



ANNUAL STATEMENT

For the Year Ending December 31, 2014

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 Wisconsin

Country of Domicile United States of America

Incorporated/Organized June 30, 2009 Commenced Business May 4, 2013

Statutory Home Office 2100 Powell Street, 12th Floor , Emeryville, California, US 94608
(Street and Number) (City or Town, State, Country and Zip Code)

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

Emeryville, California, 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, California, US 94608
(Street and Number) (City or Town, State, Country and Zip Code)

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

Emeryville, California, 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 Danielle Mays (510)858-0408
(Name) (Area Code)(Telephone Number)

danielle.mays@nationalmi.com (510)225-3832
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title	#
1. <u>Bradley M Shuster</u>	<u>Chief Executive Officer</u>	<u>#</u>
2. <u>William J Leatherberry</u>	<u>Chief Legal Officer</u>	<u>#</u>
3. <u>Glenn M Farrell</u>	<u>Chief Financial Officer</u>	<u>#</u>

VICE-PRESIDENTS

Name	Title	#	Name	Title	#
<u>John (Jay) M Sherwood, Jr.</u>	<u>President</u>	<u>#</u>	<u>Claudia J Merkle</u>	<u>EVP, Insurance Operations</u>	
<u>Patrick L Mathis</u>	<u>EVP, Chief Risk Officer</u>		<u>Norman P Fitzgerald</u>	<u>SVP, Field Sales</u>	<u>#</u>
<u>Peter C Pannes</u>	<u>EVP, Chief Sales Officer</u>		<u>Robert H Fore III</u>	<u>VP, Controller</u>	<u>#</u>
<u>Christopher G Brunetti</u>	<u>SVP, General Counsel and Secretary</u>	<u>#</u>			

DIRECTORS OR TRUSTEES

<u>Patrick L Mathis</u>	<u>Peter C Pannes</u>	<u>Claudia J Merkle</u>	<u>William J Leatherberry</u>	<u>#</u>
<u>Bradley M Shuster</u>	<u>John (Jay) M Sherwood, Jr.</u>	<u>Glenn M Farrell</u>	<u>#</u>	

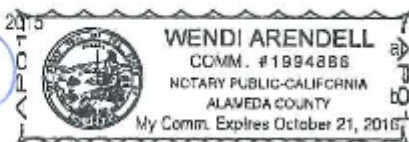
State of California
 County of Alameda ss

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)	(Signature)	(Signature)
<u>Bradley M Shuster</u>	<u>Christopher G Brunetti</u>	<u>Glenn M Farrell</u>
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
<u>Chief Executive Officer</u>	<u>SVP, General Counsel and Secretary</u>	<u>Chief Financial Officer</u>
#	#	#
(Title)	(Title)	(Title)

Subscribed and sworn to before me this

19th day of February
Wendi Arendell
 (Notary Public Signature)



Is this an original filing? Yes[X] No[]

If no: 1. State the amendment number 0
 2. Date filed _____
 3. Number of pages attached 0

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	194,407,839		194,407,839	174,133,529
2. Stocks (Schedule D)				
2.1 Preferred stocks				
2.2 Common Stocks				
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances)				
4.2 Properties held for the production of income (less \$.....0 encumbrances)				
4.3 Properties held for sale (less \$.....0 encumbrances)				
5. Cash (\$.....12,063,967, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....53,347,327, Schedule DA)	65,411,294		65,411,294	18,531,442
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities Lending Reinvested Collateral Assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	259,819,133		259,819,133	192,664,971
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,039,296		1,039,296	920,891
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	1,048,424	319	1,048,105	18,756
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				575,499
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	1,100		1,100	
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)	261,907,954	319	261,907,635	194,180,118
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	261,907,954	319	261,907,635	194,180,118
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	76,330	
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)		
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	14,371	117,997
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	10,979	198
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$.....0 and interest thereon \$.....0		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....1,885,787 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)	20,182,892	1,337,851
10. Advance premiums		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	828,721	171,454
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including (\$.....0 certified)) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	9,731,275	10,480,280
20. Derivatives		
21. Payable for securities		22,384
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	7,944,769	1,740,079
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	38,789,337	13,870,243
27. Protected cell liabilities		
28. TOTAL Liabilities (Lines 26 and 27)	38,789,337	13,870,243
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	300,492,345	210,492,345
35. Unassigned funds (surplus)	(79,904,047)	(32,712,470)
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$.....0)		
36.2 .....0 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, minus 36) (Page 4, Line 39)	223,118,298	180,309,875
38. TOTALS (Page 2, Line 28, Column 3)	261,907,635	194,180,118
DETAILS OF WRITE-INS		
2501. Statutory Contingency Reserve	7,944,769	1,740,079
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)	7,944,769	1,740,079
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. TOTALS (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. TOTALS (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	12,409,381	1,965,021
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	76,330	
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)		
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	56,014,214	34,870,290
5. Aggregate write-ins for underwriting deductions	6,204,690	1,740,079
6. TOTAL Underwriting Deductions (Lines 2 through 5)	62,295,234	36,610,369
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(49,885,853)	(34,645,349)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,564,339	1,968,934
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses))	130,257	(18,295)
11. Net investment gain or (loss) (Lines 9 + 10)	2,694,596	1,950,639
OTHER INCOME		
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income		
15. TOTAL Other Income (Lines 12 through 14)		
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(47,191,257)	(32,694,709)
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)	(47,191,257)	(32,694,709)
19. Federal and foreign income taxes incurred		
20. Net income (Line 18 minus Line 19) (to Line 22)	(47,191,257)	(32,694,709)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	180,309,875	210,003,693
22. Net income (from Line 20)	(47,191,257)	(32,694,709)
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0		
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax		
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets Line 28, Column 3)	(319)	3,000,891
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in	90,000,000	(5,626,415)
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Line 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		5,626,415
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	42,808,424	(29,693,818)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	223,118,299	180,309,875
DETAILS OF WRITE-INS		
0501. Statutory Contingency Reserve	6,204,690	1,740,079
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)	6,204,690	1,740,079
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)		
3701. Quasi-reorganization of net loss cumulative and prior to acquisition by NMI Holdings, Inc.		5,626,415
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)		5,626,415

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	30,882,340	3,455,569
2.	Net investment income	3,558,946	2,012,244
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	34,441,286	5,467,813
5.	Benefit and loss related payments		
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	57,349,505	32,190,315
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		
10.	TOTAL (Lines 5 through 9)	57,349,505	32,190,315
11.	Net cash from operations (Line 4 minus Line 10)	(22,908,219)	(26,722,502)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	15,349,499	80,733,519
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		22,384
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	15,349,499	80,755,903
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	36,606,564	255,847,920
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets		
13.6	Miscellaneous applications	22,384	
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	36,628,948	255,847,920
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(21,279,449)	(175,092,017)
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock	90,000,000	(5,626,415)
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	1,067,520	15,970,307
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	91,067,520	10,343,892
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	46,879,852	(191,470,627)
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	18,531,442	210,002,069
19.2	End of year (Line 18 plus Line 19.1)	65,411,294	18,531,442

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

20.0001	.....	
20.0002	.....	

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written Per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	Premiums Earned During Year (Columns 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty	31,254,422	1,337,851	20,182,892	12,409,381
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health (group and individual)				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability - occurrence				
17.2 Other liability - claims-made				
17.3 Excess Workers' Compensation				
18.1 Products liability - occurrence				
18.2 Products liability - claims-made				
19.1 19.2 Private passenger auto liability				
19.3 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property				
32. Reinsurance-Nonproportional Assumed Liability				
33. Reinsurance-Nonproportional Assumed Financial Lines				
34. Aggregate write-ins for other lines of business				
35. TOTALS	31,254,422	1,337,851	20,182,892	12,409,381
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1 Amount Unearned (Running One Year or Less From Date of Policy) (a)	2 Amount Unearned (Running More Than One Year From Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve For Unearned Premiums Columns 1 + 2 + 3 + 4
Line of Business					
1. Fire					
2. Allied lines					
3. Farmowners multiple peril					
4. Homeowners multiple peril					
5. Commercial multiple peril					
6. Mortgage guaranty	2,170	20,180,722			20,182,892
8. Ocean marine					
9. Inland marine					
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake					
13. Group accident and health					
14. Credit accident and health (group and individual)					
15. Other accident and health					
16. Workers' compensation					
17.1 Other liability - occurrence					
17.2 Other liability - claims-made					
17.3 Excess Workers' Compensation					
18.1 Products liability - occurrence					
18.2 Products liability - claims-made					
19.1 19.2 Private passenger auto liability					
19.3 19.4 Commercial auto liability					
21. Auto physical damage					
22. Aircraft (all perils)					
23. Fidelity					
24. Surety					
26. Burglary and theft					
27. Boiler and machinery					
28. Credit					
29. International					
30. Warranty					
31. Reinsurance-Nonproportional Assumed Property					
32. Reinsurance-Nonproportional Assumed Liability					
33. Reinsurance-Nonproportional Assumed Financial Lines					
34. Aggregate write-ins for other lines of business					
35. TOTALS	2,170	20,180,722			20,182,892
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					20,182,892
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)					

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

UNDERWRITING AND INVESTMENT EXHIBIT PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Columns 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire						
2. Allied lines						
3. Farmowners multiple peril						
4. Homeowners multiple peril						
5. Commercial multiple peril						
6. Mortgage guaranty	34,028,777			2,774,355		31,254,422
8. Ocean marine						
9. Inland marine						
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake						
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation						
17.1 Other liability - occurrence						
17.2 Other liability - claims-made						
17.3 Excess Workers' Compensation						
18.1 Products liability - occurrence						
18.2 Products liability - claims-made						
19.1 19.2 Private passenger auto liability						
19.3 19.4 Commercial auto liability						
21. Auto physical damage						
22. Aircraft (all perils)						
23. Fidelity						
24. Surety						
26. Burglary and theft						
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance-Nonproportional Assumed Property	X X X					
32. Reinsurance-Nonproportional Assumed Liability	X X X					
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X					
34. Aggregate write-ins for other lines of business						
35. TOTALS	34,028,777			2,774,355		31,254,422
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)						

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Column 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Columns 4 + 5 - 6)	8 Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 + 2 - 3)				
1. Fire								
2. Allied lines								
3. Farmowners multiple peril								
4. Homeowners multiple peril								
5. Commercial multiple peril								
6. Mortgage guaranty					76,330		76,330	0.62
8. Ocean marine								
9. Inland marine								
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake								
13. Group accident and health								
14. Credit accident and health (group and individual)								
15. Other accident and health								
16. Workers' compensation								
17.1 Other liability - occurrence								
17.2 Other liability - claims-made								
17.3 Excess Workers' Compensation								
18.1 Products liability - occurrence								
18.2 Products liability - claims made								
19.1 19.2 Private passenger auto liability								
19.3 19.4 Commercial auto liability								
21. Auto physical damage								
22. Aircraft (all perils)								
23. Fidelity								
24. Surety								
26. Burglary and theft								
27. Boiler and machinery								
28. Credit								
29. International								
30. Warranty								
31. Reinsurance-Nonproportional Assumed Property	X X X							
32. Reinsurance-Nonproportional Assumed Liability	X X X							
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X							
34. Aggregate write-ins for other lines of business								
35. TOTALS					76,330		76,330	0.62
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Columns 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire									
2. Allied Lines									
3. Farmowners multiple peril									
4. Homeowners multiple peril									
5. Commercial multiple peril									
6. Mortgage guaranty	80,281		6,740	73,541	3,045		256	76,330	
8. Ocean marine									
9. Inland marine									
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake									
13. Group accident & health								(a)	
14. Credit accident & health (group & individual)								(a)	
15. Other accident & health									
16. Workers' compensation									
17.1 Other liability - occurrence									
17.2 Other liability - claims-made									
17.3 Excess Workers' Compensation									
18.1 Products liability - occurrence									
18.2 Products liability - claims-made									
19.1 19.2 Private passenger auto liability									
19.3 19.4 Commercial auto liability									
21. Auto physical damage									
22. Aircraft (all perils)									
23. Fidelity									
24. Surety									
26. Burglary and theft									
27. Boiler and machinery									
28. Credit									
29. International									
30. Warranty									
31. Reinsurance-Nonproportional Assumed Property	X X X				X X X				
32. Reinsurance-Nonproportional Assumed Liability	X X X				X X X				
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X				X X X				
34. Aggregate write-ins for other lines of business									
35. TOTALS	80,281		6,740	73,541	3,045		256	76,330	
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct				
1.2 Reinsurance assumed				
1.3 Reinsurance ceded				
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)				
2. Commission and brokerage:				
2.1 Direct, excluding contingent		(499,381)		(499,381)
2.2 Reinsurance assumed, excluding contingent				
2.3 Reinsurance ceded, excluding contingent				
2.4 Contingent - direct				
2.5 Contingent - reinsurance assumed				
2.6 Contingent - reinsurance ceded				
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		(499,381)		(499,381)
3. Allowances to manager and agents				
4. Advertising		216,800		216,800
5. Boards, bureaus and associations		827,052		827,052
6. Surveys and underwriting reports		5,975		5,975
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		29,331,002		29,331,002
8.2 Payroll taxes		1,711,144		1,711,144
9. Employee relations and welfare		3,574,049		3,574,049
10. Insurance		649,898		649,898
11. Directors' fees				
12. Travel and travel items		1,628,449		1,628,449
13. Rent and rent items		1,151,506		1,151,506
14. Equipment		868,777		868,777
15. Cost or depreciation of EDP equipment and software		8,468,841		8,468,841
16. Printing and stationery		259,326		259,326
17. Postage, telephone and telegraph, exchange and express		314,485		314,485
18. Legal and auditing		249,380		249,380
19. TOTALS (Lines 3 to 18)		49,256,684		49,256,684
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0		574,673		574,673
20.2 Insurance department licenses and fees		75,423		75,423
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		650,096		650,096
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		6,606,815	230,957	6,837,772
25. TOTAL expenses incurred		56,014,214	230,957	(a) 56,245,171
26. Less unpaid expenses - current year				
27. Add unpaid expenses - prior year				
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)		56,014,214	230,957	56,245,171
DETAILS OF WRITE-INS				
2401. Professional Fees		5,992,554		5,992,554
2402. Employee Recruiting		587,186		587,186
2403. Investment Fees			230,957	230,957
2498. Summary of remaining write-ins for Line 24 from overflow page		27,075		27,075
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)		6,606,815	230,957	6,837,772

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 539,934	320,747
1.1 Bonds exempt from U.S. tax	(a) 72,078	67,977
1.2 Other bonds (unaffiliated)	(a) 3,171,075	2,399,182
1.3 Bonds of affiliates	(a)	
2.1 Preferred stocks (unaffiliated)	(b)	
2.11 Preferred stocks of affiliates	(b)	
2.2 Common stocks (unaffiliated)		
2.21 Common stocks of affiliates		
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 6,815	7,390
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL Gross investment income	3,789,902	2,795,296
11. Investment expenses		(g) 230,957
12. Investment taxes, licenses and fees, excluding federal income taxes		(g)
13. Interest expense		(h)
14. Depreciation on real estate and other invested assets		(i)
15. Aggregate write-ins for deductions from investment income		
16. TOTAL Deductions (Lines 11 through 15)		230,957
17. Net Investment income (Line 10 minus Line 16)		2,564,339

DETAILS OF WRITE-INS

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

- (a) Includes \$ 66,647 accrual of discount less \$ 1,179,658 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	6,648		6,648		
1.1 Bonds exempt from U.S. tax					
1.2 Other bonds (unaffiliated)	123,609		123,609		
1.3 Bonds of affiliates					
2.1 Preferred stocks (unaffiliated)					
2.11 Preferred stocks of affiliates					
2.2 Common stocks (unaffiliated)					
2.21 Common stocks of affiliates					
3. Mortgage loans					
4. Real estate					
5. Contract loans					
6. Cash, cash equivalents and short-term investments					
7. Derivative instruments					
8. Other invested assets					
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	130,257		130,257		

DETAILS OF WRITE-INS

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

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Invested income due and accrued			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	319		(319)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets			
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets			
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	319		(319)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	319		(319)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above)			
2501. Prepaid Expenses			
2502.			
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)			

Notes to Financial Statements

1. Summary of Significant Accounting Policies

A. Accounting Practices

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

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

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

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

	<u>State of Domicile</u>	<u>December 31, 2014</u>	<u>December 31, 2013</u>
NET LOSS			
(1) State basis (Page 4, Line 20, Columns 1 & 3)	WI	\$ (47,191,258)	\$ (32,694,708)
(2) State Prescribed Practices that increase/(decrease) NAIC SAP			
Change in contingency reserves	WI	<u>(6,204,690)</u>	<u>(1,740,079)</u>
(3) NAIC SAP (1 - 2 = 3)	WI	<u>\$ (40,986,568)</u>	<u>\$ (30,954,629)</u>
SURPLUS			
(4) State basis (Page 3, Line 37, Columns 1 & 2)	WI	\$ 223,118,298	\$ 180,309,875
(5) State Prescribed Practices that increase/(decrease) NAIC SAP		—	—
(6) NAIC SAP (4 - 5 = 6)	WI	<u>\$ 223,118,298</u>	<u>\$ 180,309,875</u>

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

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

C. Accounting Policy

Premiums written on a single premium basis and an annual premium basis are initially deferred as unearned premium reserve and earned over the policy term. Premiums written on policies covering more than one year are amortized over the policy life in accordance with the expiration of risk which is the anticipated claim payment pattern based on industry experience. Premiums written on annual policies are earned on a monthly pro rata basis. Premiums written on monthly policies are earned as coverage is provided. Premiums written on pool transactions are earned over the period that coverage is provided. Upon cancellation of a policy, all premium that is non-refundable is immediately earned. Any refundable premium is returned to the policyholder. Premiums returned to policyholders are recorded as a reduction of written and earned premiums in the current period, which affects premiums written and earned in those periods.

