

ANNUAL STATEMENT

OF THE

Build America Mutual Assurance Company

of

New York

in the state of

New York

TO THE

Insurance Department

OF THE STATE OF

New York

For the Year Ended
DECEMBER 31, 2014

2014



ANNUAL STATEMENT

For the Year Ended DECEMBER 31, 2014

OF THE CONDITION AND AFFAIRS OF THE

Build America Mutual Assurance Company

NAIC Group Code 0000 , 0000 NAIC Company Code 14380 Employer's ID Number 45-4858468
(Current Period) (Prior Period)

Organized under the Laws of New York , State of Domicile or Port of Entry New York

Country of Domicile United States of America

Incorporated/Organized 03/16/2012 Commenced Business 07/20/2012

Statutory Home Office 1 World Financial Ctr. - 27th Fl., 200 Liberty St. , New York, NY, US 10281
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 1 World Financial Ctr. - 27th Fl., 200 Liberty St
(Street and Number)

New York, NY, US 10281 (212)235-2500
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address 1 World Financial Ctr. - 27th Fl., 200 Liberty St. , New York, NY, US 10281
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 1 World Financial Ctr. - 27th Fl., 200 Liberty St.
(Street and Number)

New York, NY, US 10281 (212)235-2500
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.buildamerica.com

Statutory Statement Contact Brian Michael Wymbs (212)235-2513
(Name) (Area Code)(Telephone Number)(Extension)

bwymbs@buildamerica.com (212)962-1524
(E-Mail Address) (Fax Number)

OFFICERS

Name	Title
Robert Phillips Cochran	Managing Director, Secretary and Chairman
Seán Wallace McCarthy	Managing Director and Chief Executive Officer
Elizabeth Ann Keys	Chief Financial Officer and Treasurer

OTHERS

Suzanne Marie Finnegan Bouton, Chief Credit Officer	Laura Levenstein, Chief Risk Officer
Alexander George Makowski, Jr., General Counsel and Assistant Secretary	Brian Michael Wymbs, Controller

DIRECTORS OR TRUSTEES

Raymond Joseph Rene Barrette	Robert Phillips Cochran
Seán Wallace McCarthy	Richard Ravitch
Edward Gene Rendell	Robert Albert Vanosky
Allan Lewis Waters	

State of New York
 County of New York ss

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of the 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)
Robert Phillips Cochran	Seán Wallace McCarthy	Elizabeth Ann Keys
(Printed Name)	(Printed Name)	(Printed Name)
1.	2.	3.
Managing Director, Secretary and Chairman	Managing Director and Chief Executive Officer	Chief Financial Officer and Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me this _____ day of _____, 2015

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

Yes[X] No[]

 (Notary Public Signature)

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1-2)	4 Net Admitted Assets
1. Bonds (Schedule D)	420,892,608		420,892,608	450,017,589
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 (\$.....17,272,694, Schedule E Part 1), cash equivalents (\$.....14,999,889, Schedule E Part 2) and short-term investments (\$.....19,843,228, Schedule DA)	52,115,811		52,115,811	33,648,560
6. Contract loans (including \$.....0 premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)	1,713	1,713		
9. Receivables for securities	17,551		17,551	
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)	473,027,683	1,713	473,025,970	483,666,149
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	2,548,293		2,548,293	2,687,481
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (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	2,362,458	2,351,761	10,698	26,473
21. Furniture and equipment, including health care delivery assets (\$.....0)	213,299	213,299		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$.....0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	1,342,404	1,208,625	133,779	148,775
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	479,494,137	3,775,398	475,718,740	486,528,878
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	479,494,137	3,775,398	475,718,740	486,528,878
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 assets	1,208,625	1,208,625		
2502. Other assets	133,779		133,779	148,775
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,342,404	1,208,625	133,779	148,775

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)		
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)	15,607,572	11,183,984
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	97,854	227,934
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 \$.....21,794,515 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)	6,477,031	2,997,024
10. Advance premiums		
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	14,073	1,996,539
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		
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$.....0 and interest thereon \$.....0		
25. Aggregate write-ins for liabilities	4,744,013	1,074,002
26. TOTAL Liabilities excluding protected cell liabilities (Lines 1 through 25)	26,940,544	17,479,483
27. Protected cell liabilities		
28. TOTAL Liabilities (Lines 26 and 27)	26,940,544	17,479,483
29. Aggregate write-ins for special surplus funds		
30. Common capital stock		
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds	33,555,866	17,333,374
33. Surplus notes	503,000,000	503,000,000
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	(87,777,670)	(51,283,979)
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)	448,778,196	469,049,395
38. TOTALS (Page 2, Line 28, Column 3)	475,718,740	486,528,878
DETAILS OF WRITE-INS		
2501. Mandatory contingency reserve	4,744,013	1,074,002
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)	4,744,013	1,074,002
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. Member surplus contributions	33,555,866	17,333,374
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)	33,555,866	17,333,374

