



# QUARTERLY STATEMENT AS OF JUNE 30, 2022 OF THE CONDITION AND AFFAIRS OF THE National Mortgage Insurance Corporation

NAIC Group Code 4760 , 4760 NAIC Company Code 13695 Employer's ID Number 27-0471418  
(current period) (prior period)

Organized under the Laws of Wisconsin , State of Domicile or Port of Entry WI

Country of Domicile United States of America

Incorporated/Organized 06/30/2009 Commenced Business 05/04/2013

Statutory Home Office 8040 Excelsior Drive, Suite 200 , Madison, WI, US 53717  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2100 Powell Street, 12th Floor  
(Street and Number)

Emeryville, CA, US 94608 (855)873-2584  
(City or Town, State, Country and Zip Code) (Area Code)(Telephone Number)

Mail Address 2100 Powell Street, 12th Floor , Emeryville, CA, US 94608  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2100 Powell Street, 12th Floor  
(Street and Number)

Emeryville, CA, US 94608 (855)873-2584  
(City or Town, State, Country and Zip Code) (Area Code)(Telephone Number)

Internet Website Address www.nationalmi.com

Statutory Statement Contact Teri Frederickson (510)858-0409  
(Name) (Area Code)(Telephone Number)(Extension)

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## OFFICERS

Name	Title
Bradley M Shuster	Executive Chairman
William J Leatherberry	Chief Legal Officer
Adam Pollitzer	Chief Executive Officer
Ravi Mallela	Chief Financial Officer
Robert O Smith	Chief Risk Officer
Norman P Fitzgerald	Chief Sales Officer
Mohammad Yousaf	EVP, Operations and Information Technology

## VICE- PRESIDENTS

Mary L Sharp, SVP, Chief Human Resources Officer Christina Bartning, SVP, Marketing, Communications & Digital Strategy Joy M Benner, SVP, Chief Compliance Officer & Assoc Gen Counsel #	Norm Krumpschmid, SVP, Field Sales Julie Norberg, SVP, Chief Accounting Officer Jim Butscher, SVP, Chief Information Officer #
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## DIRECTORS OR TRUSTEES

Bradley M Shuster Adam Pollitzer Norman P Fitzgerald Ravi Mallela	William J Leatherberry Robert O Smith Mohammad Yousaf
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State of California  
 County of Alameda ss

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

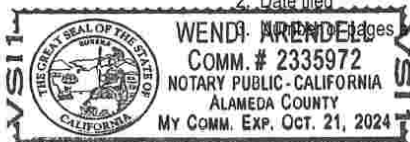
 _____ (Signature) Adam Pollitzer (Printed Name) 1. Chief Executive Officer (Title)	 _____ (Signature) William J Leatherberry (Printed Name) 2. EVP, General Counsel and Secretary (Title)	 _____ (Signature) Ravi Mallela (Printed Name) 3. Chief Financial Officer (Title)
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Subscribed and sworn to before me this 4<sup>th</sup> day of August, 2022

a. Is this an original filing?  
 b. If no, 1. State the amendment number  
 2. Date filed

Yes[X] No[ ]

(Notary Public Signature)



**ASSETS**

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	2,142,342,806		2,142,342,806	2,079,297,417
2. Stocks:				
2.1 Preferred stocks .....				
2.2 Common stocks .....				
3. Mortgage loans on real estate:				
3.1 First liens .....				
3.2 Other than first liens .....				
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances) .....				
4.2 Properties held for the production of income (less \$.....0 encumbrances) .....				
4.3 Properties held for sale (less \$.....0 encumbrances) .....				
5. Cash (\$.....32,071,682), cash equivalents (\$.....18,186,178) and short-term investments (\$.....64,639,014) .....	114,896,874		114,896,874	54,743,358
6. Contract loans (including \$.....0 premium notes) .....				
7. Derivatives .....				
8. Other invested assets .....				
9. Receivables for securities .....				
10. Securities lending reinvested collateral assets .....				
11. Aggregate write-ins for invested assets .....	154,201	154,201		
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	2,257,393,881	154,201	2,257,239,680	2,134,040,775
13. Title plants less \$.....0 charged off (for Title insurers only) .....				
14. Investment income due and accrued .....	12,111,518		12,111,518	11,527,794
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	64,155,251	4,436	64,150,815	60,693,376
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 .....	58,467,321	1,091,634	57,375,687	68,157,265
19. Guaranty funds receivable or on deposit .....				
20. Electronic data processing equipment and software .....				
21. Furniture and equipment, including health care delivery assets (\$.....0) .....				
22. Net adjustments in assets and liabilities due to foreign exchange rates .....				
23. Receivables from parent, subsidiaries and affiliates .....				
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) .....	2,392,127,971	1,250,271	2,390,877,700	2,274,419,210
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....				
28. TOTAL (Lines 26 and 27) .....	2,392,127,971	1,250,271	2,390,877,700	2,274,419,210
<b>DETAILS OF WRITE-INS</b>				
1101. Prepaid Expenses .....	154,201	154,201		
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) .....	154,201	154,201		
2501. ....				
2502. ....				
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....				

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....18,760,956) .....	77,075,048	81,116,341
2. Reinsurance payable on paid losses and loss adjustment expenses .....		
3. Loss adjustment expenses .....	1,799,368	2,115,089
4. Commissions payable, contingent commissions and other similar charges .....		
5. Other expenses (excluding taxes, licenses and fees) .....	409,197	313,847
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	722,285	2,865,217
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)) .....		
7.2 Net deferred tax liability .....		
8. Borrowed money \$.....0 and interest thereon \$.....0 .....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....1,711,160 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) .....	133,970,112	136,843,524
10. Advance premium .....		
11. Dividends declared and unpaid:		
11.1 Stockholders .....		
11.2 Policyholders .....		
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	25,654,688	22,624,335
13. Funds held by company under reinsurance treaties .....	4,489,399	5,600,624
14. Amounts withheld or retained by company for account of others .....		
15. Remittances and items not allocated .....		
16. Provision for reinsurance (including \$.....0 certified) .....		
17. Net adjustments in assets and liabilities due to foreign exchange rates .....		
18. Drafts outstanding .....		
19. Payable to parent, subsidiaries and affiliates .....	74,336,190	90,961,988
20. Derivatives .....		
21. Payable for securities .....		
22. Payable for securities lending .....		
23. Liability for amounts held under uninsured plans .....		
24. Capital notes \$.....0 and interest thereon \$.....0 .....		
25. Aggregate write-ins for liabilities .....	1,179,765,732	1,038,130,144
26. TOTAL liabilities excluding protected cell liabilities (Lines 1 through 25) .....	1,498,222,019	1,380,571,109
27. Protected cell liabilities .....		
28. TOTAL liabilities (Lines 26 and 27) .....	1,498,222,019	1,380,571,109
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 .....	1,010,021,399	1,010,021,399
35. Unassigned funds (surplus) .....	(119,895,718)	(118,703,298)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0) .....		
36.2 .....0 shares preferred (value included in Line 31 \$.....0) .....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	892,655,681	893,848,101
38. TOTALS (Page 2, Line 28, Col. 3) .....	2,390,877,700	2,274,419,210
<b>DETAILS OF WRITE-INS</b>		
2501. Statutory Contingency Reserve .....	1,178,793,710	1,036,638,786
2502. Deferred Ceding Commission .....	258,699	344,272
2503. Premium Refund Reserve .....	713,323	1,147,086
2598. Summary of remaining write-ins for Line 25 from overflow page .....		
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	1,179,765,732	1,038,130,144
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above) .....		
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above) .....		

**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned			
1.1 Direct (written \$.....282,522,910)	286,078,359	261,845,479	536,630,454
1.2 Assumed (written \$.....0)			
1.3 Ceded (written \$.....82,532,481)	83,214,518	73,514,938	152,478,082
1.4 Net (written \$.....199,990,429)	202,863,841	188,330,541	384,152,372
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$.....18,786,761)			
2.1 Direct	(3,936,898)	11,581,644	14,673,286
2.2 Assumed			
2.3 Ceded	(561,551)	2,376,064	3,241,345
2.4 Net	(3,375,347)	9,205,580	11,431,941
3. Loss adjustment expenses incurred	(279,451)	394,682	865,134
4. Other underwriting expenses incurred	25,126,234	36,386,364	71,883,796
5. Aggregate write-ins for underwriting deductions	142,154,924	130,590,347	267,796,299
6. TOTAL underwriting deductions (Lines 2 through 5)	163,626,360	176,576,973	351,977,170
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	39,237,481	11,753,568	32,175,202
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	5,002,127	1,859,834	5,660,448
10. Net realized capital gains (losses) less capital gains tax of \$.....52,884	(61,050)	1,782	105,694
11. Net investment gain (loss) (Lines 9 + 10)	4,941,077	1,861,616	5,766,142
<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)	44,178,558	13,615,184	37,941,344
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)	44,178,558	13,615,184	37,941,344
19. Federal and foreign income taxes incurred	(40,315)	(1,222,820)	2,966,041
20. Net income (Line 18 minus Line 19) (to Line 22)	44,218,873	14,838,004	34,975,303
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	893,848,101	865,673,283	865,673,283
22. Net income (from Line 20)	44,218,873	14,838,004	34,975,303
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(41,807)	(157,273)		
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(11,034,345)	(3,157,796)	(6,300,079)
27. Change in nonadmitted assets	649,934	122,461	(500,405)
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from Protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(34,869,609)		
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(1,192,420)	11,802,669	28,174,819
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	892,655,681	877,475,952	893,848,101
<b>DETAILS OF WRITE-INS</b>			
0501. Statutory Contingency Reserve	142,154,924	130,590,347	267,796,299
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)	142,154,924	130,590,347	267,796,299
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) (Line 37 above)			