In addition, the Company uses the following accounting policies:

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

Notes to Financial Statements

- (6) Loan-backed securities are valued using the retrospective method and are stated at amortized cost or fair value in accordance with their NAIC designation.
- (7) The Company has no investments in subsidiaries or controlled and affiliated entities.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company owns no derivative instruments.
- (10) The Company uses anticipated investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, *Property-Casualty Contracts - Premiums*.
- (11) The Company's practice is to establish insurance claim reserves only for loans in default. The Company does not consider a loan to be in default for claim reserve purposes until it receives notice from the servicer that a borrower has failed to make two regularly scheduled payments and is at least 60 days in default. Default is defined in NMIC's MI policies as the failure by a borrower to pay when due an amount equal to the scheduled mortgage payment due under the terms of a loan or the failure by a borrower to pay all amounts due under a loan after the exercise of the due on sale clause of such loan. In addition to reserves on reported defaults, the Company establishes reserves for estimated claims incurred on loans that have been in default for at least 60 days that have not yet been reported to us by the servicers (this is often referred to as "incurred but not reported" or "IBNR").

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

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

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

2. Accounting Changes and Corrections of Errors

The Company had no material changes in accounting principles or corrections of errors for the years ended December 31, 2014 and 2013.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

Not Applicable

B. Statutory Merger

National Mortgage Reinsurance Inc Two ("Re Two") was a wholly-owned subsidiary of the Company and was previously admitted in the Company's assets at its full statutory surplus value. The statutory surplus of Re Two at June 30, 2013 was \$10.0 million. During the 2nd quarter of 2013, NMIC requested approval from the Wisconsin OCI to merge Re Two into the Company, which the Wisconsin OCI approved on July 15, 2013. Effective September 30, 2013 Re Two was merged into the Company through a statutory merger and ceased to exist as a separate entity.

Pre-merger separate company revenue, net loss, and other surplus balances for the nine months ended September 30, 2013 were \$0.4 million, \$23.3 million, and \$189.7 million, respectively, for the Company and \$0, \$0.2 million, and \$9.8 million, respectively for Re Two.

C. Impairment Loss

Not Applicable

4. Discontinued Operations

The Company has no discontinued operations.

5. Investments

A. Mortgage Loans, Including Mezzanine Real Estate Loans

The Company does not have any mortgage loan investments.

Notes to Financial Statements

B. Debt Restructuring

The Company does not have any debt restructuring investments.

C. Reverse Mortgages

The Company does not have any reverse mortgage investments.

D. Loan-Backed Securities

(1) The Company uses widely accepted models for prepayment assumptions in valuing loan-backed securities with inputs from major third party data providers. The Company's investment policy complies with the investment guidelines set forth by the Wisconsin OCI.

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

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

(4) All impaired loan-backed securities (fair value is less than cost or amortized cost) for which an other than temporary impairment has not been recognized in earnings as a realized loss,

(a) The aggregate amount of unrealized losses:

1. Less than 12 Months	\$	(405,657)
2. 12 Months or Longer	\$	(976,810)

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

1. Less than 12 Months	\$	44,381,588
2. 12 Months or Longer	\$	84,683,907

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

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, an impairment charge is recorded within net realized investment gains in the statements of operations in the period the determination is made. No other-than-temporary impairments were recognized for the years ended December 31, 2014 and 2013.

E. Repurchase Agreements and/or Securities Lending Transactions

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

F. Real Estate

The Company does not have investments in real estate.

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

The Company does not have investments in low income housing.

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	December 31, 2014	December 31, 2013	Change	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
j. On deposit with states	\$ 7,010,898	\$ 6,974,825	\$ 36,073	\$ 7,010,898	2.7%	2.7%
Total Restricted Assets	<u>\$ 7,010,898</u>	<u>\$ 6,974,825</u>	<u>\$ 36,073</u>	<u>\$ 7,010,898</u>	<u>2.7%</u>	<u>2.7%</u>

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

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

Notes to Financial Statements

(3) Detail of Other Restricted Assets

The Company does not have other restricted assets.

I. Working Capital Finance Investments

The Company does not have working capital finance investments.

J. Offsetting and Netting of Assets and Liabilities

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

K. Structured Notes

The Company does not have any structured notes.

6. Joint Ventures, Partnerships and Limited Liability Companies

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

7. Investment Income

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

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

B. Amounts Nonadmitted

The Company did not have any non-admitted investment income as of December 31, 2014 and 2013.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

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

1.

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Gross deferred tax assets	\$ 30,399,818	\$ 7,949	\$ 30,407,767	\$ 13,274,370	\$ 5,593	\$ 13,279,963	\$ 17,125,448	\$ 2,356	\$ 17,127,804
(b) Statutory valuation allowance adjustments	30,353,151	7,949	30,361,100	13,251,029	5,593	13,256,622	17,102,122	2,356	17,104,478
(c) Adjusted gross deferred tax assets (1a - 1b)	46,667	—	46,667	23,341	—	23,341	23,326	—	23,326
(d) Deferred tax assets nonadmitted	—	—	—	—	—	—	—	—	—
(e) Adjusted gross deferred tax assets (1a - 1b)	46,667	—	46,667	23,341	—	23,341	23,326	—	23,326
(f) Deferred tax liabilities	46,667	—	46,667	23,341	—	23,341	23,326	—	23,326
(g) Net admitted deferred tax asset/(Net deferred tax liability) (1e - 1f)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

Notes to Financial Statements

2.

Admission calculation components

	December 31, 2014			December 31, 2013			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
(b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation (the lesser of 2(b)1 and 2(b)2 below)	—	—	—	—	—	—	—	—	—
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	—	—	—	—	—	—	—	—	—
2. Adjusted gross deferred tax assets allowed per limitation threshold	33,446,250	—	33,446,250	26,957,259	—	26,957,259	6,488,991	—	6,488,991
(c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	46,667	—	46,667	23,341	—	23,341	23,326	—	23,326
(d) Deferred tax assets admitted as the result of application of SSAP No. 101									
Total (2(a) + 2(b) + 2(c))	\$ 46,667	\$ —	\$ 46,667	\$ 23,341	\$ —	\$ 23,341	\$ 23,326	\$ —	\$ 23,326

3.

	December 31, 2014	December 31, 2013
(a) Ratio percentage used to determine recovery period and threshold limitation amount	15%	15%
(b) Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 33,446,250	\$ 26,957,259

4.

Impact of tax-planning strategies	2014			2013		
	Ordinary	Capital	Total	Ordinary	Capital	Total
(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage						
1. Adjusted gross DTAs amount from note 9A1(c)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	—%	—%	—%	—%	—	—%
3. Net admitted adjusted gross DTAs amount from note 9A1(e)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	—%	—%	—%	—%	—	—%

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

Yes _____ No X

B. Unrecognized tax liabilities

Not Applicable.

Notes to Financial Statements

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

	2014	2013	Change
1. Current income tax			
(a) Federal	\$ —	\$ —	\$ —
(b) Foreign	—	—	—
(c) Subtotal	—	—	—
(d) Federal income tax on net capital gains	—	—	—
(e) Utilization of capital loss carryforwards	—	—	—
(f) Other	—	—	—
(g) Federal and foreign income taxes incurred	\$ —	\$ —	\$ —

Notes to Financial Statements

	December 31, 2014	December 31, 2013	Change
2. Deferred tax assets			
(a) Ordinary:			
(1) Discounting of unpaid losses	\$ —	\$ —	\$ —
(2) Unearned premium reserve	1,412,803	93,650	1,319,153
(3) Loss reserve	658	—	658
(4) Contingency reserve	2,780,669	609,237	2,171,432
(5) Investments	—	—	—
(6) Deferred acquisition costs	—	—	—
(7) Policyholder dividends accrual	—	—	—
(8) Fixed assets	—	—	—
(9) Compensation and benefits accrual	—	761,179	(761,179)
(10) Pension accrual	—	—	—
(11) Receivables - nonadmitted	—	—	—
(12) Net operating loss carryforward	25,760,990	11,195,443	14,565,547
(13) Tax credit carryforward	—	—	—
(14) Other (including items <5% of total ordinary tax assets)	444,698	614,861	(170,163)
(99) Subtotal	<u>30,399,818</u>	<u>13,274,370</u>	<u>17,125,448</u>
(b) Statutory valuation allowance adjustment	30,353,151	13,251,029	17,102,122
(c) Nonadmitted	—	—	—
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	46,667	23,341	23,326
(e) Capital:			
(1) Investments	7,949	5,593	2,356
(2) Net capital loss carryforward	—	—	—
(3) Real estate	—	—	—
(4) Other (including items <5% of total capital tax assets)	—	—	—
(99) Subtotal	<u>7,949</u>	<u>5,593</u>	<u>2,356</u>
(f) Statutory valuation allowance adjustment	7,949	5,593	2,356
(g) Nonadmitted	—	—	—
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	—	—	—
(i) Admitted deferred tax assets (2d + 2h)	<u>46,667</u>	<u>23,341</u>	<u>23,326</u>
3. Deferred tax liabilities			
(a) Ordinary:			
(1) Investments	—	—	—
(2) Fixed assets	—	—	—
(3) Deferred and uncollected premium	—	—	—
(4) Policyholder reserves	—	—	—
(5) Other (including items <5% of total ordinary tax liabilities)	46,667	23,341	23,326
(99) Subtotal	<u>46,667</u>	<u>23,341</u>	<u>23,326</u>
(b) Capital			
(1) Investments	—	—	—
(2) Real estate	—	—	—
(3) Other (including items <5% of total capital tax liabilities)	—	—	—
(99) Subtotal	<u>—</u>	<u>—</u>	<u>—</u>
(c) Deferred tax liabilities (3a99 + 3b99)	<u>\$ 46,667</u>	<u>\$ 23,341</u>	<u>\$ 23,326</u>
4. Net deferred tax assets/(liabilities) (2i - 3c)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>

Notes to Financial Statements

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

	December 31, 2014	December 31, 2013	Change
(a) Total deferred tax assets	\$ 30,407,767	\$ 13,279,963	\$ 17,127,804
(b) Valuation allowance	30,361,100	13,256,622	17,104,478
(c) Total deferred tax liabilities	46,667	23,341	23,326
(d) Net deferred tax assets/(liabilities)	\$ —	\$ —	\$ —
(e) Tax effect of unrealized gains/(losses)			—
(f) Change in net deferred income tax			\$ —

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

	For the Year Ended December 31, 2014	Effective Tax Rate	For the Year Ended December 31, 2013	Effective Tax Rate	Change	Effective Tax Rate
(a) Provision computed at statutory rate	\$ (16,516,940)	35.00%	\$ (11,443,357)	35.00%	\$ (5,073,583)	—%
(1) Permanent items	128,298	(0.27)	37,045	(0.11)	91,253	(0.16)
(2) Change in valuation allowance	17,104,478	(36.24)	11,461,127	(35.05)	5,643,351	(1.19)
(3) Deferred only adjustment	(1,608)	—	(48,733)	0.15	47,125	(0.15)
(4) Return to provision true-up	(714,228)	1.51	(6,082)	0.01	(708,146)	1.50
(5) Deferred - re-rate	—	—	(17,955)	0.05	17,955	(0.05)
(6) Deferred - re-rate - VA	—	—	17,955	(0.05)	(17,955)	0.05
(b) Total	\$ —	—%	\$ —	—%	\$ —	—%

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

1. The following are net operating losses for the current and prior years available to offset future taxable income:

Origination Year	Expiration Year	Amount
2011	2031	\$ 7,309,506
2012	2032	5,547
2013	2033	28,893,521
2014	2034	37,394,256
Total		\$ 73,602,830

Prior to the acquisition of the insurance subsidiaries there were \$7,309,506 of net operating loss carry forwards that were subject to an annual Section 382 limitation of \$826,716 through 2016, then \$277,000 a year up to a period not to exceed 20 years.

2. The following are income taxes incurred in the current and prior years that will be available for recoupment in the event of future net losses:

None.

3. The following are aggregate amount of deposits admitted under Section 6603 of the Internal Revenue Code:

None.

F. Consolidated federal income tax return

1. The Company's federal income tax return is consolidated with the following entities:

NMI Holdings, Inc.
National Mortgage Reinsurance Inc One

2. Under the tax sharing agreement, each of the parties above mutually agrees to file a consolidated federal income tax return for 2013 and subsequent tax years, with NMI as the direct tax payer. The tax liability of each insurer that is party to the agreement is limited to the amount of liability it would incur if it filed a separate tax return. All settlements under this agreement between NMI and any insurer that is party to the agreement shall be made within 30 days of the filing of the applicable federal corporate income tax return with the Internal Revenue Service ("IRS"), including subsequent amended filings and IRS adjustments, except

Notes to Financial Statements

when a refund is due to an insurer, in which case payment shall be made to the insurer within 30 days after NMI's receipt of the applicable tax refund.

G. Federal or foreign income tax loss contingencies

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

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

A. Nature of Relationships

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

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

On March 26, 2014, NMIC received a capital contribution of \$20,000,000 in cash from NMI. NMIC received an additional capital contribution of \$70,000,000 in cash from NMI on September 18, 2014.

C. Change in Terms of Intercompany Arrangements

There have been no changes in the terms of Intercompany Agreements since the prior period end. *See Note 10 - F - Management, Service contracts, Cost Sharing Agreements.*

D. Amounts Due to or from Related Parties

As of December 31, 2014 and 2013, the Company reported \$9,731,275 and \$10,480,280, respectively, due to affiliated companies (NMI) and \$1,100 and \$0 due from affiliated companies (Re One), the entire amount of which is contractually obligated to be paid within 60 days after quarter-end. *See Note 10 - F - Management, Service contracts, Cost Sharing Agreements.*

E. Guarantees or Undertaking for Related Parties

The Company has no guarantees or undertakings for related parties.

F. Management, Service contracts, Cost Sharing Arrangements

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

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

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by NMI.

H. Amount Deducted for Investment in Upstream Company

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

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

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

Notes to Financial Statements

J. Write downs for Impairment of Investments in Affiliates

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

K. Foreign Subsidiary Valued Using CARVM

The Company has no investments in foreign subsidiaries.

L. Downstream Holding Company Valued Using Look-Through Method

The Company has no investments in a downstream holding company.

11. Debt

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

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

A. Defined Benefit Plan

The Company has no defined benefit plans.

B. Investment Policies

Not applicable

C. Fair Value of Plan Assets

Not applicable

D. Rate of Return Assumptions

Not applicable

E. Defined contribution plans

The Company has no defined contribution plans.

F. Multiemployer Plans

The Company has no multiemployer plans.

G. Consolidated/Holding Company Plans

Not applicable.

H. Post-employment benefits and Compensated Absences

The Company does not provide post-employment benefits.

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

The Company does not provide post-retirement benefits.

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

A. Outstanding Shares

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

B. Dividend Rate of Preferred Stock

The Company has no preferred stock outstanding.