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	159,256	23,835
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)		
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)		
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	37,379,652	33,229,754
5. Aggregate write-ins for underwriting deductions		
6. TOTAL Underwriting Deductions (Lines 2 through 5)	37,379,652	33,229,754
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(37,220,396)	(33,205,919)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	5,653,381	4,643,201
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses))	(228,931)	(739,931)
11. Net investment gain or (loss) (Lines 9 + 10)	5,424,450	3,903,270
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)	(31,795,946)	(29,302,649)
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)	(31,795,946)	(29,302,649)
19. Federal and foreign income taxes incurred		
20. Net income (Line 18 minus Line 19) (to Line 22)	(31,795,946)	(29,302,649)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	469,049,395	483,716,127
22. Net income (from Line 20)	(31,795,946)	(29,302,649)
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0	(1,287)	
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)	(1,026,447)	(1,368,232)
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		
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	12,552,481	16,004,150
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	(20,271,199)	(14,666,731)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	448,778,196	469,049,395
DETAILS OF WRITE-INS		
0501.		
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)		
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. Member surplus contributions	16,222,492	17,075,574
3702. Change in mandatory contingency reserve	(3,670,011)	(1,071,424)
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Lines 37 above)	12,552,481	16,004,150

CASH FLOW

		1	2
		Current Year	Prior Year
Cash from Operations			
1.	Premiums collected net of reinsurance	1,656,797	4,982,828
2.	Net investment income	11,160,805	11,878,330
3.	Miscellaneous income		
4.	TOTAL (Lines 1 through 3)	12,817,602	16,861,158
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	32,438,334	29,574,575
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)	32,438,334	29,574,575
11.	Net cash from operations (Line 4 minus Line 10)	(19,620,732)	(12,713,417)
Cash from Investments			
12.	Proceeds from investments sold, matured or repaid:		
12.1	Bonds	65,815,245	122,892,977
12.2	Stocks		
12.3	Mortgage loans		
12.4	Real estate		
12.5	Other invested assets	4,998,000	
12.6	Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7	Miscellaneous proceeds		
12.8	TOTAL Investment proceeds (Lines 12.1 to 12.7)	70,813,245	122,892,977
13.	Cost of investments acquired (long-term only):		
13.1	Bonds	42,435,068	113,312,196
13.2	Stocks		
13.3	Mortgage loans		
13.4	Real estate		
13.5	Other invested assets	5,001,000	
13.6	Miscellaneous applications	17,551	
13.7	TOTAL Investments acquired (Lines 13.1 to 13.6)	47,453,619	113,312,196
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)	23,359,626	9,580,781
Cash from Financing and Miscellaneous Sources			
16.	Cash provided (applied):		
16.1	Surplus notes, capital notes		
16.2	Capital and paid in surplus, less treasury stock		
16.3	Borrowed funds		
16.4	Net deposits on deposit-type contracts and other insurance liabilities		
16.5	Dividends to stockholders		
16.6	Other cash provided (applied)	14,728,356	15,688,867
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	14,728,356	15,688,867
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)	18,467,251	12,556,231
19.	Cash, cash equivalents and short-term investments:		
19.1	Beginning of year	33,648,560	21,092,329
19.2	End of year (Line 18 plus Line 19.1)	52,115,811	33,648,560

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written Per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Column 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Column 5, Part 1A	Premiums Earned During Year (Columns 1 + 2 - 3)
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty	3,639,263	2,997,024	6,477,031	159,256
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	3,639,263	2,997,024	6,477,031	159,256
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					
8. Ocean marine					
9. Inland marine					
10. Financial guaranty		6,477,031			6,477,031
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		6,477,031			6,477,031
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Lines 35 through 37)					6,477,031
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: Upfront written premiums are earned on a basis proportionate to the remaining scheduled periodic maturity of principal and payment of interest to the original total principal and interest insured. Unearned premiums represent the portion of premiums written that relate to unexpired risk. Installment premiums are reflected in income pro rata over the installment period covered.

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						
8. Ocean marine						
9. Inland marine						
10. Financial guaranty	15,433,775				11,794,512	3,639,263
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	15,433,775				11,794,512	3,639,263
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[X] No[]
 If yes, (1) The amount of such installment premiums \$.....446,149.
 (2) Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....1,678,609

9 Underwriting and Investment Exhibit Pt 2 NONE

10 Underwriting and Investment Exhibit Pt 2A NONE

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				
2.2 Reinsurance assumed, excluding contingent				
2.3 Reinsurance ceded, excluding contingent		2,535,510		2,535,510
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)		(2,535,510)		(2,535,510)
3. Allowances to manager and agents				
4. Advertising		2,628,085		2,628,085
5. Boards, bureaus and associations		2,370,205		2,370,205
6. Surveys and underwriting reports		999,022		999,022
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		24,521,026		24,521,026
8.2 Payroll taxes		974,928		974,928
9. Employee relations and welfare		1,676,818		1,676,818
10. Insurance		480,846		480,846
11. Directors' fees		403,144		403,144
12. Travel and travel items		856,131		856,131
13. Rent and rent items		898,124		898,124
14. Equipment		13,172		13,172
15. Cost or depreciation of EDP equipment and software		595,719		595,719
16. Printing and stationery		84,812		84,812
17. Postage, telephone and telegraph, exchange and express		552,716		552,716
18. Legal and auditing		878,062		878,062
19. TOTALS (Lines 3 to 18)		37,932,809		37,932,809
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0		482,421		482,421
20.2 Insurance department licenses and fees		120,028		120,028
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)		1,043		1,043
20.5 TOTAL taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)		603,492		603,492
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		1,378,861	572,685	1,951,546
25. TOTAL expenses incurred		37,379,652	572,685	(a) 37,952,337
26. Less unpaid expenses - current year		15,133,064	572,363	15,705,427
27. Add unpaid expenses - prior year		10,691,918	720,000	11,411,918
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)		32,938,506	720,322	33,658,828
DETAILS OF WRITE-INS				
2401. Professional fees other than legal and auditing		1,054,216	572,685	1,626,901
2402. Other miscellaneous		324,645		324,645
2403.				
2498. Summary of remaining write-ins for Line 24 from overflow page				
2499. TOTALS (Lines 2401 through 2403 plus 2498) (Line 24 above)		1,378,861	572,685	1,951,546