**CASH FLOW**

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	199,563,343	211,163,720	401,282,719
2. Net investment income .....	6,948,518	3,470,825	9,091,367
3. Miscellaneous income .....			
4. TOTAL (Lines 1 to 3) .....	206,511,861	214,634,545	410,374,086
5. Benefit and loss related payments .....	665,946	1,014,224	1,723,982
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			
7. Commissions, expenses paid and aggregate write-ins for deductions .....	17,642,181	28,287,746	45,441,974
8. Dividends paid to policyholders .....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....	12,570	(1,222,346)	3,102,211
10. TOTAL (Lines 5 through 9) .....	18,320,697	28,079,624	50,268,167
11. Net cash from operations (Line 4 minus Line 10) .....	188,191,164	186,554,921	360,105,919
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	45,595,381	54,496,949	117,449,938
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 .....			2
12.8 TOTAL investment proceeds (Lines 12.1 to 12.7) .....	45,595,381	54,496,949	117,449,940
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	111,378,130	268,837,500	511,452,469
13.2 Stocks .....			
13.3 Mortgage loans .....			
13.4 Real estate .....			
13.5 Other invested assets .....			
13.6 Miscellaneous applications .....		8,000,000	8,000,000
13.7 TOTAL investments acquired (Lines 13.1 to 13.6) .....	111,378,130	276,837,500	519,452,469
14. Net increase (or decrease) in contract loans and premium notes .....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	(65,782,749)	(222,340,551)	(402,002,529)
<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 .....			
16.3 Borrowed funds .....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....			
16.5 Dividends to stockholders .....	34,869,609		
16.6 Other cash provided (applied) .....	(27,385,290)	(19,938,176)	(7,192,157)
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6) .....	(62,254,899)	(19,938,176)	(7,192,157)
<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) .....	60,153,516	(55,723,806)	(49,088,767)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	54,743,358	103,832,125	103,832,125
19.2 End of period (Line 18 plus Line 19.1) .....	114,896,874	48,108,319	54,743,358

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

20.0001			
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## Notes to Financial Statements

**1. Summary of Significant Accounting Policies and Going Concern****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 #	Six Months Ended June 30, 2022	Year Ended December 31, 2021
Net Income/(Loss)					
(1) State basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 44,218,873	\$ 34,975,303
(2) State Prescribed Practices that increase/(decrease) from NAIC SAP:					
Change in contingency reserves	00	4	5	(142,154,924)	(267,796,299)
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP:				—	—
(4) NAIC SAP (1 - 2 - 3 = 4)	XXX	XXX	XXX	<u>\$ 186,373,797</u>	<u>\$ 302,771,602</u>
 SURPLUS					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 892,655,681	\$ 893,848,101
(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>\$ 892,655,681</u>	<u>\$ 893,848,101</u>

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

No significant change from year end 2021.

**C. Accounting Policy**

The Company uses the following accounting policies:

- (1) No significant change from year end 2021.
- (2) Bonds are stated at amortized cost using the effective interest method.
- (3) - (5) No significant change from year end 2021.
- (6) Loan-backed securities are valued using the retrospective method and are stated at amortized cost or fair value in accordance with their NAIC designation.
- (7) - (13) No significant change from year end 2021.

**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**

No significant change from year end 2021.

# Notes to Financial Statements

## 3. Business Combinations and Goodwill

### A. Statutory Purchase Method

No significant change from year end 2021. Not Applicable.

### B. Statutory Merger

No significant change from year end 2021. Not Applicable.

### C. Impairment Loss

No significant change from year end 2021. Not Applicable.

### D. Subcomponents and Calculation of Adjusted Surplus and Total Admitted Goodwill

No significant change from year end 2021.

## 4. Discontinued Operations

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

No significant change from year end 2021. Not Applicable.

### B. Change in Plan of Sale or Discontinued Operation

No significant change from year end 2021. Not Applicable.

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

No significant change from year end 2021. Not Applicable.

### D. Equity Interest Retained in the Discontinued Operation After Disposal

No significant change from year end 2021. Not Applicable.

## 5. Investments

### A. Mortgage Loans, Including Mezzanine Real Estate Loans

None.

### B. Debt Restructuring

None.

### C. Reverse Mortgages

None.

### D. Loan-Backed Securities

(1) The Company uses widely accepted models to determine 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) For the six months ended June 30, 2022, the Company did not hold securities with a recognized other-than-temporary impairment, disclosed in the aggregate, classified on the basis for the other-than-temporary impairment.

(3) For the six months ended June 30, 2022, the Company did not hold securities with an other-than-temporary impairment as the present value of cash flows expected to be collected was less than the amortized cost basis of the securities.

(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	\$	4,579,016
2. 12 Months or Longer	\$	980,772

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

1. Less than 12 Months	\$	82,863,394
2. 12 Months or Longer	\$	7,658,042

## Notes to Financial Statements

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

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, an impairment charge is recorded within net realized investment gains in the statements of operations in the period such determination is made. No other-than-temporary impairments were recognized for the six months ended June 30, 2022. As of June 30, 2022, the Company held no other-than-temporarily impaired securities.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None.

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

None.

K. Low-Income Housing Tax Credits (LIHTC)

None



## Notes to Financial Statements

## 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	\$ 2,152,240	\$ —	\$ —	\$ —	\$ 2,152,240	\$ 3,165,254	\$ (1,013,014)
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	5,314,915	—	—	—	5,314,915	5,303,544	11,371
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>\$ 7,467,155</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ —</b>	<b>\$ 7,467,155</b>	<b>\$ 8,468,798</b>	<b>\$ (1,001,643)</b>

(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	\$ —	\$ 2,152,240	0.09 %	0.09 %
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	—	5,314,915	0.22 %	0.22 %
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>\$ 7,467,155</b>	<b>0.31 %</b>	<b>0.31 %</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.

(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

None.

N. Offsetting and Netting of Assets and Liabilities

None.

O. 5GI Securities

None.

## Notes to Financial Statements

## P. Short Sales

None.

## Q. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>	<u>Protected Cell</u>
(1) Number of CUSIPs	4	—
(2) Aggregate amount of Investment Income	\$423,240	—

## R. Reporting Entity's Share of Cash Pool by Asset type.

None.

	<u>Asset Type</u>	<u>Percent Share</u>
(1) Cash		— %
(2) Cash Equivalents		— %
(3) Short-Term Investments		— %
(4) Total		— %

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

A - B. No significant change from year end 2021. Not applicable.

**7. Investment Income**

A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:

No significant change from year end 2021.

B. The total amount excluded:

The Company did not exclude any investment income for the six months ended June 30, 2022.

**8. Derivative Instruments**A. Derivatives under *SSAP No. 86 - Derivatives*

Not applicable. The Company has no derivative instruments.

**9. Income Taxes**

A - I. No significant change from year end 2021.

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

A. Nature of Relationships

No significant change from year end 2021.

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

In March, 2022, the Company declared an ordinary dividend payable to NMI Holdings, Inc. ("NMIH") in the amount of \$34,869,609. See Note 13 - Item D - Dates and Amounts of Dividends Paid

C. Transactions with related parties who are not reported on Schedule Y

No significant change from year end 2021.

D. Amounts Due to or from Related Parties

The Company reported \$74,030,761 and \$88,820,789 due to NMIH and \$305,429 and \$2,141,199 due to affiliates as of June 30, 2022 and December 31, 2021, respectively.

E. Management, Service contracts, Cost Sharing Arrangements

No significant change from year end 2021.

F. Guarantees or Undertaking for Related Parties

No significant change from year end 2021. Not Applicable.

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

No significant change from year end 2021.

# Notes to Financial Statements

- H. Amount Deducted for Investment in Upstream Company  
No significant change from year end 2021. Not applicable.
- I. Detail of Investments in Subsidiary, Controlled, and Affiliated (“SCA”) Entities in Excess of 10% of Admitted Assets  
No significant change from year end 2021. Not applicable.
- J. Write downs for Impairment of Investments in SCA entities  
No significant change from year end 2021. Not applicable.
- K. Foreign Subsidiary Valued Using CARVM  
No significant change from year end 2021. Not applicable.
- L. Downstream Holding Company Valued Using Look-Through Method  
No significant change from year end 2021. Not applicable.
- M. All SCA investments  
No significant change from year end 2021. Not applicable.
- N. Investment in Insurance SCAs  
No significant change from year end 2021. Not applicable.
- O. SCA or SSAP No. 48 Loss Tracking  
No significant change from year end 2021. Not applicable.

## 11. Debt

- A. The Company has no debt obligations as of June 30, 2022.
- 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  
No significant change from year end 2021. Not applicable.
- C. Fair Value of Each Class of Plan Assets  
No significant change from year end 2021. Not applicable.
- D. Basis Used to Determine Overall Expected Long Term Rate of Return on Assets  
No significant change from year end 2021. Not applicable.
- E. Defined contribution plans  
No significant change from year end 2021. Not applicable.
- F. Multiemployer Plans  
No significant change from year end 2021. Not applicable.
- G. Consolidated/Holding Company Plans  
No significant change from year end 2021. Not applicable.
- H. Postemployment benefits and Compensated Absences  
No significant change from year end 2021. Not applicable.
- I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)  
No significant change from year end 2021. Not applicable.

# Notes to Financial Statements

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

### A. Number of Shares and Par or Stated Value of Each Class

No significant change from year end 2021.

### B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock

No significant change from year end 2021.