C. Dividend Restrictions

The Company's ability to pay dividends to its parent is limited by insurance laws of the State of Wisconsin and certain other states. Wisconsin law provides that the Company may pay out dividends without the prior approval of the Commissioner ("ordinary dividends") in an amount, when added to other shareholder distributions made in the prior 12 months, not to exceed the lesser of (a) 10% of the insurer's surplus as regards to policyholders as of the prior December 31, or (b) its net income (excluding realized capital gains) for the twelve month period ending December 31 of the immediately preceding calendar year. In determining net income, an insurer may carry forward net income

Notes to Financial Statements

from the previous calendar years that has not already been paid out as a dividend. Dividends that exceed this amount are “extraordinary dividends”, which require prior approval of the Commissioner. California prohibits dividends except from undivided profits remaining on hand over and above its paid-in capital, paid-in surplus and contingency reserves. Additionally, statutory minimum capital requirements may limit the amount of dividend that the Company may pay. For example, the State of Florida requires mortgage guaranty insurers to hold capital and surplus not less than the lesser of (i) 10% of its total liabilities, or (ii) \$100 million.

The Company has not paid or declared any ordinary dividends. In connection with its admission to several states, the Company entered into commitments with the Alabama Department of Insurance, the Arizona Department of Insurance, the California Insurance Department, the Florida Office of Insurance Regulation, the Missouri Department of Insurance, the New York State Department of Financial Services, the Ohio Department of Insurance, and the Texas Commissioner of Insurance not to pay or declare any dividends for the three year period ending January 16, 2016.

In addition to the foregoing state dividend limitations, the Company is prohibited from paying any shareholder dividends until December 31, 2015 under separate agreements with Fannie Mae and Freddie Mac (collectively the “GSE’s”).

D. Dates and Amounts of Dividends Paid

The Company has paid no dividends during the years ended December 31, 2014 and 2013.

E. Amount of Ordinary Dividends That May Be Paid

The Company had a net loss for the year ended December 31, 2014; accordingly it could not pay ordinary dividends. *See Item C - Dividend Restrictions above.*

F. Restrictions of Unassigned Funds

See Item C - Dividend Restrictions above.

G. Mutual Surplus Advance

The Company is not a mutual or similarly organized company.

H. Company Stock held for Special Purposes

The Company holds no stock for special purposes.

I. Changes in Special Surplus Funds

The Company has no special surplus funds.

J. Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by cumulative unrealized gains and losses is \$0, as of December 31, 2014.

K. Surplus Notes

The Company has not issued surplus notes.

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

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

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

The ending adjusted unassigned funds balance at December 31, 2012 of \$3,018,652 consists of \$3,000,891 in non-admitted EDP, net losses of \$17,868, and a change in unrealized capital gains of \$107. The offset is reflected in gross paid in and contributed surplus is:

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

Notes to Financial Statements

Assets and liabilities were not effected by this adjustment. Surplus as regards Policyholders also remained unchanged at \$210,000,000. The quasi-reorganization was recorded as of March 31, 2013.

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

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

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The Company has no contingent commitments.

B. Assessments

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

C. Gain Contingencies

The Company has no gain contingencies.

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

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

E. Product Warranties

The Company has no product warranties.

F. Joint and Several Liabilities

The Company has no joint and several liabilities.

G. All Other Contingencies

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

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

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

The company established contingency reserves in the amount of \$7,944,769 and \$1,740,079 as of December 31, 2014 and 2013, respectively. The contingency reserve calculation is based on 50% of premiums earned for the year ended December 31, 2014, and minimum policyholders' position divided by seven as of December 31, 2013.

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.

15. Leases

A. Lessee Operating Lease

The Company has no lease obligation. NMI entered into an office facility lease effective July 1, 2012 for a term of two years. In October 2013, NMI amended the facility's lease to (i) add 23,000 square feet of furnished office space, and (ii) extend the facility's lease period through October 31, 2017. Through a cost allocation agreement, the Company receives approximately 70% of the lease expense. *See Note 10 - Information Concerning Parent, Subsidiaries and Other Related Parties - F - Management, Service contracts, Cost Sharing Arrangements* for more information on the cost allocation agreement.

B. Lessor Leases

The Company has no lessor activity.

Notes to Financial Statements

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

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

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

A. Transfers of Receivables Reported as Sales

The company had no transfers of receivables reported as sales.

B. Transfers and Servicing of Financial Assets

The Company had no transfer or servicing of financial assets.

C. Wash Sales

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

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

The Company has no uninsured or partially insured plans.

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

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

20. Fair Value Measurements

A. Inputs Used for Assets and Liabilities at Fair Value

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

B. Other Fair Value Disclosures

Not Applicable

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

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

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Financial instruments - assets						
Bonds	\$ 193,710,770	\$ 194,407,839	\$ 22,193,480	\$ 171,517,290	\$ —	—
Preferred stocks	—	—	—	—	—	—
Common stocks	—	—	—	—	—	—
Mortgage loans	—	—	—	—	—	—
Cash, cash equivalents and short term investments	65,411,294	65,411,294	65,411,294	—	—	—
Other	—	—	—	—	—	—
Total assets	\$ 259,122,064	\$ 259,819,133	\$ 87,604,774	\$ 171,517,290	\$ —	—
Financial instruments - liabilities						
Total liabilities	\$ —	\$ —	\$ —	\$ —	\$ —	—

The following describes the valuation techniques used by the Company to determine the fair value of financial instruments held as of December 31, 2014 and December 31, 2013.

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:

Notes to Financial Statements

- Level 1 - Quoted prices in Active Markets for Identical Assets and Liabilities. This category includes cash and US Treasury Securities. Unadjusted quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date for identical assets or liabilities;
- Level 2 - Significant Other Observable Inputs. This category is for items measured at fair value on a recurring basis, including common stock, which are not exchange-traded. Prices or valuations based on observable inputs other than quoted prices in active markets for identical assets and liabilities; and
- Level 3 - Significant Unobservable Inputs. Unobservable inputs that are significant to the fair value of the assets or liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using pricing models, discounted cash flow methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation. The Company has no assets or liabilities in this category.

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

D. Reasons Not Practical to Estimate Fair Values

Not Applicable

21. Other Items

A. Extraordinary

Organizational Examination:

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

GSE Approval:

The Company was approved as an eligible mortgage guaranty insurer by Freddie Mac and Fannie Mae, on January 15, 2013 and January 16, 2013, respectively, subject to continuing to comply with certain requirements. Fannie Mae and Freddie Mac have imposed certain capitalization, operational and reporting conditions in connection with their approvals of NMIC as a qualified mortgage guaranty insurer. Some of these conditions remain in effect for a three year period from the date of GSE approval while others do not expressly expire. These conditions require, among other things, that NMIC:

- maintain minimum capital of \$150,000,000;
- operate at a risk-to-capital ratio not to exceed 15:1 for its first three years and then pursuant to the GSE eligibility requirements then in effect;
- not declare or pay dividends to affiliates or to NMI for its first three years, then pursuant to the GSE eligibility requirements;
- not enter into capital support agreements or guarantees for the benefit of, or purchase or otherwise invest in the debt of, affiliates without the prior written approval of the GSEs for its first three years, then pursuant to the GSE eligibility requirements;
- not enter into reinsurance or other risk share arrangements without the GSEs' prior written approval for its first three years, then pursuant to the GSE eligibility requirements; and
- at the direction of one or both of the GSEs, re-domicile from Wisconsin to another state. The conditional approvals also include certain additional conditions, such as limits on costs allocated to NMIC under affiliate expense sharing arrangements, risk concentration, rates of return, requirements to obtain a financial strength rating, provision of ancillary services (i.e., non-insurance) to customers, transfers of underwriting to affiliates, notification requirements regarding change of ownership and new five percent shareholders, provisions regarding underwriting policies and claims processing as well as certain other obligations.

Licensing:

The Company requires a certificate of authority, or insurance license, in each state or jurisdiction in which it issues insurance policies. NMIC is currently licensed in all 50 states and D.C.

Notes to Financial Statements

As conditions of obtaining licenses in Alabama, Arizona, California, Florida, Missouri, New York, Ohio and Texas, NMIC entered into agreements with the Alabama Department of Insurance ("ALDOI"), the California Insurance Department ("CADOI"), the Florida Office of Insurance Regulation ("FLDOI"), the Missouri Department of Insurance ("MODOI"), the New York State Department of Financial Services ("NYDOI"), the Ohio Department of Insurance ("OHDOI") and the Texas Commissioner of Insurance ("TXDOI"). The agreements with the CADOI, FLDOI, MODOI, NYDOI, OHDOI and TXDOI, provide, among other things, that:

- NMIC (i) refrain from paying any dividends; (ii) retain all profits; and (iii) other than in Florida, maintain a risk-to-capital ratio not to exceed 20 to 1, for three years from the date of GSE Approval (i.e., until January 2016); and
- certain start-up compensation expenses and equity compensation in the form of stock options and restricted stock units ("RSUs") shall not be allocated to or assumed as a cost or expense by NMIC.

In its agreements with the FLDOI and NYDOI, NMIC is required to obtain the FLDOI's and NYDOI's respective prior written approvals to significantly deviate from the plan of operations and/or financial projections that were submitted to the FLDOI and NYDOI in connection with NMIC's license applications in those states.

In connection with NMIC's license applications in California, Missouri and New York, NMIH entered into agreements with the CADOI, MODOI and NYDOI requiring NMIH to contribute capital to NMIC as necessary to maintain NMIC's risk-to-capital ratio at or below 20 to 1 for three years from the date of GSE Approval. In addition, the operation plan filed with the Wisconsin OCI and other state insurance departments in connection with NMIC's license applications includes the expectation that NMIH will downstream additional capital, if needed, so that NMIC does not exceed an 18 to 1 risk-to-capital ratio. Re One is also a party to the agreement with the CADOI.

Litigation:

Effective July 1, 2014, NMI entered into a settlement agreement (the "Settlement Agreement") with Arch U.S. MI Services, Inc. ("Arch"), Germaine J. Marks and Truite D. Todd, in their capacities as, respectively, Receiver and Special Deputy Receiver of PMI Mortgage Insurance Co., in Rehabilitation (collectively, the "Receiver") and PMI Mortgage Insurance Co., in Rehabilitation ("PMI"), to settle the complaint filed on August 8, 2012 by the Receiver against NMI, the Company, and certain employees of NMI (collectively the "Defendants"), in California Superior Court, Alameda County (the "PMI Complaint"). Pursuant to the terms of an Asset Purchase Agreement, dated February 7, 2013, between Arch and PMI, PMI transferred and assigned to Arch all causes of action pursued in the PMI Complaint. Pursuant to the terms of the Settlement Agreement, NMI and its insurance carriers made a settlement payment in favor of Arch and Arch released the Defendants from all claims alleged in the PMI Complaint. On July 28, 2014, the Court dismissed the PMI Complaint with prejudice. The settlement payment had an insignificant impact on NMI's annual financial statements. The Company did not contribute towards the settlement agreement per a condition of its approval by Fannie Mae.

Regulatory Update:

The NAIC has formed a working group to explore, among other things, whether certain states' statutory capital requirements applicable to mortgage insurers should be overhauled. The Company, along with other MI companies are working with the Mortgage Guaranty Insurance Working Group of the Financial Condition (E) Committee of the NAIC (the "Working Group"). The Working Group will determine and make a recommendation to the Financial Condition (E) Committee of the NAIC as to what changes, if any, the Working Group believes are necessary to the solvency regulation for MI companies, including changes to the Mortgage Guaranty Insurers Model Act (Model #630). The Company has provided feedback to the Working Group since early 2013, and supports more robust capital standards and continues to advocate for a strong capital model. The discussions are ongoing and the ultimate outcome of these discussions and any potential actions taken by the NAIC cannot be predicted at this time. However, given the Company's current strong capital position and having no exposure to risk written in the 2005 through 2008 book years, the Company will be well positioned to comply with new capital requirements proposed by the NAIC when they become effective.

On July 10, 2014, the FHFA released for public input the proposed PMIERS. As announced by FHFA, the PMIERS are expected to take effect 180 days following the publication date of the final PMIERS (the "Effective Date"). Prior to the Effective Date, each private mortgage insurer will be required to either (i) certify to the GSEs that it fully complies with the PMIERS financial requirements as of the Effective Date, or (ii) obtain GSE approvals on a transition plan detailing how it will comply with the financial requirements not later than 2 years following the publication date (the "Compliance Date"). The Company understands that each GSE will publish its own set of PMIERS and that final publication will likely occur during the first half of 2015, making the Effective Date sometime in the second half of 2015. As of the Effective Date, each approved mortgage insurer, including the Company, will have to comply with the financial requirements or have a GSE-approved transition plan in place.

Notes to Financial Statements

B. Troubled Debt Restructuring: Debtors

The Company has no troubled debt restructurings.

C. Other Disclosures and Unusual Items

In connection with securing state licenses, the Company has placed funds on deposit with certain states. As of December 31, 2014 and 2013, the total amount on deposit with all states was \$7,010,898 and \$6,974,825, respectively.

D. Business Interruption Insurance Recoveries

The Company has no business interruption insurance recoveries.

E. State Transferable and Non-transferable Tax Credits

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

F. Subprime Mortgage Related Risk Exposure

The Company has no subprime mortgage related risk exposure.

22. Subsequent Events

The Company has considered subsequent events through February 19, 2015.

23. Reinsurance

Certain states limit the amount of risk a mortgage guaranty insurer may retain on a single loan to 25% of the indebtedness to the insured and as a result the portion of such insurance in excess of 25% must be reinsured. The Company cedes premiums and claims to Re One on an excess share basis for any primary or pool policy that provides coverage greater than 25% of any insured loan amount. The reinsurance provided by Re One is solely to comply with statutory risk limits. The Company had no other reinsurance agreements as of December 31, 2014.

A. Unsecured Reinsurance Recoverables

The Company does not have an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium with any individual reinsurers.

B. Reinsurance Recoverables in Dispute

The Company does not have any reinsurance recoverables in dispute.

C. Reinsurance Assumed and Ceded

(1) If the ceded reinsurance treaties were canceled at December 31, 2014, no return commissions would be payable to Re One.

(2) None.

(3) None.

D. Uncollectible Reinsurance

The Company has not written off any reinsurance as uncollectible.

E. Commutation of Ceded Reinsurance

The Company has not commuted any ceded reinsurance contracts.

F. Retroactive Reinsurance

The Company does not have retroactive reinsurance.

G. Reinsurance Accounted for as a Deposit

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

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

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

Notes to Financial Statements

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

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

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company incurred claims and claim adjustment expenses of \$76,330 and \$0 for the years ended December 31, 2014 and 2013, respectively. The Company made no changes in the provision for incurred claim and claim adjustment expenses attributable to insured events for prior years, as the Company established its first claim reserves in June 2014.

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

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

27. Structured Settlements

The Company has not had any structured settlements.

28. Health Care Receivables

The Company has no health care receivables.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

The Company has no premium deficiency reserves for the years ended December 31, 2014 and 2013. The Company performs a premium deficiency calculation each fiscal quarter using best estimate assumptions as of the testing date. The Company uses anticipated investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53, *Property-Casualty Contracts - Premiums*.

31. High Deductibles

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

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

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

33. Asbestos/Environmental Reserves

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

34. Subscriber Savings Accounts

The Company is not a reciprocal insurance company.

35. Multiple Peril Crop Insurance

The Company does not offer multiple peril crop insurance.