(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) 1,245,492	759,264
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 10,596,587	5,440,578
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) 50,003	26,224
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income		
10. TOTAL Gross investment income	11,892,082	6,226,066
11. Investment expenses		(g) 572,685
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)		572,685
17. Net Investment income (Line 10 minus Line 16)		5,653,381

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 \$ 86,075 accrual of discount less \$ 5,601,948 amortization of premium and less \$ 137,946 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 \$ 111 accrual of discount less \$ 11,005 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1	2	3	4	5
	Realized Gain (Loss) on Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds					
1.1 Bonds exempt from U.S. tax	10,056		10,056		
1.2 Other bonds (unaffiliated)	(238,987)		(238,987)		
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				(1,287)	
9. Aggregate write-ins for capital gains (losses)					
10. TOTAL Capital gains (losses)	(228,931)		(228,931)	(1,287)	

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)	1,713		(1,713)
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)	1,713		(1,713)
13. Title plants (for Title insurers only)			
14. Invested income due and accrued			
15. Premium and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection			
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
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	2,351,761	1,552,714	(799,047)
21. Furniture and equipment, including health care delivery assets	213,299	247,743	34,444
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	1,208,625	948,494	(260,131)
26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,775,398	2,748,951	(1,026,447)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. TOTAL (Lines 26 and 27)	3,775,398	2,748,951	(1,026,447)
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 assets	1,208,625	948,494	(260,131)
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)	1,208,625	948,494	(260,131)

Notes to Financial Statements

Build America Mutual Assurance Company (“Build America” or the “Company”) is a New York domiciled mutual financial guaranty insurance company. The Company was capitalized on July 17, 2012 and received its license to write financial guaranty insurance from the New York State Department of Financial Services (the “Department”) and commenced operations on July 20, 2012. Build America is also licensed in the District of Columbia and the remaining 49 states. Build America’s financial strength and counterparty credit ratings of ‘AA/Stable Outlook’, from Standard & Poor’s Ratings Services, were reaffirmed on July 31, 2014. Build America is not licensed to write financial guaranty insurance in Puerto Rico or any other territory or possession of the United States and it has no exposure to debt issued in Puerto Rico or any other territory or possession of the United States.

The first mutual bond insurance company, Build America is owned by and operated for the benefit of the cities, states and other municipal agencies—the municipal issuers—that use the Company’s ‘AA/Stable Outlook’ rated financial guaranty to lower their cost of funding in the U.S. municipal market. Build America’s unique corporate structure distinguishes it from traditional financial guaranty insurers in many important ways:

- Build America’s charter, underwriting guidelines and credit policies permit the Company to insure only fixed rate, long-term, essential public purpose municipal bonds in core sectors for municipalities or entities that qualify for tax exemption under Section 115 of the Internal Revenue Code;
- Build America’s mutual model permits capital growth to track insured portfolio growth, eliminating the need to “go public” to raise capital, to drive earnings growth to satisfy equity markets, or to engage in mission creep by taking on risks outside of the core municipal market; and
- In addition to its own strong capital base, Build America has the benefit of collateralized first loss reinsurance protection for losses up to the first 15% of par outstanding on each policy written.

Build America collects a payment for every policy that it issues, comprising of (i) a risk premium and (ii) a Member Surplus Contribution (“MSC”) that is recognized as an addition to other than special surplus funds when collected. An issuer’s MSC amount is credited to the payment due when Build America guaranties debt that refunds a debt issue insured by the Company. Issuers whose debt is insured by Build America become members of the Company for as long as they have debt outstanding insured by Build America, and as members have the right to vote and to receive dividends, if declared, and other benefits of mutual membership. Dividend payments to Build America members require regulatory approval through July 30, 2015. The Company’s policies are issued without contingent mutual liability for assessment.

On July 17, 2012, the Company issued, for cash, the Series 2012-A Surplus Notes and Series 2012-B Surplus Notes (collectively, the “Surplus Notes”) to HG Holdings, Ltd. (“HG Holdings”), a Bermuda holding company, and its wholly owned subsidiary HG Re, Ltd. (“HG Re”) in the amount of \$203,000,000 and \$300,000,000, respectively.

The Company’s reinsurance protection is provided by HG Re via a first-loss reinsurance treaty (the “Reinsurance Agreement”), whereby HG Re assumes all directly insured losses in an amount up to 15% of the par outstanding for each insurance policy. HG Re’s obligations under the Reinsurance Agreement are secured by, and limited to the value of, high quality assets held in trusts, which are pledged for the benefit of Build America.

Both HG Holdings and HG Re are wholly owned subsidiaries of HG Global, Ltd. (“HG Global”), a Bermuda corporation. HG Global’s controlling parent is White Mountain Insurance Group, Ltd., a Bermuda-domiciled financial services holding company (“White Mountains”), which owns 89% of HG Global’s common equity and 97% of its preferred equity. Two of the Company’s directors, Mr. Cochran and Mr. McCarthy, along with 11 of the Company’s current and former officers and employees, own individually or through family trusts the remaining common and preferred equity interests in HG Global.