### C. 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 non-disapproval. Under Wisconsin insurance laws, an ordinary dividend is defined as any payment or distribution that together with other dividends and distributions made within the preceding 12 months does not exceed the lesser of (i) 10% of the insurer's statutory policyholders' surplus as of the preceding December 31 or (ii) adjusted net income. 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 non-disapproval 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.

As an *approved insurer* and Wisconsin-domiciled carrier, NMIC is required to satisfy financial and/or capitalization requirements stipulated by each of Fannie Mae and Freddie Mac (collectively, "the GSEs") and the Wisconsin OCI. The financial requirements stipulated by the GSEs are outlined in the Private Mortgage Insurer Eligibility Requirements ("PMIERS"). Under the PMIERS, NMIC must maintain available assets that are equal to or exceed a minimum risk-based required asset amount, subject to a minimum floor of \$400 million. At June 30, 2022, the Company reported \$2,169 million available assets against \$1,240 million risk-based required assets, for a \$929 million "excess" funding position.

### D. Dates and Amounts of Dividends Paid

On March 16, 2022, NMIC provided notification to the Wisconsin OCI of the Company's intention to pay an ordinary dividend to NMIH in the amount of \$34,869,609 in April of 2022. On April 1, 2022, the Company paid \$34,869,609 to NMIH in the form of an ordinary dividend. The Company had not previously paid dividends to NMIH.

### E. Amount of Ordinary Dividends That May Be Paid

The Company had the capacity, under Wisconsin law, to pay aggregate ordinary dividends of \$34,869,609 to NMIH during the twelve-month period ending December 31, 2022. On April 1, 2022, the Company paid \$34,869,609 to NMIH in the form of an ordinary dividend.

### F. Restrictions of Unassigned Funds

No significant change from year end 2021. Not applicable.

### G. Mutual Surplus Advance

No significant change from year end 2021. Not applicable.

### H. Company Stock held for Special Purposes

No significant change from year end 2021. Not applicable.

### I. Changes in Special Surplus Funds

No significant change from year end 2021. Not applicable.

### J. Changes in Unassigned Funds

No significant change from year end 2021.

### K. Surplus Notes

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

# Notes to Financial Statements

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

No significant change from year end 2021.

## 14. Liabilities, Contingencies and Assessments

### A. Contingent Commitments

No significant change from year end 2021. Not applicable.

### B. Assessments

No significant change from year end 2021. Not applicable.

### C. Gain Contingencies

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

### E. Product Warranties

No significant change from year end 2021. Not applicable.

### F. Joint and Several Liabilities

No significant change from year end 2021. Not applicable.

### 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 \$1,178,793,710 and \$1,036,638,786 as of June 30, 2022 and December 31, 2021, respectively. The contingency reserve calculation is based on 50% of direct premiums earned for the six months ended June 30, 2022 and year ended December 31, 2021. Effective October 1, 2021, the reinsurance agreement between NMIC and Re One was commuted and all ceded risk was transferred back to NMIC. In connection with his commutation, Re One paid \$8.4 million of fees to NMIC to settle all outstanding reinsurance obligations, including the re-establishment of the corresponding contingency reserve on the financial statements of NMIC. The Company did not have contingency reserve withdrawals for the six months ended June 30, 2022 and year ended December 31, 2021.

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 June 30, 2022 and December 31, 2021, the Company had net admitted assets of \$64,150,815 and \$60,693,376, respectively, related to premiums receivable due from policyholders. The Company routinely assesses the collectability of these receivables. All premiums receivable outstanding for 90 days or more are reclassified as nonadmitted. For premiums receivable outstanding for less than 90 days, the Company establishes an allowance for uncollectible premiums directly reducing net admitted premiums receivables. The allowance is based on the Company's recent collection experience with uncollectible amounts related to operational reasons (such as delayed servicer reporting). The Company has not experienced any uncollectible amounts due to the credit worthiness of loan servicers. The potential for any additional loss is not expected to be material to the Company's financial condition.

# Notes to Financial Statements

## 15. Leases

### A. Lessee Operating Leases

NMIH has two operating lease agreements related to our corporate headquarters and a data center facility with original terms that range from two to eight years. In January 2022, NMIH modified the lease for the company's corporate headquarters, securing a reduction in pricing and incremental leasehold improvement concessions, reducing the square footage of leased space and extending the remaining term through March 2030. In February 2022, NMIH renewed the lease for the company's data center facility, extending its term through January 2024.

Under the cost allocation agreement, the Company was allocated rental expense of \$1,051,125 related to leases in the six months ended June 30, 2022. *See Note 10 – Item F – Management, Service Contracts, Cost Sharing Arrangements* for more information on the cost allocation agreement.

### B. Lessor Leases

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

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

### A. Transfers of Receivables Reported as Sales

No significant change from year end 2021. Not applicable.

### 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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## 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 - Item C - Fair Values for All Financial Instruments by Levels 1, 2 and 3*

## Notes to Financial Statements

## (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.

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	\$1,947,720,700	\$2,142,342,806	\$ 125,529,818	\$1,822,190,882	\$ —	\$ —	—
Preferred stocks	—	—	—	—	—	—	—
Common stocks	—	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—	—
Cash, cash equivalents and short term investments	114,935,607	114,896,874	114,935,607	—	—	—	—
<b>Total assets</b>	<b>\$2,062,656,307</b>	<b>\$2,257,239,680</b>	<b>\$ 240,465,425</b>	<b>\$1,822,190,882</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 six months ended June 30, 2022.

The following describes the valuation techniques used by the Company to determine the fair value of financial instruments held as of June 30, 2022.

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

No significant change from year end 2021.

## B. Troubled Debt Restructuring: Debtors

No significant change from year end 2021. Not applicable.



## Notes to Financial Statements

## C. Other Disclosures

No significant change from year end 2021. Not applicable.

## D. Business Interruption Insurance Recoveries

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## F. Subprime Mortgage Related Risk Exposure

No significant change from year end 2021. Not applicable.

## 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	5	\$1,221,126,170
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

No significant change from year end 2021. Not applicable.

**22. Subsequent Events**

The Company has performed subsequent events procedures through August 4, 2022.

*Quota share reinsurance*

Effective July 1, 2022, NMIC entered into a quota share reinsurance treaty that provides coverage primarily for a seasoned pool of mortgage insurance policies that had previously been covered under the now retired 2017 and 2020-1 insurance-linked note (“ILN”) transactions. Under the terms of the agreement, NMIC will cede premiums earned related to 95% of the net risk on eligible policies after the consideration of coverage provided by existing quota share reinsurance (“QSR”) transactions, in exchange for reimbursement of ceded claims and claims expenses on covered policies, as well as a ceding commission equal to 35% and profit commission of up to 55% of ceded premiums.

**23. Reinsurance**

NMIC utilizes third-party reinsurance transactions to actively manage its risk, ensure PMIERS, state regulatory and other applicable capital requirements (respectively, as defined therein), and support the growth of its business. We currently have both excess of loss and quota share reinsurance agreements in place.

*Excess of loss reinsurance**Insurance-linked note excess-of-loss reinsurance transactions*

NMIC is party to excess-of-loss reinsurance agreements with Oaktown Re Ltd., Oaktown Re II, Ltd., Oaktown Re III, Ltd., Oaktown Re IV Ltd., Oaktown Re V Ltd., Oaktown Re VI Ltd., and Oaktown Re VII Ltd. (special purpose reinsurance entities collectively referred to as the “Oaktown Re Vehicles”) effective May 2, 2017, July 25, 2018, July 30, 2019, July 30, 2020, October 29, 2020, April 27, 2021, and October 26, 2021, respectively. Under each agreement, the Oaktown Re Vehicles provide NMIC with aggregate excess-of-loss reinsurance coverage on defined portfolios of mortgage insurance policies. 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.

## Notes to Financial Statements

Under the terms of each excess-of-loss reinsurance agreement, the Oaktown Re Vehicles are required to fully collateralize their outstanding reinsurance coverage amount to NMIC with funds deposited into segregated reinsurance trusts. Such trust funds are required to be invested in 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 to unaffiliated investors. Such insurance-linked notes mature ten years from the inception date of each reinsurance agreement (except the notes issued by Oaktown Re VI Ltd. and Oaktown Re VII Ltd., which have a 12.5-year maturity). NMIC refers to reinsurance agreements with and the insurance-linked note issuances by Oaktown Re Ltd., Oaktown Re II Ltd., Oaktown Re III Ltd., Oaktown Re IV Ltd., Oaktown Re V Ltd., Oaktown Re VI Ltd., and Oaktown Re VII Ltd., individually as the 2017 ILN Transaction, 2018 ILN Transaction, 2019 ILN Transaction, 2020-1 ILN Transaction, 2020-2 ILN Transaction, 2021-1 ILN Transaction, and 2021-2 ILN Transaction, and collectively as the ILN Transactions.

The respective reinsurance coverage amounts provided by the Oaktown Re Vehicles decrease over a ten-year period as the underlying insured mortgages are amortized or repaid, and/or the mortgage insurance coverage is canceled (except the coverage provided by Oaktown Re VI Ltd. and Oaktown Re VII Ltd., which decreases over a 12.5-year period). As the reinsurance coverage decreases, a prescribed amount of collateral held in trust by the Oaktown Re Vehicles is distributed to ILN Transaction note-holders as amortization of the outstanding insurance-linked note principal balances. The outstanding reinsurance coverage amounts stop amortizing, and the collateral distribution to ILN Transaction note-holders and amortization of insurance-linked note principal is suspended if certain credit enhancement or delinquency thresholds, as defined in each agreement, are triggered (each, a "Lock-Out" Event). As of June 30, 2022, the 2018 and 2019 ILN Transactions were deemed to be in Lock Out due to the default experience of the underlying reference pools for each respective transaction and the 2021-2 ILN Transaction was deemed to be in Lock Out in connection with the initial build of its target credit enhancement level. As such, the amortization of reinsurance coverage, and distribution of collateral assets and amortization of insurance-linked notes was suspended for each of the 2018, 2019, and 2021-2 ILN Transactions. The amortization of reinsurance coverage, distribution of collateral assets and amortization of insurance-linked notes will remain suspended for the duration of the Lock-Out Event for each of the 2018-2019 and 2021-2 ILN Transactions, and during such period assets will be preserved in the applicable reinsurance trust account to collateralize the excess-of-loss reinsurance coverage provided to NMIC.