36. Financial Guaranty Insurance

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[] N/A[]
- 1.3 State Regulating? Wisconsin
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 06/30/2012
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 06/30/2012
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 09/27/2012
- 3.4 By what department or departments?
Wisconsin Office of the Commissioner of Insurance
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[X] No[]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
National Mortgage Reinsurance Inc Two	13759	WI

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

1 Nationality	2 Type of Entity
.....

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
BDO USA, LLC, One Bush Street, Suite 1800, San Francisco, CA 94104
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes[] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[] N/A[]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Marc Oberholtzer, FCAS, MAAA, PricewaterhouseCoopers LLP, 2001 Market Street, Two Commerce Square Philadelphia, PA 19103, consulting actuary

GENERAL INTERROGATORIES (Continued)

- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
 12.11 Name of real estate holding company
 12.12 Number of parcels involved 0
 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No [] N/A [X]
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No [] N/A [X]
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A [X]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 c. Compliance with applicable governmental laws, rules and regulations;
 d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
 14.2 Has the code of ethics for senior managers been amended? Yes [X] No []
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
 The Business Conduct and Ethics Policy was amended in September 2014 to enhance the ethics and reporting portions of the policy to address SEC and NASDAQ guidance for public company codes of ethics.
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
 20.11 To directors or other officers \$ 0
 20.12 To stockholders not officers \$ 0
 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):
 20.21 To directors or other officers \$ 0
 20.22 To stockholders not officers \$ 0
 20.23 Trustees, supreme or grand (Fraternal only) \$ 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
 21.2 If yes, state the amount thereof at December 31 of the current year:
 21.21 Rented from others \$ 0
 21.22 Borrowed from others \$ 0
 21.23 Leased from others \$ 0
 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
 22.2 If answer is yes:
 22.21 Amount paid as losses or risk adjustment \$ 0
 22.22 Amount paid as expenses \$ 0
 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [X] No []
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 1,100

INVESTMENT

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

GENERAL INTERROGATORIES (Continued)

- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[] No[] N/A[X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[] No[] N/A[X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[] No[] N/A[X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$ 0
- 24.103 Total payable for securities lending reported on the liability page. \$ 0

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[X] No[]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 7,010,898
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 0
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$ 0
- 25.32 Other \$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[] No[X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[] No[] N/A[X]
If no, attach a description with this statement.

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

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

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

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

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

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

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

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

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

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

GENERAL INTERROGATORIES (Continued)

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

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

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

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	194,407,839	193,710,770	(697,069)
30.2 Preferred stocks			
30.3 Totals	194,407,839	193,710,770	(697,069)

30.4 Describe the sources or methods utilized in determining the fair values
The Company has obtained the fair values from Interactive Data at December 31, 2014.

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[] No[X]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[] No[] N/A[X]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
Not Applicable
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[]
- 32.2 If no, list exceptions:

OTHER

- 33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ 287,759
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

1 Name	2 Amount Paid
USMI	148,950

- 34.1 Amount of payments for legal expenses, if any? \$ 265,524
- 34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....	

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ 88,124
- 35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
The OB-C Group, LLC	62,716
Stroock & Stroock & Lavan LLP	22,064

GENERAL INTERROGATORIES (Continued)

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

2. Health Test

	1 Current Year	2 Prior Year
2.1 Premium Numerator
2.2 Premium Denominator
2.3 Premium Ratio (2.1 / 2.2)
2.4 Reserve Numerator
2.5 Reserve Denominator
2.6 Reserve Ratio (2.4 / 2.5)

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

GENERAL INTERROGATORIES (Continued)

- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. Yes[] No[X]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes[] No[X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income.
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes[] No[X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or Yes[] No[X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes[] No[X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes[] No[X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes[] No[] N/A[X]
- 11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes[] No[X]
- 11.2 If yes, give full information:
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses \$ 0
 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$ 0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds. \$ 0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes[] No[] N/A[X]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
 12.41 From 0.000%
 12.42 To 0.000%
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes[] No[X]
- 12.6 If yes, state the amount thereof at December 31 of current year:
 12.61 Letters of Credit \$ 0
 12.62 Collateral and other funds \$ 0
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$ 227,500
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes[] No[X]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 0
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[] No[X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes[] No[] N/A[X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes[] No[] N/A[X]
- 14.5 If the answer to 14.4 is no, please explain
 Not Applicable
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes[] No[X]
- 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business? Yes[] No[X]
 If yes, disclose the following information for each of the following types of warranty coverage:

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

GENERAL INTERROGATORIES (Continued)

* Disclose type of coverage:

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

FIVE - YEAR HISTORICAL DATA

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

	1 2014	2 2013	3 2012	4 2011	5 2010
Gross Premiums Written (Page 8, Part 1B, Columns 1, 2 & 3)					
1. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2, & 19.3, 19.4)					
2. Property Lines (Lines 1, 2, 9, 12, 21, & 26)					
3. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)					
4. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	34,028,777	3,541,228			
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6. TOTAL (Line 35)	34,028,777	3,541,228			
Net Premiums Written (Page 8, Part 1B, Column 6)					
7. Liability Lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
8. Property Lines (Lines 1, 2, 9, 12, 21 & 26)					
9. Property and Liability Combined Lines (Lines 3, 4, 5, 8, 22 & 27)					
10. All Other Lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	31,254,422	3,302,872			
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12. TOTAL (Line 35)	31,254,422	3,302,872			
Statement of Income (Page 4)					
13. Net underwriting gain or (loss) (Line 8)	(49,885,853)	(34,645,349)	(21,347)	(592,606)	(2,289,742)
14. Net investment gain or (loss) (Line 11)	2,694,596	1,950,639	3,586	(6,844)	(105,754)
15. TOTAL other income (Line 15)				1,738	
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)					
18. Net income (Line 20)	(47,191,257)	(32,694,709)	(17,761)	(597,712)	(2,395,496)
Balance Sheet Lines (Pages 2 and 3)					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	261,907,635	194,180,118	210,003,693	17,205	162,059
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	1,048,105	18,756			
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. TOTAL liabilities excluding protected cell business (Page 3, Line 26)	38,789,337	13,870,243		1,466,767	1,286,591
22. Losses (Page 3, Line 1)	76,330				
23. Loss adjustment expenses (Page 3, Line 3)					
24. Unearned premiums (Page 3, Line 9)	20,182,892	1,337,851			
25. Capital paid up (Page 3, Lines 30 & 31)	2,530,000	2,530,000	2,530,000	10	10
26. Surplus as regards policyholders (Page 3, Line 37)	223,118,298	180,309,875	210,003,693	(1,449,562)	(1,124,532)
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(22,908,219)	(26,722,502)	(19,385)	(649,529)	(3,059,458)
Risk-Based Capital Analysis					
28. TOTAL adjusted capital					
29. Authorized control level risk-based capital					
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Column 3)					
(Item divided by Page 2, Line 12, Column 3) x 100.0					
30. Bonds (Line 1)	74.8	90.4			
31. Stocks (Lines 2.1 & 2.2)					
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	25.2	9.6	100.0	100.0	100.0
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. TOTAL of above Lines 42 to 47					
49. TOTAL investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Column 1, Line 37 x 100.0)					

FIVE - YEAR HISTORICAL DATA (Continued)

	1 2014	2 2013	3 2012	4 2011	5 2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains or (Losses) (Line 24)					
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	42,808,424	(29,693,818)	211,453,255	(325,030)	
Gross Losses Paid (Page 9, Part 2, Columns 1 and 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. TOTAL (Line 35)					
Net Losses Paid (Page 9, Part 2, Column 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)					
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22, & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30, & 34)					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. TOTAL (Line 35)					
Operating Percentages (Page 4)					
(Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	0.6				
68. Loss expenses incurred (Line 3)					
69. Other underwriting expenses incurred (Line 4)	451.4	1,774.6			
70. Net underwriting gain (loss) (Line 8)	(402.0)	(1,763.1)			
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	199.1	1,108.4			
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	0.6				
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Column 6, Line 35 divided by Page 3, Line 37, Column 1 x 100.0)	14.0	1.8			
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2 - Summary, Line 12, Column 11)					
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Column 1 x 100.0)					
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Column 12)					
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Column 2 x 100.0)					

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

If no, please explain::

EXHIBIT OF PREMIUMS AND LOSSES

(Statutory Page 14)



NAIC Group Code: 4760

DIRECT BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR

NAIC Company Code: 13695

19 Grand Total

Line of Business	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies not Taken		3 Dividends Paid or Credited to Policyholders on Direct Business	4 Direct Unearned Premium Reserves	5 Direct Losses Paid (deducting salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Direct Defense and Cost Containment Expense Paid	9 Direct Defense and Cost Containment Expense Incurred	10 Direct Defense and Cost Containment Expense Unpaid	11 Commissions and Brokerage Expenses	12 Taxes, Licenses and Fees
	1 Direct Premiums Written	2 Direct Premiums Earned										
1. Fire												
2.1 Allied lines												
2.2 Multiple peril crop												
2.3 Federal flood												
2.4 Private crop												
3. Farmowners multiple peril												
4. Homeowners multiple peril												
5.1 Commercial multiple peril (non - liability portion)												
5.2 Commercial multiple peril (liability portion)												
6. Mortgage guaranty	34,028,777	13,406,621		22,390,622		83,326	83,326					635,417
8. Ocean marine												
9. Inland marine												
10. Financial guaranty												
11. Medical professional liability												
12. Earthquake												
13. Group accident and health (b)												
14. Credit A & H (group and individual)												
15.1 Collectively renewable A & H (b)												
15.2 Non-cancelable A & H (b)												
15.3 Guaranteed renewable A & H (b)												
15.4 Non-renewable for stated reasons only (b)												
15.5 Other accident only												
15.6 Medicare Title XVIII exempt from state taxes or fees												
15.7 All other A & H (b)												
15.8 Federal Employees Health Benefits Plan premium												
16. Workers' compensation												
17.1 Other liability - occurrence												
17.2 Other Liability - claims-made												
17.3 Excess Workers' Compensation												
18. Products liability												
19.1 Private passenger auto no-fault (personal injury protection)												
19.2 Other private passenger auto liability												
19.3 Commercial auto no-fault (personal injury protection)												
19.4 Other commercial auto liability												
21.1 Private passenger auto physical damage												
21.2 Commercial auto physical damage												
22. Aircraft (all perils)												
23. Fidelity												
24. Surety												
26. Burglary and theft												
27. Boiler and machinery												
28. Credit												
30. Warranty												
34. Aggregate write-ins for other lines of business												
35. TOTALS (a)	34,028,777	13,406,621		22,390,622		83,326	83,326					635,417

DETAILS OF WRITE-INS

3401.												
3402.												
3403.												
3498. Summary of remaining write-ins for Line 34 from overflow page												
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)												

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

(b) For health business on indicated lines report: Number of persons insured under PPO managed care products0 and number of persons insured under indemnity only products0.

20 Schedule F Part 1 Assumed Reinsurance NONE

21 Schedule F Part 2 Reinsurance Effected NONE

SCHEDULE F - PART 3

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

1 ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Reinsurance Contracts Ceding 75% or More of Direct Premiums Written	6 Reinsurance Premiums Ceded	Reinsurance Recoverable On										Reinsurance Payable		18 Net Amount Recoverable From Reinsurers Cols. 15 - [16 + 17]	19 Funds Held By Company Under Reinsurance Treaties
						7 Paid Losses	8 Paid LAE	9 Known Case Loss Reserves	10 Known Case LAE Reserves	11 IBNR Loss Reserves	12 IBNR LAE Reserves	13 Unearned Premiums	14 Contingent Commissions	15 Columns 7 thru 14 Totals	16 Ceded Balances Payable	17 Other Amounts Due to Reinsurers			
Authorized - Affiliates - U.S. Non-Pool - Other																			
27-1439373	13758	NATIONAL MORTGAGE REINS INC ONE	WI		2,774			7		0		1,886		1,893	829		1,064		
0399999 Total - Authorized - Affiliates - U.S. Non-Pool - Other					2,774		7		0		1,886		1,893	829		1,064			
0499999 Total - Authorized - Affiliates - U.S. Non-Pool - Total					2,774		7		0		1,886		1,893	829		1,064			
0799999 Total - Authorized - Affiliates - Other (Non-U.S.) - Total																			
0899999 Total - Authorized - Affiliates					2,774		7		0		1,886		1,893	829		1,064			
1399999 Total - Authorized					2,774		7		0		1,886		1,893	829		1,064			
4099999 Total - Authorized, Unauthorized and Certified					2,774		7		0		1,886		1,893	829		1,064			
9999999 Totals					2,774		7		0		1,886		1,893	829		1,064			

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

	1 Name of Reinsurer	2 Commission Rate	3 Ceded Premium
1)	National Mortgage Reinsurance Inc One	18.000	2,774
2)			
3)			
4)			
5)			

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

	1 Name of Reinsurer	2 Total Recoverables	3 Ceded Premiums	4 Affiliated
1)				Yes[] No[X] ...
2)				Yes[] No[X] ...
3)				Yes[] No[X] ...
4)				Yes[] No[X] ...
5)				Yes[] No[X] ...

23 Schedule F Part 4 Aging Ceded Reinsurance NONE

24 Schedule F Part 5 Unauthorized Reinsurance NONE

25 Schedule F Part 6 - Section 1 Reinsurance Ceded to Certified Reinsurers NONE

26 Schedule F Part 6 - Section 2 Overdue Reins. Ceded to Certified Reinsurers . . NONE

27 Schedule F Part 7 Overdue Authorized Reinsurance NONE

28 Schedule F Part 8 Overdue Reinsurance NONE

SCHEDULE F - PART 9

Restatement of Balance Sheet to Identify Net Credit for Reinsurance

	1 As Reported (Net of Ceded)	2 Restatement Adjustments	3 Restated (Gross of Ceded)
ASSETS (Page 2, Column 3)			
1. Cash and invested assets (Line 12)	259,819,133		259,819,133
2. Premiums and considerations (Line 15)	1,048,105		1,048,105
3. Reinsurance recoverable on loss and loss adjustment expense payments (Line 16.1)			
4. Funds held by or deposited with reinsured companies (Line 16.2)			
5. Other assets	1,040,396		1,040,396
6. Net amount recoverable from reinsurers		1,892,783	1,892,783
7. Protected cell assets (Line 27)			
8. TOTALS (Line 28)	261,907,635	1,892,783	263,800,418
LIABILITIES (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3)	76,330	6,996	83,326
10. Taxes, expenses, and other obligations (Lines 4 through 8)	25,350		25,350
11. Unearned premiums (Line 9)	20,182,892	1,885,787	22,068,679
12. Advance premiums (Line 10)			
13. Dividends declared and unpaid (Line 11.1 and 11.2)			
14. Ceded reinsurance premiums payable (net of ceding commissions) (Line 12)	828,721		828,721
15. Funds held by company under reinsurance treaties (Line 13)			
16. Amounts withheld or retained by company for account of others (Line 14)			
17. Provision for reinsurance (Line 16)			
18. Other liabilities	17,676,044		17,676,044
19. TOTAL Liabilities excluding protected cell business (Line 26)	38,789,337	1,892,783	40,682,120
20. Protected cell liabilities (Line 27)			
21. Surplus as regards policyholders (Line 37)	223,118,298	X X X	223,118,298
22. TOTALS (Line 38)	261,907,635	1,892,783	263,800,418

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

If yes, give full explanation:

30 Schedule H Part 1 A & H Exhibit NONE

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

32 Schedule H Part 5 Health Claims NONE

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported - Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1-2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	X X X	X X X	X X X									X X X
2. 2005												X X X
3. 2006												X X X
4. 2007												X X X
5. 2008												X X X
6. 2009												X X X
7. 2010												X X X
8. 2011												X X X
9. 2012												X X X
10. 2013	2,095	130	1,965									X X X
11. 2014	13,407	997	12,409									X X X
12. Totals	X X X	X X X	X X X									X X X

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior												X X X	
2. 2005												X X X	
3. 2006												X X X	
4. 2007												X X X	
5. 2008												X X X	
6. 2009												X X X	
7. 2010												X X X	
8. 2011												X X X	
9. 2012												X X X	
10. 2013												X X X	
11. 2014	80	7	3	0								76	
12. Totals	80	7	3	0								76	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	X X X	X X X	X X X	X X X	X X X	X X X			X X X		
2. 2005											
3. 2006											
4. 2007											
5. 2008											
6. 2009											
7. 2010											
8. 2011											
9. 2012											
10. 2013											
11. 2014	83	7	76	0.6	0.7	0.6				76	
12. Totals	X X X	X X X	X X X	X X X	X X X	X X X			X X X	76	

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior												
2. 2005												
3. 2006	XXX											
4. 2007	XXX	XXX										
5. 2008	XXX	XXX	XXX									
6. 2009	XXX	XXX	XXX	XXX								
7. 2010	XXX	XXX	XXX	XXX	XXX							
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX						
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX					
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
12. TOTALS										76	XXX	XXX

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior	000										XXX	XXX
2. 2005											XXX	XXX
3. 2006	XXX										XXX	XXX
4. 2007	XXX	XXX									XXX	XXX
5. 2008	XXX	XXX	XXX								XXX	XXX
6. 2009	XXX	XXX	XXX	XXX							XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX					XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1. Prior										
2. 2005										
3. 2006	XXX									
4. 2007	XXX	XXX								
5. 2008	XXX	XXX	XXX							
6. 2009	XXX	XXX	XXX	XXX						
7. 2010	XXX	XXX	XXX	XXX	XXX					
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3

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

SCHEDULE P - PART 1S FINANCIAL GUARANTY/MORTGAGE GUARANTY

(\$000 omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported - Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Columns 1-2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior ...	... X X X ...	... X X X ...	... X X X ...	.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
2. 2013 ...	..... 2,095	..... 130	..... 1,965	.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
3. 2014 ...	..... 13,407	..... 997	..... 12,409	.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
4. Totals ...	... X X X ...	... X X X ...	... X X X ...	.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		Unpaid				
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	21 Direct and Assumed	22 Ceded			
1. Prior ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
2. 2013 ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2014 ...	..... 80	..... 7	..... 3	..... 0	.....	.....	.....	.....	.....	.....	.....	..... 76	.....
4. Totals ...	..... 80	..... 7	..... 3	..... 0	.....	.....	.....	.....	.....	.....	.....	..... 76	.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	.....	.....	... X X X ...	.....	.....
2. 2013 ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
3. 2014 ...	..... 83	..... 7	..... 76	..... 0.6	..... 0.7	..... 0.6	.....	.....	.....	..... 76	.....
4. Totals ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	.....	.....	... X X X ...	..... 76	.....