1. Summary of Significant Accounting Practices

A. Accounting Practices

The accompanying statutory-basis financial statements have been prepared on the basis of accounting practices prescribed or permitted by the State of New York.

The Department recognizes only statutory accounting practices prescribed or permitted by the State of New York for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under New York State Insurance Law (“NYSIL”). The National Association of Insurance Commissioners (“NAIC”) Accounting Practices and Procedures manual (“NAIC SAP”) has been adopted as a component of prescribed practices by the Department.

The Department has the right to permit other specific practices that deviate from prescribed practices. During 2012, the Company received permission from the Department to defer the recognition of the deferred tax liabilities attributable to MSC received until such time as the MSC are included in the Company’s taxable income, to the extent that the total gross deferred tax liabilities exceed the total gross admitted deferred tax assets. The Department’s permission to utilize this permitted practice was to expire on January 1, 2014, however the Company has received permission from the Department to continue to utilize this permitted practice until January 1, 2015. This permitted practice has no effect on either net income for the years ended December 31, 2014 and December 31, 2013 or statutory surplus at December 31, 2014 or December 31, 2013.

Notes to Financial Statements

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices permitted by the Department is shown below:

	State of Domicile	December 31, 2014	December 31, 2013
NET INCOME (LOSS)			
(1) Build America's state basis (Page 4, Line 20, Columns 1 and 3)	New York	\$ (31,795,946)	\$ (29,302,649)
(2) Effect of prescribed practices	New York	-	-
(3) Effect of permitted practice - deferred tax liability on MSC	New York	-	-
(4) NAIC SAP		<u>\$ (31,795,946)</u>	<u>\$ (29,302,649)</u>
SURPLUS			
(5) Build America's state basis (Page 3, Line 37, Columns 1 and 2)	New York	\$ 448,778,196	\$ 469,049,395
(6) Effect of prescribed practices	New York	-	-
(7) Effect of permitted practice - deferred tax liability on MSC	New York	-	-
(8) NAIC SAP		<u>\$ 448,778,196</u>	<u>\$ 469,049,395</u>

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

The preparation of financial statements in conformity with statutory accounting practices prescribed or permitted by the State of New York requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the statutory financial statements, and the reported revenues and expenses during the reporting period. Such estimates are used in connection with certain fair value measurements, the evaluation of other-than-temporary impairments on investments and case basis loss reserves.

C. Accounting Policies

Up-front written premiums are earned on a basis proportionate to the remaining scheduled periodic maturity of principal and payment of interest to the original total principal and interest insured. Installment premiums are reflected in income pro rata over the installment period covered. Unearned premiums represent the portion of premiums written that relate to unexpired risk. When an issue insured by the Company has been refunded or called, the remaining unrecognized premium is earned at that time.

Premiums ceded to reinsurers reduce the amount of earned premium the Company recognizes from its insurance policies. Ceded premium is recognized in earnings in proportion to and at the same time the related gross premium revenue is recognized. Ceding commission income is recognized in earnings when due.

MSC payments are recognized as an addition to other than special surplus funds when collected.

Expenses incurred in connection with the acquisition of new insurance business are charged to operations as incurred and are reduced for ceding commissions received or receivable.

In addition, the Company utilizes the following accounting policies:

- (1) Short-term investments and cash equivalents are stated at amortized cost.
- (2) Investments in long-term bonds with an NAIC designation of 1 or 2 that are not backed by loans are reported at amortized cost; amortized cost is computed using the effective interest method. For bonds purchased at a price below par value, discounts are accreted over the remaining term of the bond. For bonds purchased at a price above par value, premiums are amortized to the call date that produces the lowest yield, or, if there are no call features, premiums are amortized over the remaining term of the bond.
- (3) The Company did not hold investments in common stocks as of December 31, 2014 or December 31, 2013.
- (4) The Company did not hold investments in preferred stocks as of December 31, 2014 or December 31, 2013.
- (5) The Company did not hold investments in mortgage loans as of December 31, 2014 or December 31, 2013.
- (6) Loan-backed securities with an NAIC designation of 1 or 2 are reported at amortized cost.

Changes in estimated cash flows, including the effect of prepayment assumptions, on loan-backed securities are reviewed periodically. Prepayment assumptions are applied consistently to securities backed by similar collateral. Loan-backed securities are revalued using the estimated cash flows, including new prepayment assumptions using the retrospective adjustment method. If there is an increase in expected cash flows, the Company will recalculate the amount of accretable yield. If there is a decrease in expected cash flows or if the fair value of the loan-backed security has declined below its amortized cost basis, the Company determines whether an other-than-temporary-impairment ("OTTI") has occurred.

For loan-backed securities for which the fair value has declined below its amortized cost basis and the Company either: i.) has the intent to sell the security, or ii.) does not have the intent or ability to hold security for a period of time sufficient to recover the amortized cost basis, an OTTI shall have occurred. The amount of the OTTI recognized in earnings as a realized loss will equal the entire difference between security's amortized cost basis and its fair value at the balance sheet date.

When an OTTI has occurred because the Company does not expect to recover the entire amortized cost basis of the security, even if the Company has no intent to sell and the Company has the intent and ability to hold, the amount of the OTTI recognized in earnings as a realized loss

Notes to Financial Statements

shall be equal to the difference between the security's amortized cost basis and the present value of cash flows expected to be collected.

