991,243	3,000,000	2,989,680	2,990,446		797		797	2,991,243					120,000	02/20/2028
125634AN5	CLI FDG V LLC 2014-1 144A		12/18/2019	PRINCIPAL RECEIPT	X X X	242,356	242,356	238,825	238,949		3,407		3,407	242,356					3,752	06/18/2029
12563LAL1	CLU FDG VI LLC 144A 2019-1		12/18/2019	PRINCIPAL RECEIPT	X X X	253,719	253,719	253,717			2		2	253,719					2,958	05/18/2044
19260MAA4	COINSTAR FDG LLC 2017-144A		04/25/2019	VARIOUS	X X X	2,185,114	2,142,375	2,142,375	2,142,375					2,142,375		42,739	42,739		47,752	04/25/2047
20826JAA6	CONNRS REC V FDG LLC 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	1,140,954	1,140,954	1,140,909	1,140,882		73		73	1,140,954					17,181	07/17/2023
21054PAB1	CONSUMER LN 144A BD TR 2019-P2		12/15/2019	PRINCIPAL RECEIPT	X X X	1,009,039	1,009,039	1,009,036			2		2	1,009,039					4,505	10/15/2026
21051AAA9	CONSUMER LN BD CR TR 2017-P1 144A		05/15/2019	PRINCIPAL RECEIPT	X X X	482,936	482,936	482,921	482,886		50		50	482,936					2,521	09/15/2023
21052NAA0	CONSUMER LOAN UNDERLYING BOND CLUB		12/15/2019	PRINCIPAL RECEIPT	X X X	2,715,072	2,715,072	2,715,066	2,715,066		6		6	2,715,072					48,169	10/15/2025
247358AA2	DELTA AIRLINES PT 2012-1 20211107		11/07/2019	Sink PMT @ 100.0000000	X X X	309,424	309,424	328,376	322,117		(12,693)		(12,693)	309,424					11,111	11/07/2021
51888TAC8	DRB 17B BFX		12/25/2019	PRINCIPAL RECEIPT	X X X	343,991	343,991	343,990	343,990		1		1	343,991					6,204	08/25/2042
23341KAB1	DRB PRIME ST 144A LN TR 2015-D		12/25/2019	PRINCIPAL RECEIPT	X X X	1,513,766	1,513,766	1,519,675			(5,909)		(5,909)	1,513,766					19,416	01/25/2040
35040JAA9	FOUNDATION FIN TR 2017 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	673,312	673,312	673,214	673,265		46		46	673,312					11,442	07/15/2033
38218GAA0	GOODGREEN 2018- 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	553,450	553,450	553,393	553,391		60		60	553,450					14,070	10/15/2053
41284LAA2	HARLEY MARINE FING LLC 2018-1 144A		04/15/2019	VARIOUS	X X X	2,893,185	3,419,100	3,030,094	2,361,470	1,049,813	(1,785)	381,603	666,425	3,027,894		(134,709)	(134,709)		60,762	05/15/2043
46620VAA2	HENDR 172 A		12/15/2019	PRINCIPAL RECEIPT	X X X	131,180	131,180	131,121	131,125		55		55	131,180					2,630	09/15/2060
42771LAB8	HERO FDG 2017-2 144A	C	12/20/2019	PRINCIPAL RECEIPT	X X X	167,266	167,266	167,244	167,243		23		23	167,266					3,861	09/20/2048
26208LAC2	HONK 181 A2		04/20/2019	VARIOUS	X X X	3,051,994	2,985,000	2,985,000	2,985,000					2,985,000		66,994	66,994		62,410	04/20/2048
46617FAA2	JGWPT XXVIII LLC 144A 2013-1		12/15/2019	PRINCIPAL RECEIPT	X X X	17,881	17,881	18,729			(848)		(848)	17,881					103	04/15/2067