(\$ values in thousands)	2018 ILN Transaction	2019 ILN Transaction	2020-2 ILN Transaction	2021-1 ILN Transaction	2021-2 ILN Transaction
Ceded RIF	\$ 962,103	\$ 1,074,965	\$ 3,902,234	\$ 7,435,648	\$ 7,315,453
Current First Layer Retained Loss	122,327	122,489	121,177	163,665	146,204
Current Reinsurance Coverage	158,489	231,877	127,409	339,756	363,596
Eligible Coverage	\$ 280,816	\$ 354,366	\$ 248,586	\$ 503,421	\$ 509,800
Subordinated Coverage <sup>(1)</sup>	29.19%	32.97%	6.25%	6.75%	6.97%
PMIERS Charge on Ceded RIF	7.81%	7.51%	5.38%	6.08%	6.57%
Overcollateralization <sup>(2) (3)</sup>	\$ 158,489	\$ 231,877	\$ 38,806	\$ 51,389	\$ 28,978
Delinquency Trigger <sup>(4)</sup>	4.0%	4.0%	4.7%	5.1%	5.2%

(1) Absent a delinquency trigger, the subordinated coverage is capped at 6.25%, 6.75% and 7.45% for the 2020-2, 2021-1 and 2021-2 ILN Transactions, respectively.

(2) Overcollateralization for each of the 2018 and 2019 ILN Transactions is equal to their current reinsurance coverage as the PMIERS required asset amount on RIF ceded under each transaction is currently below its remaining first layer retained loss.

(3) May not be replicated based on the rounded figures presented in the table.

(4) Delinquency triggers for the 2018 and 2019 ILN Transactions are set at a fixed 4.0% and assessed on a discrete monthly basis; delinquency triggers for the 2020-2, 2021-1 and 2021-2 ILN Transactions are equal to seventy-five percent of the subordinated coverage level and assessed on the basis of a three-month rolling average.

NMIC makes risk premium payments to the Oaktown Re Vehicles for the applicable outstanding reinsurance coverage amount and pays an additional amount for anticipated operating expenses (capped at \$250 thousand per year, except with respect to Oaktown Re Ltd., for which the cap is \$300 thousand per year). NMIC ceded aggregate premiums to the Oaktown Re Vehicles of \$21.1 million and \$19.6 million during the six months ended June 30, 2022 and 2021, 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 three and six months ended June 30, 2022 and 2021, as the aggregate first layer risk retention for each applicable agreement was not exhausted during such periods.

NMIC holds optional termination rights under each ILN Transaction, including, among others, an optional call feature which provides NMIC the discretion to terminate the transaction on or after a prescribed date, 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 note-holders, among others.

## Notes to Financial Statements

Effective March 25, 2022, and April, 25, 2022 NMIC exercised its optional clean-up call to terminate the 2017 ILN Transaction and 2020-1 ILN Transaction, respectively. In connection with each termination, NMIC's excess of loss reinsurance agreement with the respective Oaktown Re vehicle was commuted and the insurance-linked notes issued by the respective Oaktown Re vehicles were redeemed in full with a distribution of remaining collateral assets.

The following table presents the inception date, covered production period, initial and current reinsurance coverage amount, and initial and current first layer retained aggregate loss under each outstanding ILN Transaction. Current amounts are presented as of June 30, 2022.

(\$ values in Thousands)	Inception Date	Covered Production	Initial Reinsurance Coverage at Issuance	Current Reinsurance Coverage	Initial First Layer Retained Loss	Current First Layer Retained Loss <sup>(1)</sup>
2018 ILN Transaction	July 25, 2018	1/1/2017 - 5/31/2018	264,545	158,489	125,312	122,327
2019 ILN Transaction	July 30, 2019	6/1/2018 - 6/30/2019	326,905	231,877	123,424	122,489
2020-2 ILN Transaction	October 29, 2020	4/1/2020 - 9/30/2020 <sup>(2)</sup>	242,351	127,409	121,777	121,177
2021-1 ILN Transaction	April 27, 2021	10/1/2020 - 3/31/2021 <sup>(3)</sup>	367,238	339,756	163,708	163,665
2021-2 ILN Transaction <sup>(5)</sup>	October 26, 2021	4/1/2021 - 9/30/2021 <sup>(4)</sup>	363,596	363,596	146,229	146,204

(1) NMIC applies claims paid on covered policies against its first layer aggregate retained loss exposure and cedes reserves for incurred claims and claims expenses to each applicable ILN Transaction and recognizes a reinsurance recoverable if such incurred claims and claims expenses exceed its current first layer retained loss.

(2) Approximately 1% of the production covered by the 2020-2 ILN Transaction has coverage reporting dates between July 1, 2019 and March 31, 2020.

(3) Approximately 1% of the production covered by the 2021-1 ILN Transaction has coverage reporting dates between July 1, 2019 and September 30, 2020.

(4) Approximately 2% of the production covered by the 2021-2 ILN Transaction has coverage reporting dates between July 1, 2019 and March 31, 2021.

(5) As of June 30, 2022, the current reinsurance coverage amount on the 2021-2 ILN Transaction is equal to the initial reinsurance coverage amount, as the reinsurance coverage provided by Oaktown Re VII will not begin to amortize until a target credit enhancement level is reached.

Under the terms of our ILN Transactions, 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 amounts of \$2.2 million and \$3.2 million as of June 30, 2022 and December 31, 2021, respectively. The restricted balances required under these transactions will decline over time as the outstanding principal balance of the respective insurance-linked notes are amortized.

#### *Traditional excess-of-loss reinsurance transaction*

Effective April 1, 2022, NMIC entered into a reinsurance agreement with a broad panel of third-party reinsurers that provides for aggregate excess-of-loss ("XOL") reinsurance coverage on a defined portfolio of mortgage insurance policies primarily written between October 1, 2021, and March 31, 2022 (the 2022-1 XOL Transaction). Under the agreement, NMIC retains \$133.4 million first layer aggregate loss exposure on covered policies and the reinsurers then provide second layer loss protection up to a defined reinsurance coverage amount. The reinsurance coverage amount is set to approximate the PMIERS minimum required assets of the reference pool and decreases from the inception of the agreement over a ten-year period in the event the PMIERS minimum required assets of the pool decline. The outstanding reinsurance coverage amount under the 2022-1 XOL Transaction was \$286.6 million as of June 30, 2022. NMIC retains losses in excess of the outstanding reinsurance coverage amount.

Under the terms of the treaty, NMIC makes risk premium payments to the reinsurers for the outstanding reinsurance coverage amount, and ceded aggregate premiums of \$2.9 million during the three and six months ended June 30, 2022. NMIC applies claims paid on covered policies against its first layer aggregate retained loss exposure under the 2022-1 XOL Transaction. NMIC did not cede any incurred losses on covered policies under the treaty during the three and six months ended June 30, 2022, as its aggregate first layer risk retention was not exhausted during such periods.

The 2022-1 XOL Transaction is scheduled to terminate on March 31, 2032. NMIC holds an optional termination right which provides it the discretion to terminate the transaction on or after April 1, 2027. NMIC may also elect to terminate the transaction at any point if the outstanding reinsurance coverage amount amortizes to 10% or less of the reinsurance coverage amount provided at inception, or if it determines that it will no longer be able to take full PMIERS asset credit for the coverage. Additionally, under the terms of the treaty, NMIC may selectively terminate its engagement with individual reinsurers 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 obligation.

Each of the third-party reinsurance providers that is party to the 2022-1 XOL Transaction has an insurer financial strength rating of A- or better by Standard & Poor's Rating Service ("S&P"), A.M. Best Company Inc. ("A.M. Best") or both. We actively monitor the counterparty credit profiles of our reinsurers and each is required to partially collateralize its obligations under the 2022-1 XOL Transaction.

# Notes to Financial Statements

## *Quota share reinsurance*

NMIC is party to five active quota share reinsurance treaties - the 2016 QSR Transaction, effective September 1, 2016, the 2018 QSR Transaction, effective January 1, 2018, the 2020 QSR Transaction, effective April 1, 2020, the 2021 QSR Transaction, effective January 1, 2021, and the 2022 QSR Transaction, effective October 1, 2021, 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 reinsurance providers has an insurer financial strength rating of A- or better by S&P, A.M. Best or both.

Under the terms of 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 recapturing the related risk.

Under the terms of 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 recapturing the related risk.

Under the terms of the 2020 QSR Transaction, NMIC cedes premiums earned related to 21% of the risk on eligible policies written from April 1, 2020 to December 31, 2020. The 2020 QSR Transaction is scheduled to terminate on December 31, 2030. NMIC has the option, based on certain conditions and subject to a termination fee, to terminate the agreement as of December 31, 2023, or at the end of any calendar quarter thereafter, which would result in NMIC recapturing the related risk.

Under the terms of the 2021 QSR Transaction, NMIC cedes premiums earned related to 22.5% of the risk on eligible policies written from January 1, 2021 to October 30, 2021. The 2021 QSR Transaction is scheduled to terminate on December 31, 2031. NMIC has the option, based on certain conditions and subject to a termination fee, to terminate the agreement as of December 31, 2024, or at the end of any calendar quarter thereafter, which would result in NMIC recapturing the related risk.