- (7) Investments in subsidiaries that are non-insurance limited liability companies ("LLCs") are recorded based on the underlying equity of the respective LLC's audited financial statements presented in accordance with U.S. Generally Accepted Accounting Principles. Investments in unaudited LLCs are non-admitted.
- (8) Investments in non-insurance LLCs are recorded based on the underlying equity of the respective LLC's audited financial statements presented in accordance with U.S. Generally Accepted Accounting Principles. Investments in unaudited LLCs are non-admitted.
- (9) The Company did not hold derivative instruments as of December 31, 2014 or December 31, 2013.
- (10) The Company anticipates investment income as a factor in premium deficiency calculations.
- (11) The Company's financial guaranty insurance contracts provide an unconditional and irrevocable guarantee of the payment of the principal and interest of insured obligations when due.

Case basis loss reserves are established in an amount equal to the present value of management's estimate of future claim payments. Case basis loss reserves are established on a contract-by-contract basis when an insured event has occurred or an insured event is expected in the future based upon credit deterioration that has already occurred and has been identified. Subsequent changes to the measurement of loss reserves are recognized as losses incurred in the period of change.

The Company did not have any loss reserves as of December 31, 2014. However, because the reserves are based on management's judgment and estimates, there can be no assurance that the ultimate liability will not exceed such estimates.

The Company is required to establish a mandatory contingency reserve in accordance with NAIC SAP, NYSIL and the insurance laws of each of the states in which it is licensed. The mandatory contingency reserve is a liability established to protect policyholders against the effect of adverse economic developments or cycles or other unforeseen circumstances. Under NAIC SAP, financial guarantors are required to establish a contingency reserve equal to the greater of 50% of premiums written or a stated percentage of the principal guaranteed based on the category of obligation insured. Contributions under NAIC SAP are made in equal quarterly installments over a period of 20 years for municipal bonds. Such contributions may be discontinued if the total reserve established for all categories exceeds the sum of the stated percentages multiplied by the unpaid principal balance. Under the Department's prescribed and permitted practices, a municipal bond insurer is required to establish a contingency reserve as calculated above. Certain states in which Build America is licensed may require contingency reserves greater than the amount required by NAIC SAP or NYSIL. Accordingly, the Company calculates contingency reserves using the requirements of each state in which it is licensed and records a contingency reserve equal to the greatest result. A guarantor may be permitted to release reserves under specified circumstances in the event that actual loss experience exceeds certain thresholds or if the reserve accumulated is deemed excessive in relation to the guarantor's outstanding guaranteed obligations, with notice to or approval by the Department.

The NAIC SAP mandatory contingency reserve may be released on a first-in, first-out basis through unassigned surplus in the following circumstances:

- In any year where incurred losses exceed 35% of the corresponding earned premiums, with commissioner approval;
 - If the reserve has been in existence less than 40 quarters, upon demonstration that the amount is excessive in relation to the outstanding obligations under the insurer's financial guarantees, with commissioner approval;
 - If the reserve has been in existence more than 40 quarters, upon demonstration that the amount is excessive in relation to the outstanding obligations under the insurer's financial guarantees, upon 30 days prior written notice to the commissioner.
- (12) Build America's written policy with respect to the capitalization of prepaid expenses, electronic data processing equipment, software, furniture, fixtures, other equipment and/or leasehold improvements is that purchases of less than ten thousand dollars are not capitalized and are expensed when purchased.
 - (13) The method of estimating pharmaceutical rebate receivables is not applicable, as Build America does not write medical insurance with prescription drug coverage.
 - (14) The Company records its surplus notes at par, which equals the proceeds received at issuance. The surplus notes are recorded as a component of surplus. The payment of principal and interest on the surplus notes is subject to the approval by the Department. Unapproved interest and principal payments are not recorded in the Company's financial statements.

2. Accounting Changes and Corrections of Errors

There were no changes in the Company's accounting policies for the period ended December 31, 2014. There were no corrections of errors for the period ended December 31, 2014.

Notes to Financial Statements

3. Business Combinations and Goodwill

- A. The Company has not been a party to any business combinations taking the form of a statutory purchase.
- B. The Company has not been a party to any business combinations taking the form of a statutory merger.
- C. The Company has not recognized an impairment loss.

4. Discontinued Operations

The Company does not have any discontinued operations.

5. Investments

- A. The Company did not hold investments in mortgage loans as of December 31, 2014 or December 31, 2013.
- B. The Company did not hold investments in any debt securities that were restructured as of December 31, 2014 or December 31, 2013.
- C. The Company did not hold investments in reverse mortgages as of December 31, 2014 or December 31, 2013.