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

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

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT			
	1	2	3	4	5	6	7	8	9	10	11	12		
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year		
1. Prior														
2. 2005														
3. 2006	XXX													
4. 2007	XXX	XXX												
5. 2008	XXX	XXX	XXX											
6. 2009	XXX	XXX	XXX	XXX	NONE									
7. 2010	XXX	XXX	XXX	XXX										
8. 2011	XXX	XXX	XXX	XXX										
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX		
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX		
12. TOTALS														

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

1. Prior														
2. 2005														
3. 2006	XXX													
4. 2007	XXX	XXX												
5. 2008	XXX	XXX	XXX											
6. 2009	XXX	XXX	XXX	XXX	NONE									
7. 2010	XXX	XXX	XXX	XXX										
8. 2011	XXX	XXX	XXX	XXX										
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX							
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				XXX		
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		XXX	XXX		
12. TOTALS														

SCHEDULE P - PART 2S
FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX				
2. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX			XXX
3. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	76	XXX
4. TOTALS												

SCHEDULE P - PART 2T
WARRANTY

1. Prior	XXX	XXX	XXX	XXX	NONE									
2. 2013	XXX	XXX	XXX	XXX				XXX	XXX					XXX
3. 2014	XXX	XXX	XXX	XXX				XXX	XXX	XXX	XXX		XXX	XXX
4. TOTALS														

62	Schedule P - Part 3A - Homeowners/Farmowners	NONE
62	Schedule P - Part 3B - Private Passenger Auto Liability/Medical	NONE
62	Schedule P - Part 3C - Comm. Auto/Truck Liability/Medical	NONE
62	Schedule P - Part 3D - Workers' Compensation (Excl. Excess Workers' Comp.)	NONE
62	Schedule P - Part 3E - Commercial Multiple Peril	NONE
63	Schedule P - Part 3F Sn 1 - Medical Professional Liability - Occurrence	NONE
63	Schedule P - Part 3F Sn 2 - Medical Professional Liability - Claims-Made	NONE
63	Schedule P - Part 3G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry)	NONE
63	Schedule P - Part 3H Sn 1 - Other Liability - Occurrence	NONE
63	Schedule P - Part 3H Sn 2 - Other Liability - Claims-Made	NONE
64	Schedule P - Part 3I - Special Property (Fire, Ald. Lines, Inld Mar.)	NONE
64	Schedule P - Part 3J - Auto Physical Damage	NONE
64	Schedule P - Part 3K - Fidelity/Surety	NONE
64	Schedule P - Part 3L - Other (Incl. Credit, Accident and Health)	NONE
64	Schedule P - Part 3M - International	NONE
65	Schedule P - Part 3N - Reins. Nonproportional Assumed Property	NONE
65	Schedule P - Part 3O - Reins. Nonproportional Assumed Liability	NONE
65	Schedule P - Part 3P - Reins. Nonproportional Assumed Financial Lines	NONE
66	Schedule P - Part 3R Sn 1 - Products Liability - Occurrence	NONE
66	Schedule P - Part 3R Sn 2 - Products Liability - Claims-Made	NONE
66	Schedule P - Part 3S - Financial Guaranty/Mortgage Guaranty	NONE
66	Schedule P - Part 3T - Warranty	NONE
67	Schedule P - Part 4A - Homeowners/Farmowners	NONE
67	Schedule P - Part 4B - Private Passenger Auto Liability/Medical	NONE
67	Schedule P - Part 4C - Comm. Auto/Truck Liability/Medical	NONE
67	Schedule P - Part 4D - Workers' Compensation (Excl. Excess Workers' Comp.)	NONE
67	Schedule P - Part 4E - Commercial Multiple Peril	NONE
68	Schedule P - Part 4F Sn 1 - Medical Professional Liability - Occurrence	NONE
68	Schedule P - Part 4F Sn 2 - Medical Professional Liability - Claims-Made	NONE
68	Schedule P - Part 4G - Special Liab. (Ocn Mar., Aircraft, Boiler & Mchnry)	NONE
68	Schedule P - Part 4H Sn 1 - Other Liability - Occurrence	NONE
68	Schedule P - Part 4H Sn 2 - Other Liability - Claims-Made	NONE
69	Schedule P - Part 4I - Special Property (Fire, Ald. Lines, Inld Mar.)	NONE
69	Schedule P - Part 4J - Auto Physical Damage	NONE
69	Schedule P - Part 4K - Fidelity/Surety	NONE
69	Schedule P - Part 4L - Other (Incl. Credit, Accident and Health)	NONE
69	Schedule P - Part 4M - International	NONE
70	Schedule P - Part 4N - Reins. Nonproportional Assumed Property	NONE
70	Schedule P - Part 4O - Reins. Nonproportional Assumed Liability	NONE
70	Schedule P - Part 4P - Reins. Nonproportional Assumed Financial Lines	NONE

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

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014
1. Prior										
2. 2005										
3. 2006	XXX									
4. 2007	XXX	XXX								
5. 2008	XXX	XXX	XXX							
6. 2009	XXX	XXX	XXX	XXX						
7. 2010	XXX	XXX	XXX	XXX	XXX					
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

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

1. Prior										
2. 2005										
3. 2006	XXX									
4. 2007	XXX	XXX								
5. 2008	XXX	XXX	XXX							
6. 2009	XXX	XXX	XXX	XXX						
7. 2010	XXX	XXX	XXX	XXX	XXX					
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX				
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX			
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

SCHEDULE P - PART 4S
FINANCIAL GUARANTY/MORTGAGE GUARANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
2. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
3. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3

SCHEDULE P - PART 4T
WARRANTY

1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
2. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		
3. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	

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

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

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

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

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

SCHEDULE P INTERROGATORIES

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

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

Years in which premiums were earned and losses were incurred	DDR Reserve Included in Schedule P, Part 1F, Medical Professional Liability	
	Column 24: Total Net Losses and Expenses Unpaid	
	1 Section 1: Occurrence	2 Section 2: Claims-Made
1.601 Prior
1.602 2005
1.603 2006
1.604 2007
1.605 2008
1.606 2009
1.607 2010
1.608 2011
1.609 2012
1.610 2013
1.611 2014
1.612 TOTALS

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

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

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

5.1 Fidelity \$ 0
 5.2 Surety \$ 0

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

6.1 per claim
 6.2 per claimant ✓

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

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

Yes[] No[X]

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

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premium Written for Federal Purchasing Groups (Included in Column 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama (AL)	L	85,267	24,067						
2. Alaska (AK)	L	6,578	6,578						
3. Arizona (AZ)	L	317,253	121,813						
4. Arkansas (AR)	L	16,737	14,165						
5. California (CA)	L	5,645,932	1,132,499						
6. Colorado (CO)	L	275,044	113,912						
7. Connecticut (CT)	L	101,846	55,434						
8. Delaware (DE)	L	19,146	7,219						
9. District of Columbia (DC)	L	5,425,339	5,425,339						
10. Florida (FL)	L	394,547	200,002						
11. Georgia (GA)	L	276,557	149,900						
12. Hawaii (HI)	L	2,306	2,306						
13. Idaho (ID)	L	63,379	33,803						
14. Illinois (IL)	L	457,759	132,580						
15. Indiana (IN)	L	32,550	27,928						
16. Iowa (IA)	L	77,840	33,588						
17. Kansas (KS)	L	147,068	48,562						
18. Kentucky (KY)	L	18,296	18,296						
19. Louisiana (LA)	L	55,869	40,539						
20. Maine (ME)	L	3,598	3,598						
21. Maryland (MD)	L	67,583	41,914						
22. Massachusetts (MA)	L	331,735	85,095						
23. Michigan (MI)	L	15,386,591	3,773,361			58,239	58,239		
24. Minnesota (MN)	L	134,058	98,878						
25. Mississippi (MS)	L	19,277	9,598						
26. Missouri (MO)	L	188,679	56,762						
27. Montana (MT)	L	9,296	5,294						
28. Nebraska (NE)	L	31,901	19,657						
29. Nevada (NV)	L	47,682	31,319						
30. New Hampshire (NH)	L	12,656	6,683						
31. New Jersey (NJ)	L	600,728	124,969						
32. New Mexico (NM)	L	11,641	11,641						
33. New York (NY)	L	88,851	55,343						
34. North Carolina (NC)	L	201,574	150,262						
35. North Dakota (ND)	L	4,789	4,789						
36. Ohio (OH)	L	728,366	185,256						
37. Oklahoma (OK)	L	40,384	19,721						
38. Oregon (OR)	L	266,651	80,598						
39. Pennsylvania (PA)	L	348,601	155,378			25,088	25,088		
40. Rhode Island (RI)	L	72,685	44,490						
41. South Carolina (SC)	L	165,408	92,376						
42. South Dakota (SD)	L	14,908	5,636						
43. Tennessee (TN)	L	301,399	67,723						
44. Texas (TX)	L	501,394	276,119						
45. Utah (UT)	L	254,292	81,334						
46. Vermont (VT)	L	2,766	2,766						
47. Virginia (VA)	L	467,060	145,149						
48. Washington (WA)	L	209,969	113,676						
49. West Virginia (WV)	L	7,969	7,969						
50. Wisconsin (WI)	L	54,236	48,513						
51. Wyoming (WY)	L	32,737	12,226						
52. American Samoa (AS)	N								
53. Guam (GU)	N								
54. Puerto Rico (PR)	N								
55. U.S. Virgin Islands (VI)	N								
56. Northern Mariana Islands (MP)	N								
57. Canada (CAN)	N								
58. Aggregate other alien (OT)	X X X								
59. TOTALS	(a) 51	34,028,777	13,406,621			83,326	83,326		

DETAILS OF WRITE-INS

58001.	X X X								
58002.	X X X								
58003.	X X X								
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X								
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X								

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

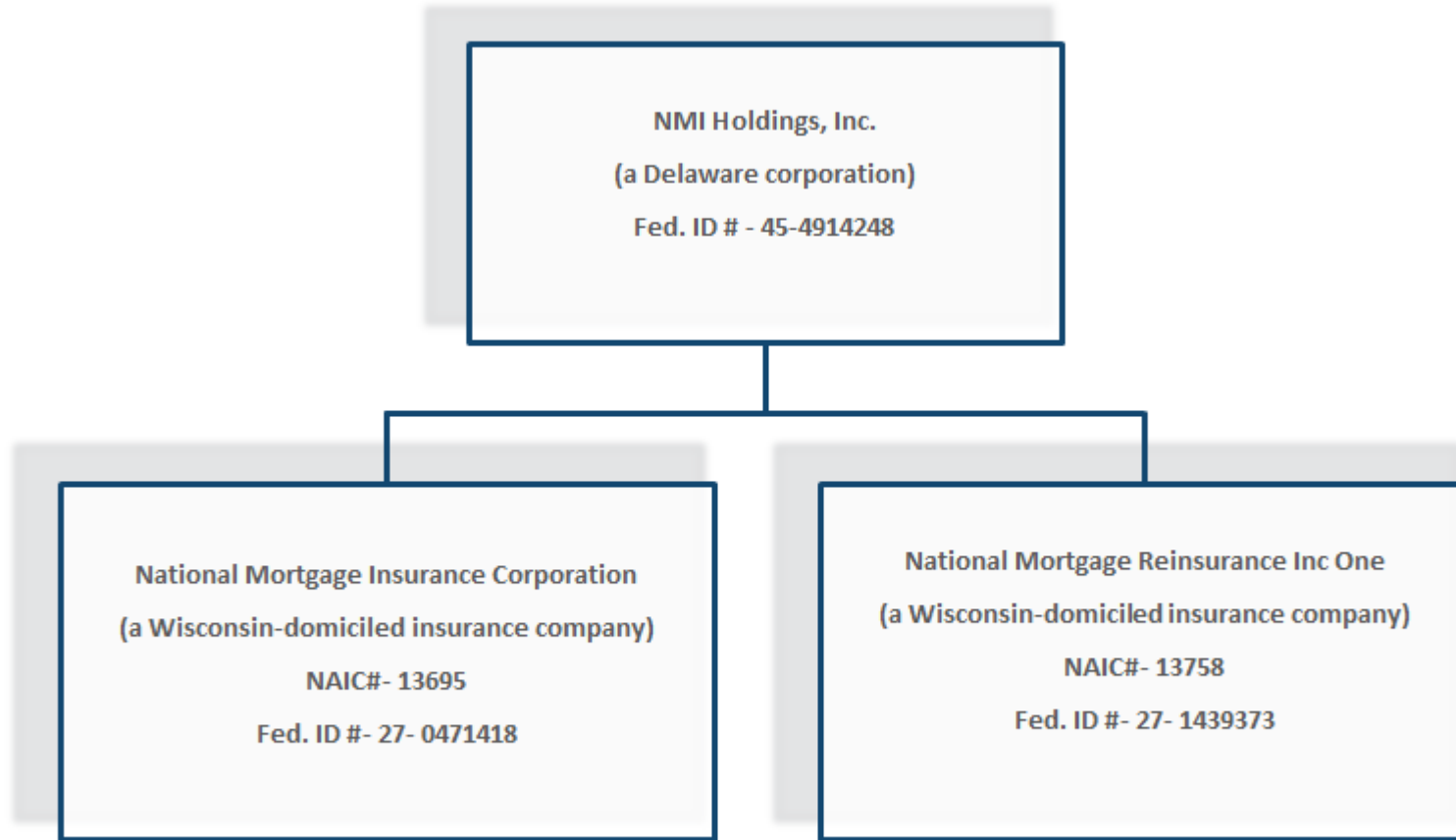
Explanation of basis of allocation of premiums by states, etc.: Premiums paid by the borrower are allocated by state based on the location of the insured property. Premiums paid by the lender are allocated based on the location of the insured.

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

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

NONE

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



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
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Name 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)	*
4760	NMI Holdings Grp	0000013695	45-4914248 27-0471418		0001547903	NASDAQ Global Market	NMI Holdings, Inc. National Mortgage Insurance Corporation	DE	UDP					
4760	NMI Holdings Grp	13758	27-1439373				National Mortgage Reinsurance Inc One	WI	RE	NMI Holdings, Inc.	Ownership	100.0	NMI Holdings, Inc.	
								WI	IA	NMI Holdings, Inc.	Ownership	100.0	NMI Holdings, Inc.	

Asterisk	Explanation
0000001	
0000002	

SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
.....	45-4914248 ..	NMI HOLDINGS INC. ....	.....	(95,000,000)	.....	.....	(55,722,067)	.....	.....	.....	(150,722,067)	.....
13695 ..	27-0471418 ..	NATIONAL MORTGAGE INS CORP .....	.....	90,000,000	.....	.....	55,479,680	.....	.....	.....	145,479,680	1,885,787
13758 ..	27-1439373 ..	NATIONAL MORTGAGE REINS INC ONE .....	.....	5,000,000	.....	.....	242,387	.....	.....	.....	5,242,387	(1,885,787)
9999999 Control Totals .....			.....	.....	.....	.....	.....	.....	X X X	.....	.....	.....