Under the terms of the 2022 QSR Transaction, NMIC cedes premiums earned related to 20% of the risk on eligible policies written primarily between October 30, 2021 and December 31, 2022. The 2022 QSR Transaction is scheduled to terminate on December 31, 2032. NMIC has the option, based on certain conditions and subject to a termination fee, to terminate the agreement as of December 31, 2025 or semi-annually thereafter, which would result in NMIC recapturing the related risk.

In connection with the 2022 QSR Transaction, NMIC entered into an additional back-to-back quota share agreement that is scheduled to incept on January 1, 2023 (the "2023 QSR Transaction"). Under the terms of the 2023 QSR Transactions, NMIC will cede premiums earned related to 20% of the risk on eligible policies written in 2023.

NMIC may terminate any or all 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 the 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.

Effective October 1, 2021, the reinsurance agreement between NMIC and Re One was commuted and all ceded risk was transferred back to NMIC. In connection with the commutation, Re One paid \$8.4 million of fees to NMIC to settle all outstanding reinsurance obligations. Following the commutation, NMIC no longer cedes any premiums or loss to Re One, and Re One has no risk in force or further obligation on future claims.

A. Unsecured Reinsurance Recoverables

No significant change from year end 2021. Not applicable.

B. Reinsurance Recoverables in Dispute

No significant change from year end 2021. Not applicable.

## Notes to Financial Statements

## 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 June 30, 2022, with the return of unearned premium reserves is as follows:

As of June 30, 2022	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
Type of Financial Instrument						
a. Affiliates	\$—	\$—	\$—	\$—	\$—	\$—
b. All Other	—	—	1,711,160	342,232	(1,711,160)	(342,232)
c. Total	\$—	\$—	\$1,711,160	\$342,232	\$(1,711,160)	\$(342,232)
d. Direct Unearned Premium Reserve				<u>\$135,681,272</u>		

(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

No significant change from year end 2021. Not applicable.

(3) Protected Cells

No significant change from year end 2021. Not applicable.

## D. Uncollectible Reinsurance

No significant change from year end 2021. Not applicable.

## E. Commutation of Ceded Reinsurance

No significant change from year end 2021.

## F. Retroactive Reinsurance

No significant change from year end 2021. Not applicable.

## G. Reinsurance Accounted for as a Deposit

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## 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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

(1) Significant terms of retroactive reinsurance agreement

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## K. Reinsurance Credit

No significant change from year end 2021. Not applicable.

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

## A. Method Used to Estimate Accrued Retrospective Premium Adjustments

No significant change from year end 2021. Not applicable.

## B. Method Used to Record Retrospective Premium Adjustments

No significant change from year end 2021. Not applicable.

## Notes to Financial Statements

### C. Amount and Percent of Net Retrospective Premiums

No significant change from year end 2021. Not applicable.

### D. Medical Loss Ratio Rebates

No significant change from year end 2021. Not applicable.

### E. Calculation of Nonadmitted Accrued Retrospective Premiums

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. 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.

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

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

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 the payment date at which a borrower has missed the preceding two or more consecutive monthly payments. 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 Company incurred claims and claim adjustment expenses (net of reinsurance) of \$78,874,416 and \$83,231,430 as of June 30, 2022 and December 31, 2021, respectively. During the six months ended June 30, 2022, the Company had a \$22,441,560 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 June 30, 2022 for defaults occurring (net of reinsurance) in prior years have been reduced to \$60,113,460, following re-estimation of unpaid claims and claim adjustment expenses, and due to cures and claim payments of \$676,411. The net decrease in loss reserves as of the end of the period is primarily driven by a release of a portion of the reserves we established for anticipated claims payments in prior periods, cure activity, and a decline in the total size of our default population. The decrease was partially offset by an increase in the average reserve carried per default. Original loss reserve estimates will be increased or decreased as additional information becomes known regarding individual claims and as claims are settled.

Our reserve setting process considers the beneficial impact of forbearance, foreclosure moratorium and other assistance programs available to defaulted borrowers. We generally observe that forbearance programs are an effective tool to bridge dislocated borrowers from a time of acute stress to a future date when they can resume timely payment of their mortgage obligations. The effectiveness of forbearance programs is enhanced by the availability of various repayment and loan modification options which allow borrowers to amortize or, in certain instances, outright defer payments otherwise due during the forbearance period over an extended length of time.

At June 30, 2022, we generally established lower reserves for defaults that we consider to be connected to the COVID-19 pandemic given our expectation that forbearance, repayment and modification, and other assistance programs will aid affected borrowers and drive higher cure rates on such defaults than we would otherwise expect to experience on similarly situated loans that did not benefit from broad-based assistance programs, we have increased such reserves over time as individual defaults remain outstanding or "age." Our reserves at June 30, 2022 also reflects an incrementally conservative set of assumptions about future macroeconomic and housing market conditions compared to those assumed at December 31, 2021.

### B. Information about Significant Changes in Methodologies and Assumptions

No significant change from year end 2021.

## 26. Intercompany Pooling Arrangements

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

# Notes to Financial Statements

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

E. Explanation of Discrepancies between Entries of Pooled Business

No significant change from year end 2021. Not applicable.

F. Description of Intercompany Sharing

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## 27. Structured Settlements

A - B No significant change from year end 2021. Not applicable.

## 28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

No significant change from year end 2021. Not applicable.

B. Risk-Sharing Receivables

No significant change from year end 2021. Not applicable.

## 29. Participating Policies

No significant change from year end 2021. Not applicable.

## 30. Premium Deficiency Reserves

No significant change from year end 2021.

## 31. High Deductibles

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

No significant change from year end 2021. Not applicable.

B. Unsecured High Deductible Recoverables for Individual Obligor 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.

No significant change from year end 2021. Not applicable.

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

A. Tabular Discount

No significant change from year end 2021. Not applicable.

B. Nontabular Discount

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## 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 significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

## Notes to Financial Statements

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

No significant change from year end 2021. Not applicable.

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. No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

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

No significant change from year end 2021. Not applicable.

### **34. Subscriber Savings Accounts**

No significant change from year end 2021. Not applicable.

### **35. Multiple Peril Crop Insurance**

No significant change from year end 2021. Not applicable.

### **36. Financial Guaranty Insurance**

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



# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes[ ] No[X]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes[ ] No[ ] N/A[X]
  
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[ ] No[X]
- 2.2 If yes, date of change: .....
  
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes[X] No[ ]  
 If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes[ ] No[X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes:
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes[X] No[ ]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0001547903
  
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes[ ] No[ ] N/A[X]  
 If yes, attach an explanation.
  
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2016 .....
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. ..... 12/31/2016 .....
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). ..... 03/28/2018 .....
- 6.4 By what department or departments?  
 Wisconsin Office of the Commissioner of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[X] No[ ] N/A[ ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
  
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes[ ] No[X]
- 7.2 If yes, give full information
  
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[ ] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[ ] No[X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.]

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

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

### FINANCIAL

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

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[ ] No[X]
- 11.2 If yes, give full and complete information relating thereto:
  
- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ ..... 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ ..... 0
  
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes[ ] No[X]
- 14.2 If yes, please complete the following:

## GENERAL INTERROGATORIES (Continued)

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

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

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:  
 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ ..... 0  
 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$ ..... 0  
 16.3 Total payable for securities lending reported on the liability page \$ ..... 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes  No

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

1 Name of Custodian(s)	2 Custodian Address
Wells 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 .....

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

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

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes  No

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

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

17.5 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
AllSpring Capital Management .....	U .....

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets? Yes  No

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets? Yes  No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104973 .....	AllSpring Capital Management .....	549300B3H210O2L85190 .....	SEC .....	DS .....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes  No

18.2 If no, list exceptions:

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:  
 a. 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.  
 b. Issuer or obligor is current on all contracted interest and principal payments.  
 c. 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

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:  
 a. The security was purchased prior to January 1, 2018.  
 b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

## **GENERAL INTERROGATORIES (Continued)**

- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. 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]

21. 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:

- a. The shares were purchased prior to January 1, 2019.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security
- c. 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.
- 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]

**GENERAL INTERROGATORIES****PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

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

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

5. Operating Percentages:
- 5.1 A&H loss percent ..... 0.000%
- 5.2 A&H cost containment percent ..... 0.000%
- 5.3 A&H expense percent excluding cost containment expenses ..... 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes[ ] No[X]
- 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ ..... 0
- 6.3 Do you act as an administrator for health savings accounts? Yes[ ] No[X]
- 6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ ..... 0
7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes[X] No[ ]
- 7.1 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]

## SCHEDULE F - CEDED REINSURANCE

Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
<b>U.S. insurers</b>						
19275 .....	39-0273710 .....	AMERICAN FAMILY MUT INS CO SI .....	WI .....	Unauthorized ...	.....	.....
<b>All other insurers</b>						
14925 .....	AA-3190871 .....	Lancashire Ins Co Ltd .....	BMU .....	Authorized .....	.....	.....
00000 .....	AA-3191432 .....	Vantage Risk Ltd .....	BMU .....	Unauthorized ...	.....	.....
00000 .....	AA-3774116 .....	HCC Reinsurance Company Limited .....	BMU .....	Unauthorized ...	.....	.....