D. Loan-Backed Securities

- (1) The Company consistently uses the retrospective method to revalue loan-backed securities using current prepayment assumptions. Prepayment assumptions for single class and multi-class loan-backed securities are obtained from publicly available resources. There were no changes in the methodology utilized by the Company to revalue loan-backed securities.
- (2) The Company had no other-than-temporary impairment losses ("OTTI losses") at December 31, 2014 or December 31, 2013.
- (3) The Company had no OTTI losses at December 31, 2014 or December 31, 2013.
- (4) The Company has not recognized OTTI losses on loan-backed securities for the period ended December 31, 2014. Gross unrealized losses on loan-backed securities and the related fair values were as follows:

Time in Continuous Unrealized Position	Gross Unrealized Losses	Fair Value	Number of Securities
<u>December 31, 2014</u>			
Less than twelve months	\$ -	\$ -	-
Twelve or more months	619,462	38,588,713	7
Total	<u>\$ 619,462</u>	<u>\$ 38,588,713</u>	<u>7</u>
<u>December 31, 2013:</u>			
Less than twelve months	\$ 1,336,584	\$ 38,239,156	6
Twelve or more months	923,510	24,725,645	5
Total	<u>\$ 2,260,094</u>	<u>\$ 62,964,801</u>	<u>11</u>

- (5) The Company had no OTTI losses at December 31, 2014 or December 31, 2013.
- E. The Company has not engaged in any repurchase agreements or security-lending transactions for the year ended December 31, 2014 or December 31, 2013.
- F. The Company did not hold investments in real estate, recognize any real estate impairments, or engage in any retail land sales as of December 31, 2014 or December 31, 2013.
- G. The Company did not hold investments in low-income housing tax credits as of December 31, 2014 or December 31, 2013.

Notes to Financial Statements

H. The Company's restricted assets were as follows:

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted							Percentage		
	Current Year							8	9	10
	1	2	3	4	5	6	7			
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligations for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0%	0%
b. Collateral held under security lending agreements	-	-	-	-	-	-	-	-	0%	0%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	0%	0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	0%	0%
h. Letter stock or securities restricted as to sale	-	-	-	-	-	-	-	-	0%	0%
i. FHLB capital stock	-	-	-	-	-	-	-	-	0%	0%
j. On deposit with states	5,666,501	-	-	-	5,666,501	5,473,646	192,855	5,666,501	1%	1%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	0%	0%
l. Pledged as collateral to FHLB	-	-	-	-	-	-	-	-	0%	0%
m. Pledged as collateral not captured in other categories	133,775	-	-	-	133,775	148,775	(15,000)	133,775	0%	0%
n. Other restricted assets	-	-	-	-	-	-	-	-	0%	0%
o. Total Restricted Assets	\$5,800,276	\$ -	\$ -	\$ -	\$5,800,276	\$5,622,421	\$ 177,855	\$5,800,276	1%	1%

(a) Subset of column 1

(b) Subset of column 3

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts That Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in the Aggregate)

Description of Assets	Gross Restricted							Percentage		
	Current Year							8	9	10
	1	2	3	4	5	6	7			
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Lease security deposits	\$ 133,775	\$ -	\$ -	\$ -	\$ 133,775	\$ 148,775	\$ (15,000)	\$ 133,775	0%	0%
Total Restricted Assets	\$ 133,775	\$ -	\$ -	\$ -	\$ 133,775	\$ 148,775	\$ (15,000)	\$ 133,775	0%	0%

(a) Subset of column 1

(b) Subset of column 3

(3) The Company has no Other Restricted Assets as of December 31, 2014 or December 31, 2013.

I. Working Capital Finance Investments

The Company held no working capital finance investments at December 31, 2014 or December 31, 2013.

J. Offsetting and Netting of Assets and Liabilities

The Company held no derivative, repurchase or reverse repurchase or securities borrowing or securities lending assets at December 31, 2014 or December 31, 2013.

K. Structured Notes

The Company held no structured notes at December 31, 2014 or December 31, 2013.

6. Joint Ventures, Partnerships and Limited Liability Companies

The Company has no investments in Joint Ventures, Partnerships, or LLCs that exceed 10% of admitted assets.

7. Investment Income

A. No significant changes from the 2013 Notes to the Financial Statements.

B. No significant changes from the 2013 Notes to the Financial Statements.

Notes to Financial Statements

8. Derivative Instruments

The Company has not entered into any derivative contracts and there were no derivative contracts outstanding as of December 31, 2014 or December 31, 2013.

9. Income Taxes

A. Deferred Tax Assets / (Liabilities)

1. Components of net deferred tax asset / (liability):

	As of December 31, 2014		
	(1) Ordinary	(2) Capital	(3) (Col 1 + 2) Total
(a) Gross deferred tax assets	\$ 51,813,612	\$ 348,296	\$ 52,161,908
(b) Valuation allowance adjustment	<u>15,423,842</u>	<u>348,296</u>	<u>15,772,138</u>
(c) Adjusted gross deferred tax assets (1a - 1b)	\$ 36,389,770	\$ -	\$ 36,389,770
(d) Deferred tax assets nonadmitted	<u>-</u>	<u>-</u>	<u>-</u>
(e) Subtotal net admitted deferred tax asset (1c + 1d)	\$ 36,389,770	\$ -	\$ 36,389,770
(f) Deferred tax liabilities	<u>36,389,770</u>	<u>-</u>	<u>36,389,770</u>
(g) Net admitted deferred tax asset / (net deferred tax liability) (1e - 1f)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	As of December 31, 2013		
	(4) Ordinary	(5) Capital	(6) (Col 4 + 5) Total
(a) Gross deferred tax assets	\$ 35,996,192	\$ 258,976	\$ 36,255,168
(b) Valuation allowance adjustment	<u>9,968,395</u>	<u>258,976</u>	<u>10,227,371</u>
(c) Adjusted gross deferred tax assets (1a - 1b)	\$ 26,027,797	\$ -	\$ 26,027,797
(d) Deferred tax assets nonadmitted	<u>-</u>	<u>-</u>	<u>-</u>
(e) Subtotal net admitted deferred tax asset (1c + 1d)	\$ 26,027,797	\$ -	\$ 26,027,797
(f) Deferred tax liabilities	<u>26,027,797</u>	<u>-</u>	<u>26,027,797</u>
(g) Net admitted deferred tax asset / (net deferred tax liability) (1e - 1f)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