51888TAB0	LAUREL RD PRIME SL TR 2017 144A		12/25/2019	PRINCIPAL RECEIPT	X X X	2,324,710	2,324,710	2,260,417	2,259,959		64,751		64,751	2,324,710					38,458	08/25/2042
543190AA0	LONGTRAIN LEASING III 2015-3 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	183,650	183,650	182,495	182,779		871		871	183,650					2,990	01/15/2045
57109GAA2	MARLETTE FDG TR 2018-4 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	1,549,581	1,549,581	1,549,458	1,549,458		122		122	1,549,581					30,271	12/15/2028
61946FAA3	MOSAIC SOLAR LNS- 144A		12/20/2019	PRINCIPAL RECEIPT	X X X	756,554	756,554	756,515	756,517		37		37	756,554					15,694	06/22/2043
68268EAA1	ONEMAIN FINL ISSUE TR 2015-1 144A		05/18/2019	PRINCIPAL RECEIPT	X X X	1,500,653	1,500,653	1,502,763	1,504,784		(4,130)		(4,130)	1,500,653					10,852	03/18/2026
80284QAF8	SANTANDER DRIVE AUTO 2015-5		06/15/2019	PRINCIPAL RECEIPT	X X X	1,014,387	1,014,387	1,014,261	1,014,378		9		9	1,014,387					7,529	12/15/2021
80285TAE4	SANTANDER DRIVE AUTO 2018-1		12/15/2019	PRINCIPAL RECEIPT	X X X	5,574,458	5,574,458	5,574,062	5,574,240		217		217	5,574,458					125,588	07/15/2022
83405QAA7	SOFI CONSUMER LN PRGRM 2017-6 144A		09/04/2019	VARIOUS	X X X	908,049	908,049	907,699			832		832	908,049					7,224	11/25/2026
78471WAD7	SOFI CONSUMER LN PRGRM 2018-2 144A		03/27/2019	VARIOUS	X X X	2,032,813	2,000,000	1,995,419	1,996,179		240		240	1,996,419		36,394	36,394		22,194	04/26/2027
83401LAB0	SOFI PRFSSNAL LN PRGRM 2015-A 144A		12/25/2019	PRINCIPAL RECEIPT	X X X	193,805	193,805	192,737	191,912		1,893		1,893	193,805					2,503	03/25/2030
78470NAB2	SOFI PRFSSNAL LN PRGRM 2015-D 144A		12/25/2019	PRINCIPAL RECEIPT	X X X	361,758	361,758	359,924	359,218		2,540		2,540	361,758					5,396	10/25/2036
834423AA3	SOLVAY FIN AMER LLC 144 A		09/30/2019	CALLED @ 101.4231380	X X X	3,549,810	3,500,000	3,499,510	3,499,802		75		75	3,499,877		123	123		147,985	12/03/2020
84474YAA4	SOUTHWEST AIRLINES 2007-1		08/01/2019	PRINCIPAL RECEIPT	X X X	534,597	534,597	605,770	563,062		(28,465)		(28,465)	534,597					24,955	02/01/2024
86212VAF1	STORE MSTR FDG I-VII 2018-1		12/20/2019	PRINCIPAL RECEIPT	X X X	5,000	5,000	4,998	4,998		2		2	5,000					119	10/20/2048
87407PAP5	TAL ADVANTAGE V LLC 2014-2 144 A		12/20/2019	PRINCIPAL RECEIPT	X X X	221,833	221,833	218,280	220,300		1,533		1,533	221,833					4,001	05/20/2039
89566EAG3	TRI-STATE GENERATION & TRANSMIS		12/11/2019	MITSUBISHI SECURITIES	X X X	5,240,200	5,000,000	4,969,450	4,972,235		4,092		4,092	4,976,327		263,873	263,873		206,583	11/01/2024
89679HAA3	TRITON CONTAIN FIN VI 2017-1 144A		12/																	