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

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status (a)	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama (AL)	L	2,638,142	2,209,312	54,619		864,336	538,526
2. Alaska (AK)	L	366,858	253,950			32,547	22,828
3. Arizona (AZ)	L	7,921,394	8,660,692		43,066	1,276,798	1,899,137
4. Arkansas (AR)	L	1,522,159	1,333,095		54,719	215,879	220,653
5. California (CA)	L	28,530,199	31,127,567	31,003	157,096	10,710,055	11,635,475
6. Colorado (CO)	L	9,325,497	10,966,491			1,523,885	1,458,878
7. Connecticut (CT)	L	2,667,206	2,313,277			1,076,682	1,113,675
8. Delaware (DE)	L	983,385	916,480		57,344	304,141	377,605
9. District of Columbia (DC)	L	2,124,619	3,305,398			747,462	507,328
10. Florida (FL)	L	25,909,129	23,129,231	30,163	202,171	5,328,277	10,491,322
11. Georgia (GA)	L	11,477,015	9,465,716	864	393	2,475,900	2,895,498
12. Hawaii (HI)	L	1,099,885	1,250,837			831,208	1,139,463
13. Idaho (ID)	L	1,847,697	1,717,212			138,043	97,968
14. Illinois (IL)	L	11,037,281	9,594,821	161,416	55,756	9,271,872	6,288,141
15. Indiana (IN)	L	4,902,922	4,043,767		16,697	1,454,656	1,193,012
16. Iowa (IA)	L	1,249,902	1,214,063	21,467	35,859	843,474	387,953
17. Kansas (KS)	L	1,301,009	1,212,267			333,923	327,667
18. Kentucky (KY)	L	1,698,722	1,282,276			367,109	310,927
19. Louisiana (LA)	L	2,439,939	2,342,668	3,045		1,713,631	1,199,594
20. Maine (ME)	L	803,060	814,799		18,463	154,901	165,369
21. Maryland (MD)	L	8,700,584	12,146,601			4,487,826	3,421,688
22. Massachusetts (MA)	L	5,995,996	6,834,434	56,618		2,122,919	2,079,682
23. Michigan (MI)	L	10,502,538	11,371,609	161,516	13,268	5,758,636	5,557,575
24. Minnesota (MN)	L	4,744,058	4,810,973	32,221		2,003,674	1,601,221
25. Mississippi (MS)	L	1,033,256	875,041			161,757	300,985
26. Missouri (MO)	L	3,824,534	3,914,841	25,857	13,339	1,450,228	833,157
27. Montana (MT)	L	494,173	608,228			70,688	76,850
28. Nebraska (NE)	L	1,351,035	1,132,101			447,069	341,892
29. Nevada (NV)	L	6,441,811	6,854,392		135,544	1,546,679	2,908,937
30. New Hampshire (NH)	L	1,455,579	1,454,456			402,884	267,433
31. New Jersey (NJ)	L	8,482,019	8,273,156	25,837	35,753	3,555,692	4,133,605
32. New Mexico (NM)	L	893,981	793,130			390,653	314,189
33. New York (NY)	L	8,229,926	6,810,413			6,764,087	5,947,300
34. North Carolina (NC)	L	7,859,947	8,163,489			1,110,402	1,650,593
35. North Dakota (ND)	L	282,238	186,390			263,993	173,520
36. Ohio (OH)	L	7,886,249	6,526,918	3,241	26,704	2,533,233	2,219,720
37. Oklahoma (OK)	L	1,590,032	1,317,034		56,526	748,047	618,006
38. Oregon (OR)	L	4,578,646	4,711,679			1,013,277	899,345
39. Pennsylvania (PA)	L	8,996,257	8,983,133		79,720	3,601,956	2,704,607
40. Rhode Island (RI)	L	632,987	580,321		32,937	81,215	191,974
41. South Carolina (SC)	L	4,527,131	4,372,664			1,180,744	1,612,200
42. South Dakota (SD)	L	701,171	577,286	41,941		169,680	204,214
43. Tennessee (TN)	L	6,513,364	5,267,043		200,727	674,701	1,102,263
44. Texas (TX)	L	27,748,819	27,474,759	186,625		9,134,327	11,312,302
45. Utah (UT)	L	4,575,049	5,298,298			448,484	544,441
46. Vermont (VT)	L	199,827	181,034		22,209	119,583	71,150
47. Virginia (VA)	L	9,954,589	14,696,122			4,101,730	3,413,957
48. Washington (WA)	L	9,364,663	9,269,014			1,048,031	1,363,497
49. West Virginia (WV)	L	583,435	541,510		18,888	216,109	313,374
50. Wisconsin (WI)	L	4,281,461	3,749,459			1,210,401	975,819
51. Wyoming (WY)	L	251,538	246,634			179,134	123,417
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	282,522,910	285,176,083	836,433	1,277,179	96,662,614	99,549,932
<b>DETAILS OF WRITE-INS</b>							
58001write-in description 1 for line 580	X X X						
58002write-in description 2 for line 580	X X X						
58003write-in description 3 for line 580	X X X						
58998Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						

(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.

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R - Registered - Non-domiciled RRGs

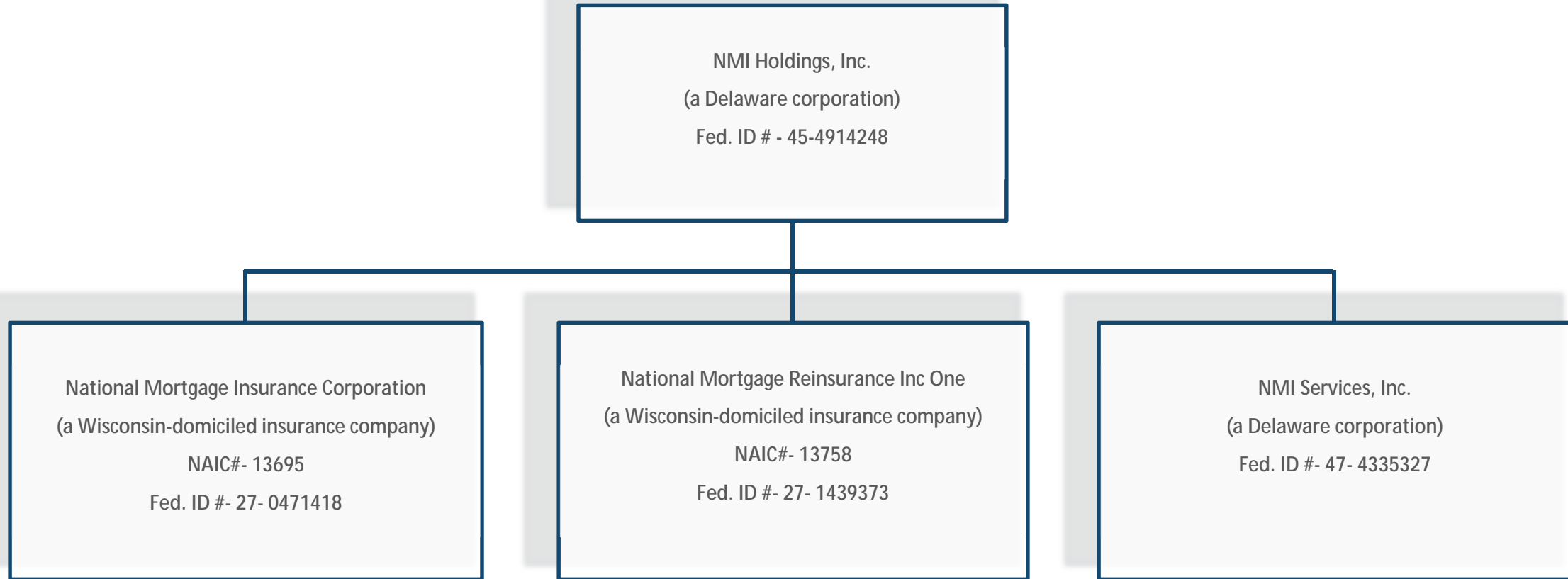
Q - Qualified - Qualified or accredited reinsurer

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

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

Q11



# 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? (Yes/No)	*
.....	.....	00000	45-4914248	.....	0001547903	NASDAQ Global Market	NMI Holdings, Inc. ....	DE	UDP	.....	.....	.....	.....	No	.....
4760	NMI Holdings Grp	13695	27-0471418	.....	.....	.....	National Mortgage Insurance Corporation	WI	RE	NMI Holdings, Inc. ....	Ownership	100.0	NMI Holdings, Inc. ....	No	.....
4760	NMI Holdings Grp	13758	27-1439373	.....	.....	.....	National Mortgage Reinsurance Inc One	WI	IA	NMI Holdings, Inc. ....	Ownership	100.0	NMI Holdings, Inc. ....	No	.....
4760	NMI Holdings Grp	00000	47-4335327	.....	.....	.....	NMI Services, Inc	DE	NIA	NMI Holdings, Inc. ....	Ownership	100.0	NMI Holdings, Inc. ....	No	.....

Asterisk	Explanation
0000001	.....



**PART 1 - LOSS EXPERIENCE**

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire .....				
2.1 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. Commercial multiple peril .....				
6. Mortgage guaranty .....	286,078,359	(3,936,898)	(1.376)	4.423
8. Ocean marine .....				
9. Inland marine .....				
10. Financial guaranty .....				
11.1 Medical professional liability - occurrence .....				
11.2 Medical professional liability - claims made .....				
12. Earthquake .....				
13.1 Comprehensive (hospital and medical) individual .....				
13.2 Comprehensive (hospital and medical) group .....				
14. Credit accident and health .....				
15.1 Vision only .....				
15.2 Dental only .....				
15.3 Disability income .....				
15.4 Medicare supplement .....				
15.5 Medicaid Title XIX .....				
15.6 Medicare Title XVIII .....				
15.7 Long-term care .....				
15.8 Federal employees health benefits plan .....				
15.9 Other 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 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 .....				
31. Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business .....				
35. TOTALS .....	286,078,359	(3,936,898)	(1.376)	4.423
DETAILS OF WRITE-INS				
3401. ....				
3402. ....				
3403. ....				
3498. Summary of remaining write-ins for Line 34 from overflow page .....				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....				