Schedule Y Part 2 Explanation:

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

Response

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

MARCH FILING

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

APRIL FILING

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

MAY FILING

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

JUNE FILING

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

AUGUST FILING

- | | |
|----------------------------------------------------------------------------------------------------------------------------|-----|
| 11. Will Communication of Internal Control Related Matters Noted in Audit be filed with the state of domicile by August 1? | Yes |
|----------------------------------------------------------------------------------------------------------------------------|-----|

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 it is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

MARCH FILING

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

APRIL FILING

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|
| 28. Will the Credit Insurance Experience Exhibit be filed with the state of domicile and the NAIC by April 1? | No |
| 29. Will the Long-term Care Experience Reporting Forms be filed with the state of domicile and the NAIC by April 1? | No |
| 30. Will the Accident and Health Policy Experience Exhibit be filed by April 1? | No |
| 31. Will the Supplemental Health Care Exhibit (Parts 1, 2 and 3) be filed with the state of domicile and the NAIC by April 1? | No |
| 32. Will the regulator only (non-public) Supplemental Health Care Exhibit's Expense Allocation Report be filed with the state of domicile AND the NAIC by April 1? | No |

AUGUST FILING

- | | |
|----------------------------------------------------------------------------------------------------------------------------|----|
| 33. Will Management's Report of Internal Control Over Financial Reporting be filed with the state of domicile by August 1? | No |
|----------------------------------------------------------------------------------------------------------------------------|----|

Explanations:

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

Bar Codes:

Schedule SIS



Financial Guaranty Insurance Exhibit



Medicare Supplement Insurance Experience Exhibit



Supplement A to Schedule T



Trusteed Surplus Statement



Premiums Attributed to Protected Cells Exhibit



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Reinsurance Summary Supplemental Filing



Medicare Part D Coverage Supplement



Bail Bond Supplement



Director and Officer Supplement



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



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



Approval for Relief related to Require. for Audit Committees



Credit Insurance Exhibit



LTC Supplemental Interrogatories



Accident and Health Policy Experience Exhibit



Supplemental Health Care Exhibit



Supplemental Health Care Exhibit's Expense Allocation Report



Management's Report of Internal Control over Financial Reporting



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

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
2404. Miscellaneous Expense		27,075		27,075
2497. Summary of remaining write-ins for Line 24 (Lines 2404 through 2496)		27,075		27,075

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1 Amount	2 Percentage	3 Amount	4 Securities Lending Reinvested Collateral Amount	5 Total (Col. 3 + 4) Amount	6 Percentage
1. Bonds:						
1.1 U.S. treasury securities	22,352,367	8.603	22,352,367		22,352,367	8.603
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies						
1.22 Issued by U.S. government sponsored agencies	18,274,406	7.034	18,274,406		18,274,406	7.034
1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities)						
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:						
1.41 States, territories and possessions general obligations	3,504,487	1.349	3,504,487		3,504,487	1.349
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations						
1.43 Revenue and assessment obligations	3,250,000	1.251	3,250,000		3,250,000	1.251
1.44 Industrial development and similar obligations						
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or Guaranteed by GNMA						
1.512 Issued or Guaranteed by FNMA and FHLMC						
1.513 All other						
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA						
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521						
1.523 All other	6,266,353	2.412	6,266,353		6,266,353	2.412
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	129,756,840	49.941	129,756,840		129,756,840	49.941
2.2 Unaffiliated Non-U.S. securities (including Canada)	11,003,386	4.235	11,003,386		11,003,386	4.235
2.3 Affiliated securities						
3. Equity interests:						
3.1 Investments in mutual funds						
3.2 Preferred stocks:						
3.21 Affiliated						
3.22 Unaffiliated						
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated						
3.32 Unaffiliated						
3.4 Other equity securities:						
3.41 Affiliated						
3.42 Unaffiliated						
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated						
3.52 Unaffiliated						
4. Mortgage loans:						
4.1 Construction and land development						
4.2 Agricultural						
4.3 Single family residential properties						
4.4 Multifamily residential properties						
4.5 Commercial loans						
4.6 Mezzanine real estate loans						
5. Real estate investments:						
5.1 Property occupied by company						
5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt)						
5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt)						
6. Contract loans						
7. Derivatives						
8. Receivables for securities						
9. Securities Lending (Line 10, Asset Page reinvested collateral)				X X X	X X X	X X X
10. Cash, cash equivalents and short-term investments	65,411,294	25.176	65,411,294		65,411,294	25.176
11. Other invested assets						
12. TOTAL Invested assets	259,819,133	100.000	259,819,133		259,819,133	100.000

SCHEDULE A - VERIFICATION BETWEEN YEARS

Real Estate

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

SCHEDULE B - VERIFICATION BETWEEN YEARS

Mortgage Loans

1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 7)		
2.2 Additional investment made after acquisition (Part 2, Column 8)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 12		
3.2 TOTALS, Part 3, Column 11		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 9		
5.2 TOTALS, Part 3, Column 8		
6. TOTAL gain (loss) on disposals, Part 3, Column 18		
7. Deduct amounts received on disposals, Part 3, Column 15	NONE	
8. Deduct amortization of premium and mortgage interest		
9. TOTAL foreign exchange change in book value/recorded interest		
9.1 TOTALS, Part 1, Column 13		
9.2 TOTALS, Part 3, Column 13		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 11		
10.2 TOTALS, Part 3, Column 10		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. TOTAL valuation allowance		
13. Subtotal (Lines 11 plus 12)		
14. Deduct total nonadmitted amounts		
15. Statement value of mortgages owned at end of current period (Line 13 minus Line 14)		

SCHEDULE BA - VERIFICATION BETWEEN YEARS

Other Long-Term Invested Assets

1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition (Part 2, Column 8)		
2.2 Additional investment made after acquisition (Part 2, Column 9)		
3. Capitalized deferred interest and other:		
3.1 TOTALS, Part 1, Column 16		
3.2 TOTALS, Part 3, Column 12		
4. Accrual of discount		
5. Unrealized valuation increase (decrease):		
5.1 TOTALS, Part 1, Column 13		
5.2 TOTALS, Part 3, Column 9		
6. TOTAL gain (loss) on disposals, Part 3, Column 19	NONE	
7. Deduct amounts received on disposals, Part 3, Column 18		
8. Deduct amortization of premium and depreciation		
9. TOTAL foreign exchange change in book/adjusted carrying value:		
9.1 TOTALS, Part 1, Column 17		
9.2 TOTALS, Part 3, Column 14		
10. Deduct current year's other-than-temporary impairment recognized:		
10.1 TOTALS, Part 1, Column 15		
10.2 TOTALS, Part 3, Column 11		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION BETWEEN YEARS

Bonds and Stocks

1. Book/adjusted carrying value, December 31 of prior year		174,133,529
2. Cost of bonds and stocks acquired, Part 3, Column 7		36,606,564
3. Accrual of Discount		66,646
4. Unrealized valuation increase (decrease):		
4.1 Part 1, Column 12		
4.2 Part 2, Section 1, Column 15		
4.3 Part 2, Section 2, Column 13		
4.4 Part 4, Column 11		
5. TOTAL gain (loss) on disposals, Part 4, Column 19		130,257
6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7		15,349,499
7. Deduct amortization of premium		1,179,658
8. TOTAL foreign exchange change in book/adjusted carrying value:		
8.1 Part 1, Column 15		
8.2 Part 2, Section 1, Column 19		
8.3 Part 2, Section 2, Column 16		
8.4 Part 4, Column 15		
9. Deduct current year's other-than-temporary impairment recognized:		
9.1 Part 1, Column 14		
9.2 Part 2, Section 1, Column 17		
9.3 Part 2, Section 2, Column 14		
9.4 Part 4, Column 13		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		194,407,839
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		194,407,839

SCHEDULE D - SUMMARY BY COUNTRY

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

Description		1 Book/Adjusted Carrying Value	2 Fair Value	3 Actual Cost	4 Par Value of Bonds
BONDS					
1. Governments	United States	22,352,368	22,194,447	22,520,729	22,070,000
2. (Including all obligations guaranteed by governments)	Canada				
3.	Other Countries				
4. TOTALS	.....	22,352,368	22,194,447	22,520,729	22,070,000
5. U.S. States, Territories and Possessions (Direct and guaranteed)	TOTALS	3,504,487	3,520,405	3,511,830	3,500,000
6. U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	TOTALS				
7. U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	TOTALS	21,524,405	21,380,333	21,543,833	21,500,000
8. Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	United States	136,023,193	135,775,211	137,376,690	132,352,648
9.	Canada				
10.	Other Countries	11,003,386	11,027,628	11,155,390	10,800,000
11. TOTALS	.....	147,026,579	146,802,839	148,532,080	143,152,648
12. Parent, Subsidiaries and Affiliates	TOTALS				
13. TOTAL Bonds	.....	194,407,839	193,898,024	196,108,472	190,222,648
PREFERRED STOCKS					
14. Industrial and Miscellaneous (unaffiliated)	United States				
15.	Canada				
16.	Other Countries				
17. TOTALS	.....			
18. Parent, Subsidiaries and Affiliates	TOTALS				
19. TOTAL Preferred Stocks	.....			
COMMON STOCKS					
20. Industrial and Miscellaneous (unaffiliated)	United States				
21.	Canada				
22.	Other Countries				
23. TOTALS	.....			
24. Parent, Subsidiaries and Affiliates	TOTALS				
25. TOTAL Common Stocks	.....			
26. TOTAL Stocks	.....			
27. TOTAL Bonds and Stocks	.....	194,407,839	193,898,024	196,108,472	

SCHEDULE D - PART 1A - SECTION 1

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

	1	2	3	4	5	6	7	8	9	10	11
NAIC Designation	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 9.7	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed (a)
1. U.S. Governments											
1.1 NAIC 1	53,259,288	22,352,368				75,611,656	30.52	35,349,691	18.88	75,611,656	
1.2 NAIC 2											
1.3 NAIC 3											
1.4 NAIC 4											
1.5 NAIC 5											
1.6 NAIC 6											
1.7 TOTALS	53,259,288	22,352,368				75,611,656	30.52	35,349,691	18.88	75,611,656	
2. All Other Governments											
2.1 NAIC 1											
2.2 NAIC 2											
2.3 NAIC 3											
2.4 NAIC 4											
2.5 NAIC 5											
2.6 NAIC 6											
2.7 TOTALS											
3. U.S. States, Territories and Possessions etc., Guaranteed											
3.1 NAIC 1		3,504,487				3,504,487	1.41	3,508,588	1.87	3,504,487	
3.2 NAIC 2											
3.3 NAIC 3											
3.4 NAIC 4											
3.5 NAIC 5											
3.6 NAIC 6											
3.7 TOTALS		3,504,487				3,504,487	1.41	3,508,588	1.87	3,504,487	
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed											
4.1 NAIC 1											
4.2 NAIC 2											
4.3 NAIC 3											
4.4 NAIC 4											
4.5 NAIC 5											
4.6 NAIC 6											
4.7 TOTALS											
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 NAIC 1	2,001,361	19,523,045				21,524,406	8.69	28,286,974	15.11	21,524,406	
5.2 NAIC 2											
5.3 NAIC 3											
5.4 NAIC 4											
5.5 NAIC 5											
5.6 NAIC 6											
5.7 TOTALS	2,001,361	19,523,045				21,524,406	8.69	28,286,974	15.11	21,524,406	

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 NAIC 1	3,441,858	91,179,436	15,730,406	8,970,720	3,368,406	122,690,826	49.52	120,052,106	64.13	83,780,034	38,910,792
6.2 NAIC 2		6,249,726	16,580,449	1,593,617		24,423,792	9.86			21,928,144	2,495,648
6.3 NAIC 3											
6.4 NAIC 4											
6.5 NAIC 5											
6.6 NAIC 6											
6.7 TOTALS	3,441,858	97,429,162	32,310,855	10,564,337	3,368,406	147,114,618	59.38	120,052,106	64.13	105,708,178	41,406,440
7. Hybrid Securities											
7.1 NAIC 1											
7.2 NAIC 2											
7.3 NAIC 3											
7.4 NAIC 4											
7.5 NAIC 5											
7.6 NAIC 6											
7.7 TOTALS											
8. Parent, Subsidiaries and Affiliates											
8.1 NAIC 1											
8.2 NAIC 2											
8.3 NAIC 3											
8.4 NAIC 4											
8.5 NAIC 5											
8.6 NAIC 6											
8.7 TOTALS											

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

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

NAIC Designation	1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.7	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed (a)
9. Total Bonds Current Year											
9.1 NAIC 1	(d) 58,702,507	136,559,336	15,730,406	8,970,720	3,368,406	223,331,375	90.14	X X X	X X X	184,420,583	38,910,792
9.2 NAIC 2	(d) 6,249,726	16,580,449	1,593,617			24,423,792	9.86	X X X	X X X	21,928,144	2,495,648
9.3 NAIC 3	(d)							X X X	X X X		
9.4 NAIC 4	(d)							X X X	X X X		
9.5 NAIC 5	(d)					(c)		X X X	X X X		
9.6 NAIC 6	(d)					(c)		X X X	X X X		
9.7 TOTALS	58,702,507	142,809,062	32,310,855	10,564,337	3,368,406	(b) 247,755,167	100.00	X X X	X X X	206,348,727	41,406,440
9.8 Line 9.7 as a % of Column 6	23.69	57.64	13.04	4.26	1.36	100.00	X X X	X X X	X X X	83.29	16.71
10. Total Bonds Prior Year											
10.1 NAIC 1	16,851,442	139,114,392	26,269,179	1,585,979	3,376,366	X X X	X X X	187,197,358	100.00	150,121,236	37,076,122
10.2 NAIC 2						X X X	X X X				
10.3 NAIC 3						X X X	X X X				
10.4 NAIC 4						X X X	X X X				
10.5 NAIC 5						X X X	X X X	(c)			
10.6 NAIC 6						X X X	X X X	(c)			
10.7 TOTALS	16,851,442	139,114,392	26,269,179	1,585,979	3,376,366	X X X	X X X	(b) 187,197,358	100.00	150,121,236	37,076,122
10.8 Line 10.7 as a % of Col. 8	9.00	74.31	14.03	0.85	1.80	X X X	X X X	100.00	X X X	80.19	19.81
11. Total Publicly Traded Bonds											
11.1 NAIC 1	56,512,909	109,878,502	11,435,614	6,593,558		184,420,583	74.44	150,121,236	80.19	184,420,583	X X X
11.2 NAIC 2		3,754,079	16,580,449	1,593,617		21,928,145	8.85			21,928,145	X X X
11.3 NAIC 3											X X X
11.4 NAIC 4											X X X
11.5 NAIC 5											X X X
11.6 NAIC 6											X X X
11.7 TOTALS	56,512,909	113,632,581	28,016,063	8,187,175		206,348,728	83.29	150,121,236	80.19	206,348,728	X X X
11.8 Line 11.7 as a % of Col. 6	27.39	55.07	13.58	3.97		100.00	X X X	X X X	X X X	100.00	X X X
11.9 Line 11.7 as a % of Line 9.7, Col. 6, Section 9	22.81	45.86	11.31	3.30		83.29	X X X	X X X	X X X	83.29	X X X
12. Total Privately Placed Bonds											
12.1 NAIC 1	2,189,598	26,680,833	4,294,792	2,377,162	3,368,406	38,910,791	15.71	37,076,122	19.81	X X X	38,910,791
12.2 NAIC 2		2,495,648				2,495,648	1.01			X X X	2,495,648
12.3 NAIC 3										X X X	
12.4 NAIC 4										X X X	
12.5 NAIC 5										X X X	
12.6 NAIC 6										X X X	
12.7 TOTALS	2,189,598	29,176,481	4,294,792	2,377,162	3,368,406	41,406,439	16.71	37,076,122	19.81	X X X	41,406,439
12.8 Line 12.7 as a % of Col. 6	5.29	70.46	10.37	5.74	8.13	100.00	X X X	X X X	X X X	X X X	100.00
12.9 Line 12.7 as a % of Line 9.7, Col. 6, Section 9	0.88	11.78	1.73	0.96	1.36	16.71	X X X	X X X	X X X	X X X	16.71

(a) Includes \$.....41,406,440 freely tradable under SEC Rule 144 or qualified for resale under SEC Rule 144A.

(b) Includes \$.....0 current year, \$.....0 prior year of bonds with Z designations and \$.....0 current year, \$.....0 prior year of bonds with Z* designations. The letter "Z" means the NAIC designation was not assigned by the Securities Valuation Office (SVO) at the date of the statement. "Z*" means the SVO could not evaluate the obligation because valuation procedures for the security class is under regulatory review.