## SCHEDULE D - PART 4

**Showing All Long-Term Bonds and Stocks SOLD, REDEEMED, or Otherwise DISPOSED OF During Current Year**

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (Amortization/ Accretion)	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B./A.C.V. (Cols. 11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
89679HAJ4	TRITON CONTAIN FIN VI 2018-144A		12/20/2019	PRINCIPAL RECEIPT	X X X	442,500	442,500	442,332	442,346		154		154		442,500					9,468	03/20/2043
90932QAA4	UNITED AIRLINES PT CERT 2014-2		09/03/2019	PRINCIPAL RECEIPT	X X X	231,711	231,711	235,187	234,084		(2,373)		(2,373)		231,711					6,515	03/03/2028
90931LAA6	UNITED AIRLINES PT CERT 2016-1		07/07/2019	PRINCIPAL RECEIPT	X X X	131,911	131,911	131,911	131,911						131,911					3,067	01/07/2030
91324PCB6	UNITEDHEALTH GROUP INC		03/15/2019	MATURITY	X X X	3,280,000	3,280,000	3,259,672	3,278,911		1,089		1,089		3,280,000					26,650	03/15/2019
90346WAA1	US AIRWAYS PT TRUST 2013-1		11/15/2019	PRINCIPAL RECEIPT	X X X	329,941	329,941	333,653	332,423		(2,482)		(2,482)		329,941					9,966	05/15/2027
92345YAB2	VERISK ANALYTICS INC		01/15/2019	MATURITY	X X X	3,000,000	3,000,000	3,217,913	3,002,343		(2,343)		(2,343)		3,000,000					73,125	01/15/2019
92343VCN2	VERIZON COMMUNICATIONS INC		03/29/2019	CALLED @ 101.0610000	X X X	3,789,788	3,750,000	3,738,713	3,745,156		402		402		3,745,558		4,442			86,037	11/01/2021
92347XAA4	VERIZON OWNER TR 2016-1 144A		08/20/2019	PRINCIPAL RECEIPT	X X X	1,232,216	1,232,216	1,232,008	1,232,117		99		99		1,232,216					5,779	01/20/2021
931142DX8	WAL-MART STORES INC		10/09/2019	MATURITY	X X X	2,000,000	2,000,000	2,000,000	2,000,000						2,000,000					50,602	10/09/2019
95058XAB4	WENDYS FDG LLC 2015-1		06/15/2019	PRINCIPAL RECEIPT	X X X	2,886,053	2,886,052	2,889,369	2,888,895		(2,843)		(2,843)		2,886,053					62,379	06/15/2045
95058XAC2	WENDYS FDG LLC 2015-1 144A		12/15/2019	PRINCIPAL RECEIPT	X X X	10,000	10,000	9,948	9,965		35		35		10,000					281	06/15/2045
96328DAU8	WHEELS SPV 2 LLC 2016-1 144A		11/20/2019	PRINCIPAL RECEIPT	X X X	2,000,000	2,000,000	1,999,958	1,999,992		8		8		2,000,000					24,430	05/20/2025
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					81,276,301	81,292,827	81,211,982	77,392,302	1,049,813	(4,519)	381,603	663,691		80,857,152		318,712	318,712		1,765,742	X X X
8399997	Subtotal - Bonds - Part 4					83,851,301	83,867,827	83,850,380	80,025,768	1,049,813	(62,985)	381,603	605,225		83,432,152		318,712	318,712		1,841,275	X X X
8399998	Summary Item from Part 5 for Bonds																				X X X
8399999	Subtotal - Bonds					83,851,301	83,867,827	83,850,380	80,025,768	1,049,813	(62,985)	381,603	605,225		83,432,152		318,712	318,712		1,841,275	X X X
9999999	Totals					83,851,301	X X X	83,850,380	80,025,768	1,049,813	(62,985)	381,603	605,225		83,432,152		318,712	318,712		1,841,275	X X X

E15	Schedule D - Part 5 LT Bonds/Stocks Acquired/Disp	NONE
E16	Schedule D - Part 6 Sn 1	NONE
E16	Schedule D - Part 6 Sn 2	NONE
E17	Schedule DA - Part 1 Short-Term Investments Owned	NONE
E18	Schedule DB - Part A Sn 1 Opt/Cap/Floor/Collars/Swaps/Forwards Open	NONE
E19	Schedule DB - Part A Sn 2 Opt/Cap/Floor/Collars/Swaps/Forwards Term.	NONE
E20	Schedule DB - Part B Sn 1 Future Contracts Open	NONE
E21	Schedule DB - Part B Sn 2 Future Contracts Terminated	NONE
E22	Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity	NONE
E23	Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity	NONE
E24	Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees	NONE
E25	Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E26	Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

## SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
<b>open depositories</b>						
First Republic Bank .....	San Francisco, CA .....				893,547	X X X
Wells Fargo Bank .....	San Francisco, CA .....				1,379,631	X X X
First Republic Bank .....	San Francisco, CA .....			166,627	7,954,900	X X X
Wells Fargo Bank .....	San Francisco, CA .....				3,664	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....						
			X X X			X X X
0199999 Totals - Open Depositories .....						
			X X X	166,627	10,231,742	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories .....						
			X X X			X X X
0299999 Totals - Suspended Depositories .....						
			X X X			X X X
0399999 Total Cash On Deposit .....						
			X X X	166,627	10,231,742	X X X
0499999 Cash in Company's Office .....						
			X X X	X X X	X X X	X X X
0599999 Total Cash .....						
			X X X	166,627	10,231,742	X X X

### TOTALS OF DEPOSITORY BALANCES ON THE LAST DAY OF EACH MONTH DURING THE CURRENT YEAR

1. January .....	8,363,952	4. April .....	18,071,920	7. July .....	14,206,792	10. October .....	12,849,111
2. February .....	8,206,114	5. May .....	8,650,925	8. August .....	9,344,151	11. November .....	11,953,249
3. March .....	10,953,368	6. June .....	14,206,792	9. September .....	15,598,802	12. December .....	10,231,742