	Change		
	(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 3 - 6) Total
(a) Gross deferred tax assets	\$ 15,817,420	\$ 89,320	\$ 15,906,740
(b) Valuation allowance adjustment	<u>5,455,447</u>	<u>89,320</u>	<u>5,544,767</u>
(c) Adjusted gross deferred tax assets (1a - 1b)	\$ 10,361,973	\$ -	\$ 10,361,973
(d) Deferred tax assets nonadmitted	<u>-</u>	<u>-</u>	<u>-</u>
(e) Subtotal net admitted deferred tax asset (1c + 1d)	\$ 10,361,973	\$ -	\$ 10,361,973
(f) Deferred tax liabilities	<u>10,361,973</u>	<u>-</u>	<u>10,361,973</u>
(g) Net admitted deferred tax asset / (net deferred tax liability) (1e - 1f)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Notes to Financial Statements

2. Admission calculation components:

		As of December 31, 2014		
		(1) Ordinary	(2) Capital	(3) (Col 1 + 2) 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 (1a - 1b)	-	-	-
2.	Adjusted gross deferred tax assets allowed per limitation threshold	-	-	-
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) that can be offset by gross deferred tax liabilities	\$ 36,389,770	\$ -	\$ 36,389,770
(d)	Deferred tax assets admitted as a result of application of SSAP No. 101. Total (2(a) + (2(b) + 2(c))	<u>\$ 36,389,770</u>	<u>\$ -</u>	<u>\$ 36,389,770</u>
		As of December 31, 2013		
		(4) Ordinary	(5) Capital	(6) (Col 4 + 5) 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 (1a - 1b)	-	-	-
2.	Adjusted gross deferred tax assets allowed per limitation threshold	-	-	-
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) that can be offset by gross deferred tax liabilities	\$ 26,027,797	\$ -	\$ 26,027,797
(d)	Deferred tax assets admitted as a result of application of SSAP No. 101. Total (2(a) + (2(b) + 2(c))	<u>\$ 26,027,797</u>	<u>\$ -</u>	<u>\$ 26,027,797</u>
		Change		
		(7) (Col 1 - 4) Ordinary	(8) (Col 2 - 5) Capital	(9) (Col 3 - 6) 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 (1a - 1b)	-	-	-
2.	Adjusted gross deferred tax assets allowed per limitation threshold	-	-	-
(c)	Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) that can be offset by gross deferred tax liabilities	\$ 10,361,973	\$ -	\$ 10,361,973
(d)	Deferred tax assets admitted as a result of application of SSAP No. 101. Total (2(a) + (2(b) + 2(c))	<u>\$ 10,361,973</u>	<u>\$ -</u>	<u>\$ 10,361,973</u>

3. The Company did not admit any deferred tax assets ("DTA") pursuant to paragraphs 11.a, 11.b.i or 11.b.ii of SSAP 101.

4. There was no impact on adjusted gross DTA or net admitted DTA as the result of either reinsurance related tax planning strategies or non-reinsurance related tax planning strategies.

Notes to Financial Statements

- B. There are no unrecognized deferred tax liabilities. As noted in Footnote 1, the Company's permitted practice with respect to the recognition of deferred tax liabilities on MSC collected had no effect on either net income for the years ended December 31, 2014 or December 31, 2013 or surplus at December 31, 2014 or December 31, 2013.
- C. Current and deferred income taxes incurred consist of the following major components:

The Company had no current income taxes incurred.

Deferred income tax assets and liabilities:

	(1)	(2)	(3)
	As of December 31, 2014	As of December 31, 2013	(Col 1 - 2) Change
1. Current Income Tax			
(a) Federal	\$ -	\$ -	\$ -
(b) Foreign	-	-	-
(c) Subtotal	\$ -	\$ -	\$ -
(d) Federal income tax on net capital gains	-	-	-
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Other	-	-	-
(g) Federal and foreign income taxes	\$ -	\$ -	\$ -
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ -	\$ -	\$ -
(2) Unearned premium reserve	200,042	104,050	95,992
(3) Policyholder reserves	-	-	-
(4) Investments	124,868	611,859	(486,991)
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	-	-	-
(8) Compensation and benefits accrual	5,004,055	3,272,432	1,731,623
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	-	-	-
(11) Net operating loss carry-forward	45,851,291	31,324,162	14,527,129
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	633,356	683,689	(50,333)
(99) Subtotal	\$ 51,813,612	\$ 35,996,192	\$ 15,817,420
(b) Statutory valuation allowance adjustment	\$ 15,423,842	\$ 9,968,395	\$ 5,455,447
(c) Nonadmitted	-	-	-
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 36,389,770	\$ 26,027,797	\$ 10,361,973
(e) Capital			
(1) Investments	\$ 348,296	\$ 258,976	\$ 89,320
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	\$ 348,296	\$ 258,976	\$ 89,320
(f) Statutory valuation allowance adjustment	\$ 348,296	\$ 258,976	\$ 89,320
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ -	\$ -	\$ -
(i) Admitted deferred tax assets (2d + 2h)	\$ 36,389,770	\$ 26,027,797	\$ 10,361,973
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	\$ -	\$ -	\$ -
(2) Fixed assets	81,755	93,750	(11,995)
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	36,308,015	25,934,047	10,373,968
(99) Subtotal	\$ 36,389,770	\$ 26,027,797	\$ 10,361,973
(b) Capital			
(1) Investments	\$ -	\$ -	\$ -
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	\$ -	\$ -	\$ -
(c) Deferred tax liabilities (3a99 + 3b99)	\$ 36,389,770	\$ 26,027,797	\$ 10,361,973
4. Net deferred tax assets/liabilities (2i - 3c)	\$ -	\$ -	\$ -