**PART 2 - DIRECT PREMIUMS WRITTEN**

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
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.	Commercial multiple peril .....			
6.	Mortgage guaranty .....	143,650,686	282,522,910	285,176,083
8.	Ocean marine .....			
9.	Inland marine .....			
10.	Financial guaranty .....			
11.1	Medical professional liability - occurrence .....			
11.2	Medical professional liability - claims made .....			
12.	Earthquake .....			
13.1	Comprehensive (hospital and medical) individual .....			
13.2	Comprehensive (hospital and medical) group .....			
14.	Credit accident and health .....			
15.1	Vision only .....			
15.2	Dental only .....			
15.3	Disability income .....			
15.4	Medicare supplement .....			
15.5	Medicaid Title XIX .....			
15.6	Medicare Title XVIII .....			
15.7	Long-term care .....			
15.8	Federal employees health benefits plan .....			
15.9	Other 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	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 .....			
31.	Reinsurance-Nonproportional Assumed Property .....	X X X	X X X	X X X
32.	Reinsurance-Nonproportional Assumed Liability .....	X X X	X X X	X X X
33.	Reinsurance-Nonproportional Assumed Financial Lines .....	X X X	X X X	X X X
34.	Aggregate write-ins for other lines of business .....			
35.	TOTALS .....	143,650,686	282,522,910	285,176,083
DETAILS OF WRITE-INS				
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page .....			
3499.	TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above) .....			

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

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2022 Loss and LAE Payments on Claims Reported as of Prior Year-End	2022 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2022 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2019 + Prior .....	3,556		3,556	346		346	2,269	(62)	227	2,434	(941)	165	(776)
2. 2020 .....	56,257		56,257	137		137	39,571	(865)	3,768	42,474	(16,549)	2,903	(13,646)
3. Subtotals 2020 + Prior .....	59,813		59,813	483		483	41,840	(927)	3,995	44,908	(17,490)	3,068	(14,422)
4. 2021 .....	18,687	4,731	23,418	193		193	18,273	(525)	1,107	18,855	(221)	(4,149)	(4,370)
5. Subtotals 2021 + Prior .....	78,500	4,731	83,231	676		676	60,113	(1,452)	5,102	63,763	(17,711)	(1,081)	(18,792)
6. 2022 .....	X X X	X X X	X X X	X X X	26	26	X X X	13,952	1,159	15,111	X X X	X X X	X X X
7. Totals .....	78,500	4,731	83,231	676	26	702	60,113	12,500	6,261	78,874	(17,711)	(1,081)	(18,792)
8. Prior Year-End Surplus As Regards Policyholders .....											Col. 11, Line 7 As % of Col. 1 Line 7 1..... (22.562)	Col. 12, Line 7 As % of Col. 2 Line 7 2..... (22.849)	Col. 13, Line 7 As % of Col. 3 Line 7 3..... (22.578)
													Col. 13, Line 7 Line 8 4.....

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

**AUGUST FILING**

5. 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? The response for 1st and 3rd quarters should be N/A. A NO response resulting with a bar code is only appropriate in the 2nd quarter.	No
---	----

Explanations:

Bar Codes:

**Trusteed Surplus Statement**



**Supplement A to Schedule T**



**Medicare Part D Coverage Supplement**



**Director and Officer Supplement**



**Communication of Internal Control Related Matters Noted in an Audit**





STATEMENT AS OF **June 30, 2022** OF THE **National Mortgage Insurance Corporation**  
**SCHEDULE A - VERIFICATION**  
**Real Estate**

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

**NONE**

**SCHEDULE B - VERIFICATION**  
**Mortgage Loans**

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

**NONE**

**SCHEDULE BA - VERIFICATION**  
**Other Long-Term Invested Assets**

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

**NONE**

**SCHEDULE D - VERIFICATION**  
**Bonds and Stocks**

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	2,079,297,417	1,690,555,536
2. Cost of bonds and stocks acquired .....	111,378,130	511,452,469
3. Accrual of discount .....	385,846	607,512
4. Unrealized valuation increase (decrease) .....	(199,080)	
5. Total gain (loss) on disposals .....	(8,166)	241,861
6. Deduct consideration for bonds and stocks disposed of .....	45,595,381	117,449,938
7. Deduct amortization of premium .....	3,339,201	6,524,584
8. Total foreign exchange change in book/adjusted carrying value .....		
9. Deduct current year's other-than-temporary impairment recognized .....		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees .....	423,240	414,561
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10) .....	2,142,342,806	2,079,297,417
12. Deduct total nonadmitted amounts .....		
13. Statement value at end of current period (Line 11 minus Line 12) .....	2,142,342,806	2,079,297,417

**SCHEDULE D - PART 1B**  
**Showing the Acquisitions, Dispositions and Non-Trading Activity**  
**During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation**

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a) .....	1,725,271,015	94,502,069	12,989,997	13,933,512	1,725,271,015	1,820,716,599		1,696,129,376
2. NAIC 2 (a) .....	401,870,548			(18,450,302)	401,870,548	383,420,246		385,868,514
3. NAIC 3 (a) .....				2,844,974		2,844,974		
4. NAIC 4 (a) .....								
5. NAIC 5 (a) .....								
6. NAIC 6 (a) .....								
7. Total Bonds .....	2,127,141,563	94,502,069	12,989,997	(1,671,816)	2,127,141,563	2,206,981,819		2,081,997,890
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....								
9. NAIC 2 .....								
10. NAIC 3 .....								
11. NAIC 4 .....								
12. NAIC 5 .....								
13. NAIC 6 .....								
14. Total Preferred Stock .....								
15. Total Bonds & Preferred Stock .....	2,127,141,563	94,502,069	12,989,997	(1,671,816)	2,127,141,563	2,206,981,819		2,081,997,890

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....64,639,014; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0

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

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
7709999999. Totals .....	64,639,014	X X X	64,639,014		

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

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	506	
2. Cost of short-term investments acquired .....	64,639,014	506
3. Accrual of discount .....		
4. Unrealized valuation increase (decrease) .....		
5. Total gain (loss) on disposals .....		
6. Deduct consideration received on disposals .....	506	
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) .....	64,639,014	506
11. Deduct total nonadmitted amounts .....		
12. Statement value at end of current period (Line 10 minus Line 11) .....	64,639,014	506



**SI04 Schedule DB - Part A Verification ..... NONE**

**SI04 Schedule DB - Part B Verification ..... NONE**

**SI05 Schedule DB Part C Section 1 ..... NONE**

**SI06 Schedule DB Part C Section 2 ..... NONE**

**SI07 Schedule DB - Verification ..... NONE**

**SCHEDULE E - PART 2 - VERIFICATION**

(Cash Equivalents)

		1	2
		Year To Date	Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year .....	11,984,937	56,155,635
2.	Cost of cash equivalents acquired .....	204,495,722	389,588,913
3.	Accrual of discount .....		
4.	Unrealized valuation increase (decrease) .....		
5.	Total gain (loss) on disposals .....		
6.	Deduct consideration received on disposals .....	198,294,481	433,759,611
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) .....	18,186,178	11,984,937
11.	Deduct total nonadmitted amounts .....		
12.	Statement value at end of current period (Line 10 minus Line 11) .....	18,186,178	11,984,937

**E01 Schedule A Part 2 . . . . . NONE**

**E01 Schedule A Part 3 . . . . . NONE**

**E02 Schedule B Part 2 . . . . . NONE**

**E02 Schedule B Part 3 . . . . . NONE**

**E03 Schedule BA Part 2 . . . . . NONE**

**E03 Schedule BA Part 3 . . . . . NONE**

## SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
<b>Bonds - U.S. Governments</b>									
91282CER8	UNITED STATES TREAS NTS 2.5%05/31/		06/27/2022	Principal	X X X	9,880,469	10,000,000	19,126	1.A
0109999999	Subtotal - Bonds - U.S. Governments				X X X	9,880,469	10,000,000	19,126	X X X
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>									
MAXSAFE08	BUSINESS CD		06/01/2022	DIRECT	X X X	506	506		1.A
45866FAT1	INTERCONTINENTAL EXCHANGE INC		05/12/2022	Principal	X X X	7,991,200	8,000,000		1.G FE
59217GFB0	METROPOLITAN LIFE GLOBAL FDG 144A		06/27/2022	Principal	X X X	11,990,880	12,000,000		1.D FE
1109999999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	19,982,586	20,000,506		X X X
2509999997	Subtotal - Bonds - Part 3				X X X	29,863,055	30,000,506	19,126	X X X
2509999998	Summary Item from Part 5 for Bonds (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
2509999999	Subtotal - Bonds				X X X	29,863,055	30,000,506	19,126	X X X
4509999998	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
4509999999	Subtotal - Preferred Stocks				X X X	X X X	X X X	X X X	X X X
5989999998	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)				X X X	X X X	X X X	X X X	X X X
5989999999	Subtotal - Common Stocks				X X X	X X X	X X X	X X X	X X X
5999999999	Subtotal - Preferred and Common Stocks				X X X	X X X	X X X	X X X	X X X
6009999999	Total - Bonds, Preferred and Common Stocks				X X X	29,863,055	X X X	19,126	X X X

# SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Disposal Date	4 Name of Purchaser	5 Number of Shares of Stock	6 Consideration	7 Par Value	8 Actual Cost	9 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/ Stocks Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation, NAIC Designation Modifier and SVO Admini- strative Symbol																	
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11 + 12 - 13)	15 Total Foreign Exchange Change in B./A.C.V.																								
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																																					
64966QZY9	NEW YORK N Y TAXABLE GO BDS FISCAL	05/12/2022	CALLED @ 100.0000000	X X X	30,000	30,000	30,000	30,000						30,000				211	08/01/2027	1.C FE																	
070999999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions																			X X X	30,000	30,000	30,000	30,000					30,000				211	X X X	X X X		
<b>Bonds - U.S. Special Revenue, Special Assessment</b>																																					
913366HW3	UNIV CALIF REGTS MED CTR POOLE	05/15/2022	MATURITY	X X X	1,260,000	1,260,000	1,260,000	1,260,000						1,260,000				11,888	05/15/2022	1.D FE																	
090999999	Subtotal - Bonds - U.S. Special Revenue, Special Assessment																			X X X	1,260,000	1,260,000	1,260,000	1,260,000					1,260,000				11,888	X X X	X X X		
<b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>																																					
12510HAD2	CAPITAL AUTO 20-1A A4 144A	06/15/2022	PRINCIPAL RECEIPT	X X X	3,394	3,394	3,393	3,393						3,394				45	02/15/2050	1.E FE																	
14576AAA0	CARS MT-1 144A 2020 LP	06/15/2022	PRINCIPAL RECEIPT	X X X	7,875	7,875	7,872	7,872	3					7,875				66	12/15/2050	1.A FE																	
20268MAA4	CBSLT 18BGS A1 144A	06/25/2022	PRINCIPAL RECEIPT	X X X	61,054	61,054	61,051	61,047	8					61,054				860	09/25/2045	1.A FE																	
12530MAA3	CF HIPPOLYTA ISSUER 2020 144A	06/15/2022	VARIOUS	X X X															07/15/2060	1.D FE																	
244199BE4	DEERE & CO	06/08/2022	MATURITY	X X X	2,900,000	2,900,000	2,866,128	2,897,529	2,471			2,471		2,900,000				37,700	06/08/2022	1.F FE																	
38218GAA0	GOODGREEN 2018- 144A	06/15/2022	PRINCIPAL RECEIPT	X X X	137,223	137,223	137,209	137,206	17					137,223				2,780	09/15/2053	1.A FE																	
46620VAA2	HENDR 172 A	06/15/2022	PRINCIPAL RECEIPT	X X X	33,855	33,855	33,840	33,842	13					33,855				524	09/15/2060	1.A FE																	
42771IAB6	HERO FDG 2017-2 144A	06/20/2022	PRINCIPAL RECEIPT	X X X	20,133	20,133	20,131	20,129	5					20,133				339	09/20/2048	1.A FE																	
40438DAE9	HPEFS EQUIPMENT TRUST 144A 2019-1	06/20/2022	PRINCIPAL RECEIPT	X X X	1,013,717	1,013,717	1,013,559	1,013,686	31					1,013,717				10,772	09/20/2029	1.A FE																	
46616MAA8	JG WENTWORTH REC 144A 2010-3	06/15/2022	PRINCIPAL RECEIPT	X X X	21,788	21,788	22,824	22,651	(863)					21,788				355	12/15/2048	1.A FE																	
46617FAA2	JGWPT XXVIII LLC 144A 2013-1	06/15/2022	PRINCIPAL RECEIPT	X X X	13,506	13,506	14,146	14,060	(554)					13,506				181	04/15/2067	1.A FE																	
543190AA0	LONGTRAIN LEASING III 2015-3 144A	06/15/2022	PRINCIPAL RECEIPT	X X X	11,030	11,030	10,960	11,008	22					11,030				149	01/15/2045	1.F FE																	
585055BS4	MEDTRONIC INC	06/01/2022	Principial	X X X	1,708,090	1,680,000	1,663,906	1,674,336	700					1,675,035		33,054	33,054	41,813	03/15/2025	1.G FE																	
59217GCD9	METROPOLITAN LIFE GLOBAL FDG 144A	04/08/2022	MATURITY	X X X	2,185,000	2,185,000	2,138,831	2,180,940	4,060				4,060	2,185,000				28,951	04/08/2022	1.D FE																	
61946FAA3	MOSAIC SOLAR LNS- 144A	06/20/2022	PRINCIPAL RECEIPT	X X X	88,270	88,270	88,265	88,267	3					88,270				1,464	06/22/2043	1.F FE																	
63940QAC7	NAVIENT PRIV ED LN TR 2018-B 144A	06/15/2022	PRINCIPAL RECEIPT	X X X	139,990	139,990	139,990	139,990						139,990				577	12/15/2059	1.A FE																	
67190AAA4	OAK ST INV GD NT 144A LS FD 2021-1	06/20/2022	PRINCIPAL RECEIPT	X X X	7,514	7,514	7,512	7,513	1					7,514				46	01/20/2051	1.A FE																	
67190AAB2	OAK ST INV GD NT 144A LS FD 2021-1	06/20/2022	PRINCIPAL RECEIPT	X X X	11,760	11,760	11,759	11,759	1					11,760				95	01/20/2051	1.A FE																	
69144AA7	OXFORD FIN FDG 144A LLC 2020-1	06/15/2022	PRINCIPAL RECEIPT	X X X	743,456	743,456	743,456	743,456						743,456				9,308	02/15/2028	1.F FE																	
91159JAA4	U S BANCORP MTN SUB NTS BE	06/15/2022	CALLED @ 100.0000000	X X X	2,344,000	2,344,000	2,358,978	2,345,137	(1,137)					2,344,000				63,386	07/15/2022	1.F FE																	
90782JAA1	UNION PACIFIC RR CO 2015-1	05/12/2022	PRINCIPAL RECEIPT	X X X	280,891	280,891	304,065	299,318	(18,427)					280,891				3,785	05/12/2027	1.D FE																	
110999999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)																			X X X	11,732,546	11,704,456	11,647,875	11,713,139	(13,646)				11,699,491		33,054	33,054	203,196	X X X	X X X		
250999999	Subtotal - Bonds - Part 4																			X X X	13,022,546	12,994,456	12,937,875	13,003,139	(13,646)				12,989,491		33,054	33,054	215,295	X X X	X X X		
250999999	Summary Item from Part 5 for Bonds (N/A to Quarterly)																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
250999999	Subtotal - Bonds																			X X X	13,022,546	12,994,456	12,937,875	13,003,139	(13,646)				12,989,491		33,054	33,054	215,295	X X X	X X X		
450999999	Summary Item from Part 5 for Preferred Stocks (N/A to Quarterly)																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
450999999	Subtotal - Preferred Stocks																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
598999999	Summary Item from Part 5 for Common Stocks (N/A to Quarterly)																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
598999999	Subtotal - Common Stocks																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
599999999	Subtotal - Preferred and Common Stocks																			X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
600999999	Total - Bonds, Preferred and Common Stocks																			X X X	13,022,546	12,937,875	12,937,875	13,003,139	(13,646)				12,989,491		33,054	33,054	215,295	X X X	X X X		

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**E06 Schedule DB Part A Section 1 ..... NONE**

**E07 Schedule DB Part B Section 1 ..... NONE**

**E08 Schedule DB Part D Section 1 ..... NONE**

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

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

**E10 Schedule DB Part E ..... NONE**

**E11 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE**

**E12 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE**

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

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
<b>open depositories</b>									
First Republic Bank .....	San Francisco, CA .....					764,166	758,550	814,457	X X X
Wells Fargo Bank .....	San Francisco, CA .....					66,479	343,601	1,193,874	X X X
First Republic Bank .....	San Francisco, CA .....		13,430			42,197,429	29,141,509	30,063,351	X X X
Wells Fargo Bank .....	San Francisco, CA .....					4,504,456	503,050		X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories .....		X X X	X X X						X X X
0199999 Totals - Open Depositories .....		X X X	X X X	13,430		47,532,530	30,746,710	32,071,682	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						X X X
0299999 Totals - Suspended Depositories .....		X X X	X X X						X X X
0399999 Total Cash On Deposit .....		X X X	X X X	13,430		47,532,530	30,746,710	32,071,682	X X X
0499999 Cash in Company's Office .....		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash .....		X X X	X X X	13,430		47,532,530	30,746,710	32,071,682	X X X

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

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>Exempt Money Market Mutual Funds - as Identified by SVO</b>								
. 09248U551	BLACKROCK LIQUIDITY FDS .....		06/30/2022 .....	0.000 .....	X X X .....	2,152,240 .....		2,026 .....
. 31846V419	FIRST AMERN FDS INC .....		06/01/2022 .....	0.000 .....	X X X .....			
. 94975H296	WELLS FARGO FDS TR .....	SD	06/02/2022 .....	0.000 .....	X X X .....	25,056 .....		18 .....
8209999999	Subtotal - Exempt Money Market Mutual Funds - as Identified by SVO .....					2,177,296 .....		2,044 .....
<b>All Other Money Market Mutual Funds</b>								
. 177366200	CITIZENSSELECT FDS .....		02/01/2021 .....	0.000 .....	X X X .....			
. 269999280	EAGLE BANK SWEEP TIER 1 FRB .....		06/30/2022 .....	0.000 .....	X X X .....	121,872 .....		32 .....
8AMMF0416	US BANK MONEY MARKET (MMDA) IT&C .....		06/01/2022 .....	0.000 .....	X X X .....	5,332 .....		
. VP4520012	WELLS FARGO 100% TREASURY MONEY MA .....		06/30/2022 .....	0.000 .....	X X X .....	15,881,678 .....	1 .....	28,120 .....
8309999999	Subtotal - All Other Money Market Mutual Funds .....					16,008,882 .....	1 .....	28,152 .....
8609999999	Total Cash Equivalents .....					18,186,178 .....	1 .....	30,196 .....