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1	2	3	4	5	6	7	8	9
CUSIP	Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
<b>Bonds - U.S. Governments - Issuer Obligations</b>								
	UNITED STATES TREAS BILLS		12/30/2019	0.000	01/07/2020	16,490,961	5,326	
0199999	Subtotal - Bonds - U.S. Governments - Issuer Obligations					16,490,961	5,326	
0599999	Subtotal - Bonds - U.S. Governments					16,490,961	5,326	
7699999	Subtotal - Bonds - Issuer Obligations					16,490,961	5,326	
8399999	Subtotal - Bonds					16,490,961	5,326	
<b>Exempt Money Market Mutual Funds - as Identified by SVO</b>								
09248U551	BLACKROCK LIQUIDITY FDS		12/01/2019	0.000	X X X	2,661,738		39,687
233809300	DAILY MONEY FD		12/31/2018	0.000	X X X			80
31846V419	FIRST AMERN FDS INC		12/03/2019	0.000	X X X	1		1
94975H296	WELLS FARGO FDS TR	SD	12/03/2019	0.000	X X X	25,066		522
8599999	Subtotal - Exempt Money Market Mutual Funds - as Identified by SVO					2,686,805		40,290
<b>All Other Money Market Mutual Funds</b>								
177366200	CITIZENSSELECT FDS		12/02/2019	0.000	X X X	2		5
269999280	EAGLE BANK SWEEP TIER 1 FRB		12/01/2019	0.000	X X X	70,152		300
8AMMF0416	US BANK MONEY MARKET (MMDA) IT&C		12/01/2019	0.000	X X X	1,344		31
993086123	WFB INST BANK DEPOSIT ACCOUNT		07/11/2018	0.000	X X X			
996085254	DREYFUS CASH MGMT FUND		06/01/2018	0.000	X X X			
999999998	FIRST REPUBLIC BANK MONEY MARKET		06/01/2018	0.000	X X X			
VP4520012	WELLS FARGO 100% TREASURY MONEY MA		12/31/2019	0.000	X X X	12,986,484	1	347,830
8699999	Subtotal - All Other Money Market Mutual Funds					13,057,982	1	348,166
8899999	Total Cash Equivalents					32,235,748	5,327	388,456

## SCHEDULE E - PART 3 - SPECIAL DEPOSITS

	States, Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
				3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
				1.	Alabama (AL)		
2.	Alaska (AK)						
3.	Arizona (AZ)						
4.	Arkansas (AR)						
5.	California (CA)						
6.	Colorado (CO)						
7.	Connecticut (CT)						
8.	Delaware (DE)						
9.	District of Columbia (DC)						
10.	Florida (FL)						
11.	Georgia (GA)	B	STATE DEPOSIT			25,000	25,000
12.	Hawaii (HI)						
13.	Idaho (ID)						
14.	Illinois (IL)						
15.	Indiana (IN)						
16.	Iowa (IA)						
17.	Kansas (KS)						
18.	Kentucky (KY)						
19.	Louisiana (LA)						
20.	Maine (ME)						
21.	Maryland (MD)						
22.	Massachusetts (MA)	B	STATE DEPOSIT			124,665	129,526
23.	Michigan (MI)						
24.	Minnesota (MN)						
25.	Mississippi (MS)						
26.	Missouri (MO)						
27.	Montana (MT)						
28.	Nebraska (NE)						
29.	Nevada (NV)	B	STATE DEPOSIT			200,396	207,242
30.	New Hampshire (NH)	B	STATE DEPOSIT			548,527	569,916
31.	New Jersey (NJ)						
32.	New Mexico (NM)	B	STATE DEPOSIT			235,407	242,616
33.	New York (NY)						
34.	North Carolina (NC)	B	STATE DEPOSIT			224,397	233,147
35.	North Dakota (ND)						
36.	Ohio (OH)						
37.	Oklahoma (OK)						
38.	Oregon (OR)	B	STATE DEPOSIT			548,527	569,916
39.	Pennsylvania (PA)						
40.	Rhode Island (RI)						
41.	South Carolina (SC)						
42.	South Dakota (SD)						
43.	Tennessee (TN)						
44.	Texas (TX)						
45.	Utah (UT)						
46.	Vermont (VT)						
47.	Virginia (VA)	B	STATE DEPOSIT			548,527	569,916
48.	Washington (WA)						
49.	West Virginia (WV)						
50.	Wisconsin (WI)	B	STATE DEPOSIT	2,680,150	2,760,634		
51.	Wyoming (WY)	B	STATE DEPOSIT			123,668	127,319
52.	American Samoa (AS)						
53.	Guam (GU)						
54.	Puerto Rico (PR)						
55.	U.S. Virgin Islands (VI)						
56.	Northern Mariana Islands (MP)						
57.	Canada (CAN)						
58.	Aggregate Alien and Other (OT)	X X X	X X X				
59.	TOTAL	X X X	X X X	2,680,150	2,760,634	2,579,114	2,674,598

DETAILS OF WRITE-INS							
5801.							
5802.							
5803.							
5898.	Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899.	TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				

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