(c) Includes \$.....0 current year, \$.....0 prior year of bonds with 5* designations and \$.....0 current year, \$.....0 prior year of bonds with 6* designations. "5*" means the NAIC designation was assigned by the SVO in reliance on the insurer's certification that the issuer is current in all principal and interest payments. "6*" means the NAIC designation was assigned by the SVO due to inadequate certification of principal and interest payments.

(d) Includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation: NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

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SCHEDULE D - PART 1A - SECTION 2

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

Distribution by Type		1	2	3	4	5	6	7	8	9	10	11
		1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 9.5	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed
1.	U.S. Governments											
1.1	Issuer Obligations	53,259,288	22,352,368				75,611,656	30.52	35,349,691	18.88	75,611,656	
1.2	Residential Mortgage-Backed Securities											
1.3	Commercial Mortgage-Backed Securities											
1.4	Other Loan-Backed and Structured Securities											
1.5	TOTALS	53,259,288	22,352,368				75,611,656	30.52	35,349,691	18.88	75,611,656	
2.	All Other Governments											
2.1	Issuer Obligations											
2.2	Residential Mortgage-Backed Securities											
2.3	Commercial Mortgage-Backed Securities											
2.4	Other Loan-Backed and Structured Securities											
2.5	TOTALS											
3.	U.S. States, Territories and Possessions, Guaranteed											
3.1	Issuer Obligations		3,504,487				3,504,487	1.41	3,508,588	1.87	3,504,487	
3.2	Residential Mortgage-Backed Securities											
3.3	Commercial Mortgage-Backed Securities											
3.4	Other Loan-Backed and Structured Securities											
3.5	TOTALS		3,504,487				3,504,487	1.41	3,508,588	1.87	3,504,487	
4.	U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1	Issuer Obligations											
4.2	Residential Mortgage-Backed Securities											
4.3	Commercial Mortgage-Backed Securities											
4.4	Other Loan-Backed and Structured Securities											
4.5	TOTALS											
5.	U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1	Issuer Obligations	2,001,361	19,523,045				21,524,406	8.69	28,286,974	15.11	21,524,406	
5.2	Residential Mortgage-Backed Securities											
5.3	Commercial Mortgage-Backed Securities											
5.4	Other Loan-Backed and Structured Securities											
5.5	TOTALS	2,001,361	19,523,045				21,524,406	8.69	28,286,974	15.11	21,524,406	
6.	Industrial and Miscellaneous											
6.1	Issuer Obligations	1,595,949	67,552,744	31,441,117	10,564,337		111,154,147	44.86	82,863,482	44.27	88,085,933	23,068,215
6.2	Residential Mortgage-Backed Securities											
6.3	Commercial Mortgage-Backed Securities		6,266,353				6,266,353	2.53	6,287,842	3.36	3,000,000	3,266,353
6.4	Other Loan-Backed and Structured Securities	1,845,909	23,610,065	869,737		3,368,406	29,694,117	11.99	30,900,783	16.51	14,622,246	15,071,872
6.5	TOTALS	3,441,858	97,429,162	32,310,854	10,564,337	3,368,406	147,114,617	59.38	120,052,107	64.13	105,708,179	41,406,440
7.	Hybrid Securities											
7.1	Issuer Obligations											
7.2	Residential Mortgage-Backed Securities											
7.3	Commercial Mortgage-Backed Securities											
7.4	Other Loan-Backed and Structured Securities											
7.5	TOTALS											
8.	Parent, Subsidiaries and Affiliates											
8.1	Issuer Obligations											
8.2	Residential Mortgage-Backed Securities											
8.3	Commercial Mortgage-Backed Securities											
8.4	Other Loan-Backed and Structured Securities											
8.5	TOTALS											

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

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

	1	2	3	4	5	6	7	8	9	10	11
Distribution by Type	1 Year or Less	Over 1 Year Through 5 Years	Over 5 Years Through 10 Years	Over 10 Years Through 20 Years	Over 20 Years	Total Current Year	Column 6 as a % of Line 9.5	Total From Column 6 Prior Year	% From Column 7 Prior Year	Total Publicly Traded	Total Privately Placed
9. Total Bonds Current Year											
9.1 Issuer Obligations	56,856,598	112,932,644	31,441,117	10,564,337		211,794,696	85.49	X X X	X X X	188,726,482	23,068,215
9.2 Residential Mortgage-Backed Securities								X X X	X X X		
9.3 Commercial Mortgage-Backed Securities		6,266,353				6,266,353	2.53	X X X	X X X	3,000,000	3,266,353
9.4 Other Loan-Backed and Structured Securities	1,845,909	23,610,065	869,737		3,368,406	29,694,117	11.99	X X X	X X X	14,622,246	15,071,872
9.5 TOTALS	58,702,507	142,809,062	32,310,854	10,564,337	3,368,406	247,755,166	100.00	X X X	X X X	206,348,728	41,406,440
9.6 Line 9.5 as a % of Col. 6	23.69	57.64	13.04	4.26	1.36	100.00	X X X	X X X	X X X	83.29	16.71
10. Total Bonds Prior Year											
10.1 Issuer Obligations	14,813,829	109,006,956	24,601,970	1,585,979		X X X	X X X	150,008,734	80.13	131,686,898	18,321,836
10.2 Residential Mortgage-Backed Securities						X X X	X X X				
10.3 Commercial Mortgage-Backed Securities		6,287,842				X X X	X X X	6,287,842	3.36	3,000,000	3,287,842
10.4 Other Loan-Backed and Structured Securities	2,037,612	23,819,595	1,667,210		3,376,366	X X X	X X X	30,900,783	16.51	15,434,338	15,466,444
10.5 TOTALS	16,851,441	139,114,393	26,269,180	1,585,979	3,376,366	X X X	X X X	187,197,359	100.00	150,121,236	37,076,122
10.6 Line 10.5 as a % of Col. 8	9.00	74.31	14.03	0.85	1.80	X X X	X X X	100.00	X X X	80.19	19.81
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	55,348,689	97,843,749	27,346,868	8,187,175		188,726,481	76.17	131,686,898	70.35	188,726,481	X X X
11.2 Residential Mortgage-Backed Securities											X X X
11.3 Commercial Mortgage-Backed Securities		3,000,000				3,000,000	1.21	3,000,000	1.60	3,000,000	X X X
11.4 Other Loan-Backed and Structured Securities	1,164,220	12,788,831	669,194			14,622,245	5.90	15,434,338	8.24	14,622,245	X X X
11.5 TOTALS	56,512,909	113,632,580	28,016,062	8,187,175		206,348,726	83.29	150,121,236	80.19	206,348,726	X X X
11.6 Line 11.5 as a % of Col. 6	27.39	55.07	13.58	3.97		100.00	X X X	X X X	X X X	100.00	X X X
11.7 Line 11.5 as a % of Line 9.5, Col. 6, Section 9	22.81	45.86	11.31	3.30		83.29	X X X	X X X	X X X	83.29	X X X
12. Total Privately Placed Bonds											
12.1 Issuer Obligations	1,507,910	15,088,894	4,094,249	2,377,162		23,068,215	9.31	18,321,836	9.79	X X X	23,068,215
12.2 Residential Mortgage-Backed Securities										X X X	
12.3 Commercial Mortgage-Backed Securities		3,266,353				3,266,353	1.32	3,287,842	1.76	X X X	3,266,353
12.4 Other Loan-Backed and Structured Securities	681,689	10,821,234	200,542		3,368,406	15,071,871	6.08	15,466,444	8.26	X X X	15,071,871
12.5 TOTALS	2,189,599	29,176,481	4,294,791	2,377,162	3,368,406	41,406,439	16.71	37,076,122	19.81	X X X	41,406,439
12.6 Line 12.5 as a % of Col. 6	5.29	70.46	10.37	5.74	8.13	100.00	X X X	X X X	X X X	X X X	100.00
12.7 Line 12.5 as a % of Line 9.5, Col. 6, Section 9	0.88	11.78	1.73	0.96	1.36	16.71	X X X	X X X	X X X	X X X	16.71

SCHEDULE DA - VERIFICATION BETWEEN YEARS

Short-Term Investments

	1	2	3	4	5
	Total	Bonds	Mortgage Loans	Other Short-term Investment Assets (a)	Investments in Parent, Subsidiaries and Affiliates
1. Book/adjusted carrying value, December 31 of prior year	13,063,829	13,063,829			
2. Cost of short-term investments acquired	82,072,531	82,072,531			
3. Accrual of discount					
4. Unrealized valuation increase (decrease)					
5. TOTAL gain (loss) on disposals					
6. Deduct consideration received on disposals	41,789,033	41,789,033			
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)	53,347,327	53,347,327			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	53,347,327	53,347,327			

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

SI11 Schedule DB Part A Verification NONE

SI11 Schedule DB Part B Verification NONE

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

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

SI14 Schedule DB Verification NONE

SI15 Schedule E - Verification NONE

E01 Schedule A - Part 1 Real Estate Owned NONE

E02 Schedule A - Part 2 Real Estate Acquired NONE

E03 Schedule A - Part 3 Real Estate Disposed NONE

E04 Schedule B Part 1 - Mortgage Loans Owned NONE

E05 Schedule B Part 2 - Mortgage Loans Acquired NONE

E06 Schedule B Part 3 - Mortgage Loans Disposed NONE

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

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

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

SCHEDULE D - PART 1

Showing all Long-Term BONDS Owned December 31 of Current Year

E10.1

1	2	Codes			6	7	Fair Value		10	11	Change in Book Adjusted Carrying Value				Interest					Dates	
		3	4	5			8	9			12	13	14	15	16	17	18	19	20	21	22
CUSIP Identification	Description	Code	F O R E I G N	Bond CHAR	NAIC Designation	Actual Cost	Rate Used to Obtain Fair Value	Fair Value	Par Value	Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Foreign Exchange Change in B./A.C.V.	Rate of	Effective Rate of Interest	When Paid	Admitted Amount Due and Accrued	Amount Received During Year	Acquired	Stated Contractual Maturity Date
68389XAG0	ORACLE CORP			1	1FE	3,576,900		112,7020		3,412,559					5.000	1.817	JJ	72,083	150,000	02/04/2013	07/08/2019
693476BJ1	PNC FUNDING CORP				1FE	3,043,352		112,6340		2,943,119					5.125	2.365	FA	52,930	133,250	05/20/2013	02/08/2020
74153WBZ1	PRICOA GLBL FDG I MTN 144A				1FE	1,948,499		1,922,778		1,948,967					1.600	1.616	MN	2,773	31,200	05/21/2013	05/29/2018
808513AD7	SCHWAB CHARLES CORP NEW			1	1FE	993,627		110,2550		963,745					4.450	2.137	JJ	16,903	38,270	04/08/2013	07/22/2020
828807CM7	SIMON PPTY GROUP LP			1	1FE	2,001,200		1,980,580		2,000,757					1.500	1.487	FA	12,500	30,000	04/10/2013	02/01/2018
857477AL7	STATE STR CORP				1FE	1,198,056		1,182,972		1,198,336					3.100	3.119	MN	4,753	37,200	05/08/2013	05/15/2023
87246YAA4	TIAA ASSET MGMT FIN CO LLC 144A			1	2FE	2,495,500		100,1100		2,495,648					2.950	2.989	MN	12,497		10/27/2014	11/01/2019
89233P6S0	TOYOTA MTR CRD CORP MTN BE			1	1FE	1,897,511		100,0940		1,898,411					1.250	1.281	AO	5,674	23,750	05/22/2013	10/05/2017
90249AAT0	TYSON FOODS INC			1	2FE	2,655,375		108,5400		2,650,453					4.500	3.573	JD	5,000	56,250	09/23/2014	06/15/2022
90520EAE1	UNION BK CALIF N A MEDIUM TERM				1FE	2,049,560		101,5170		2,030,318					2.125	1.495	JD	1,771	42,500	05/22/2013	06/16/2017
91324PCB6	UNITEDHEALTH GROUP INC			1	1FE	1,991,980		1,974,240		1,994,471					1.625	1.693	MS	9,569	32,500	02/25/2013	03/15/2019
92345YAB2	VERISK ANALYTICS INC			1	2FE	1,960,578		108,1740		1,954,235					4.875	2.625	JJ	40,463		10/28/2014	01/15/2019
92343VCN2	VERIZON COMMUNICATIONS INC			1	2FE	3,738,713		98,7480		3,738,988					3.000	3.048	MN	19,375		10/22/2014	11/01/2021
931142DF7	WAL-MART STORES INC				1FE	3,496,780		99,1050		3,497,876					1.125	1.144	AO	8,750	39,375	04/04/2013	04/11/2018
931427AF5	WALGREENS BOOTS ALLIANCE INC			1	2FE	4,188,534		101,0530		4,188,754					3.300	3.344	MN	16,555		11/06/2014	11/18/2021
3299999 Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations						112,172,295		X X X		110,992,531					X X X	X X X	X X X	815,247	2,003,101	X X X	X X X
Industrial & Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities																					
03027WAH5	AMERICAN TOWER TR 2013-1-2			2	1FE	3,000,000		97,6520		2,929,560					1.551	1.551	MON	2,068	46,530	03/06/2013	03/15/2043
78403DAC4	SBA TOWER TR 2012-1			2	1FE	3,300,800		100,9520		3,230,464					2.933	2.208	MON	4,171	93,595	05/20/2013	12/15/2042
3499999 Subtotal - Industrial & Miscellaneous (Unaffiliated) - Commercial Mortgage-Backed Securities						6,300,800		X X X		6,160,024					X X X	X X X	X X X	6,239	140,125	X X X	X X X
Industrial & Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities																					
03065CAE9	AMERICREDIT AUTOMOBILE RECEIVA SER			2	1FE	2,999,247		101,0980		2,999,517					2.720	2.727	MON	4,987	81,600	08/07/2013	09/09/2019
05377RBD5	AVIS BUDGET RENTAL FDG 2013-1			2	1FE	3,398,554		99,2600		3,399,071					1.920	1.928	MON	1,995	65,280	02/05/2013	09/20/2019
12189PAK8	BURLINGTON NORTH SF 2001-2			2	1FE	2,551,631		111,8130		2,417,808					6.462	1.877	JJ	65,860	142,829	04/24/2013	01/15/2021
22822RAZ3	CROWN CASTLE TOWERS LLC			2	1FE	3,381,030		110,9450		3,368,406					4.883	4.107	MON	6,511	146,490	05/23/2013	08/15/2040
34530EAG2	FORD CREDIT AUTO TR 2013-B			2	1FE	589,976		99,9630		589,984					1.820	1.821	MON	477	10,738	05/14/2013	11/15/2019
34528QCT9	FORD CREDIT FLOORPLAN MASTER O SER			2	1FE	1,473,309		99,7610		1,473,539					2.290	2.300	MON	1,500	33,755	06/11/2013	06/15/2020
34528QBR4	FORD CREDIT FLRPLN TR A 2012-2			2	1FE	716,734		102,2170		710,123					2.860	2.200	MON	890	20,020	07/31/2013	01/15/2019
34528QCB8	FORD CREDIT FLRPLN TR A 2012-5			2	1FE	1,386,273		100,2650		1,391,160					2.140	2.389	MON	1,332	29,960	08/01/2013	09/15/2019
36246MAK5	GTP ACQ PARTNERS 2011-2			2	1FE	3,219,810		101,8520		3,097,759					4.347	1.939	MON	5,796	130,410	05/07/2013	06/15/2041
80283FAE6	SANTANDER DRIVE AUTO 2013-1			2	1FE	3,063,701		100,1390		3,056,188					1.760	1.622	MON	3,386	53,680	02/12/2013	01/15/2019
78447CAB6	SLM PRIV ED LN TR 2012-D			2	1FE	2,995,744		102,4220		2,920,746					2.950	1.666	MON	3,724	83,780	02/08/2013	02/15/2046
78443CAZ7	SLM PRIVATE ST LN TR 2003-C			2	1FE	1,176,959		99,1730		1,183,659					0.631	1.220	MJSD	335	7,685	02/01/2013	09/15/2020
84474YAA4	SOUTHWEST AIRLINES 2007-1			2	1FE	820,414		115,4260		689,994					6.150	2.502	FA	17,681	42,939	06/04/2013	02/01/2024
87407PAA8	TAL ADVANTAGE V LLC 2013-1			2	1FE	2,285,605		98,9850		2,286,667					2.830	2.846	MON	1,977	64,974	06/04/2013	02/20/2038
3599999 Subtotal - Industrial & Miscellaneous (Unaffiliated) - Other Loan-Backed and Structured Securities						30,058,987		X X X		29,650,287					X X X	X X X	X X X	115,451	914,140	X X X	X X X
3899999 Subtotal - Industrial & Miscellaneous (Unaffiliated)						148,532,082		X X X		146,802,842					X X X	X X X	X X X	936,937	3,057,366	X X X	X X X
7799999 Subtotals - Issuer Obligations						159,748,687		X X X		155,187,000					X X X	X X X	X X X	916,904	2,474,197	X X X	X X X
7999999 Subtotals - Commercial Mortgage-Backed Securities						6,300,800		X X X		6,160,024					X X X	X X X	X X X	6,239	140,125	X X X	X X X
8099999 Subtotals - Other Loan-Backed and Structured Securities						30,058,987		X X X		29,650,287					X X X	X X X	X X X	115,451	914,140	X X X	X X X
8399999 Grand Total - Bonds						196,108,474		X X X		193,898,029					X X X	X X X	X X X	1,038,594	3,528,462	X X X	X X X

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

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

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends
Bonds - U.S. Governments								
912828C24	UNITED STATES TREAS NTS		03/19/2014	BANK OF AMERICA SEC LLC	X X X	109,678	110,000	90
0599999 Subtotal - Bonds - U.S. Governments						109,678	110,000	90
Bonds - Industrial and Miscellaneous (Unaffiliated)								
01609WAA0	ALIBABA GROUP HLDG LTD 144A	R	11/20/2014	DEUTSCHE BANK SECURITIES	X X X	2,488,950	2,500,000	
212015AH4	CONTINENTAL RESOURCES INC		10/08/2014	BANK OF AMERICA SEC LLC	X X X	2,122,500	2,000,000	8,056
247126AH8	DELPHI CORP		10/17/2014	DEUTSCHE BANK SECURITIES	X X X	2,145,000	2,000,000	18,611
375558AZ6	GILEAD SCIENCES INC		11/12/2014	BANK OF AMERICA SEC LLC	X X X	4,995,300	5,000,000	
49456BAF8	KINDER MORGAN INC DEL		11/24/2014	BARCLAYS CAPITAL INC	X X X	1,593,568	1,600,000	
482480AC4	KLA-TENCOR CORP		10/30/2014	WELLS FARGO	X X X	1,799,838	1,800,000	
585055BM7	MEDTRONIC INC 144A		12/01/2014	BANK OF AMERICA SEC LLC	X X X	2,377,008	2,400,000	
681919BA3	OMNICOM GROUP INC		10/22/2014	CHASE SECURITIES	X X X	1,744,470	1,750,000	
87246YAA4	TIAA ASSET MGMT FIN CO LLC 144A		10/27/2014	CHASE SECURITIES	X X X	2,495,500	2,500,000	
902494AT0	TYSON FOODS INC		09/23/2014	VARIOUS	X X X	2,655,375	2,500,000	31,563
92345YAB2	VERISK ANALYTICS INC		10/28/2014	SEAPORT GROUP SECURITIES	X X X	1,960,578	1,800,000	25,838
92343VCN2	VERIZON COMMUNICATIONS INC		10/22/2014	MORGAN STANLEY & CO	X X X	3,738,713	3,750,000	
931427AF5	WALGREENS BOOTS ALLIANCE INC		11/06/2014	DEUTSCHE BANK SECURITIES	X X X	4,188,534	4,200,000	
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						34,305,334	33,800,000	84,068
8399997 Subtotal - Bonds - Part 3						34,415,012	33,910,000	84,158
8399998 Summary item from Part 5 for Bonds						2,191,552	2,200,000	
8399999 Subtotal - Bonds						36,606,564	36,110,000	84,158
8999998 Summary Item from Part 5 for Preferred Stocks							X X X	
9799998 Summary Item from Part 5 for Common Stocks							X X X	
9899999 Subtotal - Preferred and Common Stocks							X X X	
9999999 Totals						36,606,564	X X X	84,158

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n Date	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year (Amortization)/ Accretion	13 Current Year's Other-Than- Temporary Impairment Recognized	14 Total Change in B./A.C.V. (Cols. 11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.						
Bonds - U.S. Special Revenue, Special Assessment																				
31331V2U9	FEDERAL FARM CR BKS		10/23/2014	MARKET AXESS CORP	X X X	2,168,540	2,000,000	2,313,800	2,245,403						2,170,612		(2,072)	(2,072)	119,299	08/25/2016
313380L96	FEDERAL HOME LOAN BANKS		11/25/2014	VARIOUS	X X X	4,512,420	4,500,000	4,509,855	4,506,711		(74,791)		(74,791)		4,503,700		8,720	8,720	21,708	11/20/2015
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						6,680,960	6,500,000	6,823,655	6,752,114		(77,802)		(77,802)		6,674,312		6,648	6,648	141,007	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
03523TBN7	ANHEUSER BUSCH INBEV WORLDWIDE		11/21/2014	MARKET AXESS CORP	X X X	3,003,240	3,000,000	3,011,680	3,009,356		(2,310)		(2,310)		3,007,046		(3,806)	(3,806)	56,260	07/15/2017
12189PAK8	BURLINGTON NORTH SF 2001-2		07/15/2014	PRINCIPAL RECEIPT	X X X	251,590	251,590	290,443	283,555		(31,965)		(31,965)		251,590				9,256	01/15/2021
78443CAZ7	SLM PRIVATE ST LN TR 2003-C		12/15/2014	PRINCIPAL RECEIPT	X X X	407,186	407,186	401,141	402,233		4,953		4,953		407,186				1,463	09/15/2020
84474YAA4	SOUTHWEST AIRLINES 2007-1		08/01/2014	PRINCIPAL RECEIPT	X X X	33,495	33,495	39,826	39,436		(5,940)		(5,940)		33,495				1,038	02/01/2024
87407PAA8	TAL ADVANTAGE V LLC 2013-1		12/20/2014	PRINCIPAL RECEIPT	X X X	280,000	280,000	279,894	279,892		108		108		280,000				4,031	02/20/2038
92933WAB4	WEA FIN LLC / WT FIN AUST PTY		07/23/2014	CALLED @ 121.7650000	X X X	2,435,300	2,000,000	2,471,920	2,411,953		(37,948)		(37,948)		2,374,005		61,295	61,295	120,380	09/02/2019
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						6,410,811	5,972,271	6,494,904	6,426,425		(73,102)		(73,102)		6,353,322		57,489	57,489	192,428	X X X
8399997 Subtotal - Bonds - Part 4						13,091,771	12,472,271	13,318,559	13,178,539		(150,904)		(150,904)		13,027,634		64,137	64,137	333,435	X X X
8399998 Summary Item from Part 5 for Bonds						2,257,728	2,200,000	2,191,552			56		56		2,191,608		66,120	66,120	5,347	X X X
8399999 Subtotal - Bonds						15,349,499	14,672,271	15,510,111	13,178,539		(150,848)		(150,848)		15,219,242		130,257	130,257	338,782	X X X
8999998 Summary Item from Part 5 for Preferred Stocks							X X X													X X X
9799998 Summary Item from Part 5 for Common Stocks							X X X													X X X
9899999 Subtotal - Preferred and Common Stocks							X X X													X X X
9999999 Totals						15,349,499	X X X	15,510,111	13,178,539		(150,848)		(150,848)		15,219,242		130,257	130,257	338,782	X X X

SCHEDULE D - PART 5

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

1 CUSIP Identifi- cation	2 Description	3 F O R E I G N	4 Date Acquired	5 Name of Vendor	6 Disposal Date	7 Name of Purchaser	8 Par Value (Bonds) or Number of Shares (Stock)	9 Actual Cost	10 Consider- ation	11 Book/ Adjusted Carrying Value at Disposal	Change in Book/Adjusted Carrying Value					17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Interest and Dividends Received During Year	21 Paid for Accrued Interest and Dividends		
											12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other-Than- Temporary Impairment Recognized	15 Total Change in B./A.C.V. (Col. 12+ 13-14)	16 Total Foreign Exchange Change in B./A.C.V.							
Bonds - Industrial and Miscellaneous (Unaffiliated)																						
871829AU1 ...	SYSICO CORP		09/23/2014	GOLDMAN SACHS & COMPANY	10/22/2014	CREDIT SUISSE SECURITIES	2,200,000	2,191,552	2,257,728	2,191,608												
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)							2,200,000	2,191,552	2,257,728	2,191,608								66,120	66,120	5,347		
8399998 Subtotal - Bonds							2,200,000	2,191,552	2,257,728	2,191,608									66,120	66,120	5,347	
9999999 Totals								2,191,552	2,257,728	2,191,608									66,120	66,120	5,347	

SCHEDULE D - PART 6 - SECTION 1

Valuation of Shares of Subsidiary, Controlled or Affiliated Companies

1 CUSIP Identification	2 Description Name of Subsidiary, Controlled or Affiliated Company	3 Foreign	4 NAIC Company Code or Alien Insurer Identification Number	5 NAIC Valuation Method (See SVO Purposes and Procedures manual)	6 Do Insurer's Assets Include Intangible Assets connected with Holding of Such Company's Stock?	7 Total Amount of Such Intangible Assets	8 Book/Adjusted Carrying Value	Stock of Such Company Owned by Insurer on Statement Date	
								9 Number of Shares	10 % of Outstanding
NONE									
1999999 Total - Preferred and Common Stocks								XXX	XXX

1. Amount of insurer's capital and surplus from the prior period's statutory statement reduced by any admitted EDP, goodwill and net deferred tax assets included therein: \$.....0.
 2. Total amount of intangible assets nonadmitted \$.....0.

SCHEDULE D - PART 6 - SECTION 2

1 CUSIP Identification	2 Name of Lower-Tier Company	3 Name of Company Listed in Section 1 Which Controls Lower-Tier Company	4 Total Amount of Intangible Assets Included in Amount Shown in Column 7, Section 1	Stock in Lower-Tier Company Owned Indirectly by Insurer on Statement Date	
				5 Number of Shares	6 % of Outstanding
NONE					
0399999 Total - Preferred and Common Stocks				XXX	XXX

SCHEDULE DA - PART 1

Showing all SHORT-TERM INVESTMENTS Owned December 31 of Current Year

1 CUSIP Identi- fication	2 Description	Codes		5 Date Acquired	6 Name of Vendor	7 Maturity Date	8 Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value				13 Par Value	14 Actual Cost	Interest						21 Paid For Accrued Interest
		3 Code	4 For- eign					9 Unrealized Valuation Increase/ (Decrease)	10 Current Year's (Amortization)/ Accretion	11 Current Year's Other-Than- Temporary Impairment Recognized	12 Total Foreign Exchange Change in B./A.C.V.			15 Amount Due and Accrued Dec. 31 of Current Year on Bond Not in Default	16 Non-Admitted Due and Accrued	17 Rate of	18 Effective Rate of	19 When Paid	20 Amount Received During Year	
8399999 Total Bonds																				
Exempt Money Market Mutual Funds																				
269999280	EAGLE BANK SWEEP TIER 1 FRB			12/31/2014	FIRST REPUBLIC BANK		30,199					30,199								9
609068DF5	FEDERATED MM OBLIGS TRSY INSTL CL			11/03/2014	SUNTRUST BANK															6,628
VP4520020	WELLS FARGO ADVANTAGE 100% TREAS			09/30/2014	SWEEP		53,229,089					53,229,089	706							140
8899999 Subtotal - Exempt Money Market Mutual Funds							53,259,288				X X X	53,259,288	706	X X X	X X X	X X X			6,777	
Class One Money Market Mutual Funds																				
31846V419	FIRST AMERN FDS INC			12/31/2014	U.S BANK		10,500					10,500								
999999998	FIRST REPUBLIC BANK MONEY MARKET			12/31/2014	FIRST REPUBLIC BANK		52,534					52,534								26
94975H296	WELLS FARGO FDS TR			12/31/2014	U.S BANK		25,005					25,005								3
8999999 Subtotal - Class One Money Market Mutual Funds							88,039				X X X	88,039		X X X	X X X	X X X			29	
9199999 Total Short-Term Investments							53,347,327				X X X	53,347,327	706	X X X	X X X	X X X			6,806	

E18 Schedule DB - Part A Sn 1 Opt/Cap/Floor/Collars/Swaps/Forwards Open NONE

E19 Schedule DB - Part A Sn 2 Opt/Cap/Floor/Collars/Swaps/Forwards Term. NONE

E20 Schedule DB - Part B Sn 1 Future Contracts Open NONE

E21 Schedule DB - Part B Sn 2 Future Contracts Terminated NONE

E22 Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments . NONE

E23 Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity NONE

E23 Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity NONE

E24 Schedule DL - Part 1 - Securities Lending Collateral Assets NONE

E25 Schedule DL - Part 2 - Securities Lending Collateral Assets NONE

SCHEDULE E - PART 1 - CASH

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Year	5 Amount of Interest Accrued December 31 of Current Year	6 Balance	7 *
open depositories						
First Republic Bank	San Francisco, CA		8		12,058,715	X X X
0199998 Deposits in .....1 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories						
		X X X			5,252	X X X
0199999 Totals - Open Depositories						
		X X X	8		12,063,967	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories						
		X X X				X X X
0299999 Totals - Suspended Depositories						
		X X X				X X X
0399999 Total Cash On Deposit						
		X X X	8		12,063,967	X X X
0499999 Cash in Company's Office						
		X X X	X X X	X X X		X X X
0599999 Total Cash						
		X X X	8		12,063,967	X X X

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

1. January	8,036,153	4. April	8,241,619	7. July	4,860,242	10. October	5,340,664
2. February	5,637,066	5. May	10,637,230	8. August	2,269,183	11. November	2,826,215
3. March	7,043,785	6. June	6,625,676	9. September	3,279,678	12. December	12,063,967

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
<div style="border: 1px solid black; padding: 10px; display: inline-block;"> N O N E </div>							
8699999 Total Cash Equivalents							

SCHEDULE E - PART 3 - SPECIAL DEPOSITS

States. Etc.	1 Type of Deposit	2 Purpose of Deposit	Deposits For the Benefit of All Policyholders		All Other Special Deposits	
			3 Book/Adjusted Carrying Value	4 Fair Value	5 Book/Adjusted Carrying Value	6 Fair Value
			1. Alabama (AL)			
2. Alaska (AK)						
3. Arizona (AZ)						
4. Arkansas (AR)						
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)	B	STATE DEPOSIT			124,074	124,083
11. Georgia (GA)	ST	STATE DEPOSIT			25,005	25,005
12. Hawaii (HI)						
13. Idaho (ID)						
14. Illinois (IL)						
15. Indiana (IN)						
16. Iowa (IA)						
17. Kansas (KS)						
18. Kentucky (KY)						
19. Louisiana (LA)						
20. Maine (ME)						
21. Maryland (MD)						
22. Massachusetts (MA)	B	STATE DEPOSIT			106,303	104,547
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)	B	STATE DEPOSIT			212,606	209,094
30. New Hampshire (NH)	B	STATE DEPOSIT			532,109	522,735
31. New Jersey (NJ)						
32. New Mexico (NM)	B	STATE DEPOSIT			106,303	104,547
33. New York (NY)						
34. North Carolina (NC)	B	STATE DEPOSIT			212,606	209,094
35. North Dakota (ND)						
36. Ohio (OH)						
37. Oklahoma (OK)						
38. Oregon (OR)	B	STATE DEPOSIT			542,146	533,190
39. Pennsylvania (PA)						
40. Rhode Island (RI)						
41. South Carolina (SC)						
42. South Dakota (SD)						
43. Tennessee (TN)						
44. Texas (TX)						
45. Utah (UT)						
46. Vermont (VT)						
47. Virginia (VA)	B	STATE DEPOSIT			536,831	527,962
48. Washington (WA)	B	STATE DEPOSIT			1,059,797	1,045,470
49. West Virginia (WV)						
50. Wisconsin (WI)	B	STATE DEPOSIT			3,443,391	3,412,702
51. Wyoming (WY)	B	STATE DEPOSIT	109,727	110,061		
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)						
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CAN)						
58. Aggregate Alien and Other (OT)	X X X	X X X				
59. TOTAL	X X X	X X X	109,727	110,061	6,901,171	6,818,429

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

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