Notes to Financial Statements

- D. The Company's income tax incurred and change in deferred income tax differs from the amount obtained by applying the federal statutory rate of 35% to income before taxes as follows:

	For the Year Ended December 31, 2014	Effective Tax Rate
Provision computed at 35% statutory rate	\$ (11,128,581)	(35.0)%
Increase in actual tax reported resulting from:		
Nondeductible expenses for meals, penalties & lobbying	837,883	7.5%
Change in valuation allowance adjustment	5,544,767	49.8%
Other	4,745,931	42.6%
Total income tax reported	\$ <u><u>-</u></u>	0.0%
	For the Year Ended December 31, 2013	Effective Tax Rate
Provision computed at 35% statutory rate	\$ (10,255,928)	(35.0)%
Increase in actual tax reported resulting from:		
Nondeductible expenses for meals, penalties & lobbying	148,543	1.4%
Change in valuation allowance adjustment	4,009,749	39.1%
Other	6,097,636	59.5%
Total income tax reported	\$ <u><u>-</u></u>	0.0%

- E. Operating Loss Carryforward

- (1) The Company generated tax basis ordinary operating losses of \$40,175,065 and \$62,004,895 for the period ended December 31, 2014 and December 31, 2013, respectively. The Company has an unused ordinary operating loss carryforward of the \$130,673,833 available to offset against future taxable income. Unused ordinary operating losses of \$28,493,873, \$62,004,895 and \$40,175,065 expire in 2032, 2033 and 2034, respectively.

The Company generated tax basis capital losses of \$192,774 and \$940,295 for the period ended December 31, 2014 and December 31, 2013, respectively. The Company has unused capital loss carryforwards of \$1,133,069 available to offset against future taxable capital gains. Unused capital losses of \$940,295 and \$192,774 expire in 2018 and 2019, respectively.

- (2) At December 31, 2014, there are no amounts available for recoupment in the event of future net losses.
- (3) The Company has no deposits admitted under Section 6603 of the Internal Revenue Code.

- F. Consolidated Federal Income Tax Return

The Company's federal income tax return is not consolidated with those of any other entities.

- G. The Company had no income tax loss contingencies at December 31, 2014.

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

- A. During 2014, the Company formed BAM Asset Management LLC ("BAM AM"), a wholly owned non-insurance limited liability company domiciled in Delaware.
- B. During 2014, the Company formed and capitalized BAM AM.
- C. During 2014, the Company contributed \$5,001,000 of cash to BAM AM, of which BAM AM subsequently returned \$4,998,000 in the form of cash and marketable securities, resulting in a net capital contribution to BAM AM of \$3,000 for the year ended December 31, 2014.
- D. As of December 31, 2014, the Company had no amounts due to or due from BAM AM.
- E. The Company has not guaranteed any obligations of BAM AM.
- F. The Company provides BAM AM certain accounting and administrative services.
- G. BAM AM is 100% owned by the Company.
- H. The Company does not have a parent company.
- I. The Company did not have any investments in subsidiaries that exceed 10% of admitted assets as of December 31, 2014 or December 31, 2013.
- J. The Company did not recognize any impairment write downs for its investment in BAM AM for the year ended December 31, 2014 or December 31, 2013.
- K. The Company did not have any investments in foreign subsidiaries as of December 31, 2014 or December 31, 2013.
- L. The Company utilizes the look-through approach in valuing BAM AM at \$1,713. BAM AM's US GAAP basis financial statements are not audited and therefore the Company has non-admitted the entire investment in BAM AM at December 31, 2014.

Notes to Financial Statements

11. Debt

- A. The Company has not issued any debt during 2014 or 2013.
- B. The Company has no funding agreements with Federal Home Loan Banks (FHLB).

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

- A. The Company does not sponsor a defined benefit pension plan.
- B. The Company does not sponsor a defined benefit pension plan.
- C. The Company does not sponsor a defined benefit pension plan.
- D. The Company does not sponsor a defined benefit pension plan.
- E. The Company participates in a multiemployer defined contribution plan. All of Build America's employees are co-employed by Build America and a professional employer organization ("PEO"). Under this arrangement, the PEO is the employer of record; however, Build America directs the employees' day-to-day activities. Employees are eligible to participate in the PEO's defined contribution plan. Build America makes a matching contribution subject to limits set by the Internal Revenue Code. The Company provides a 100% match on employee contributions up to 3% of the employee's base pay. The Company provides a 50% match on employee contributions up to an additional 2% of the employee's base pay. The total cost to the Company of the defined contribution plan was \$396,243 and \$377,688 for the years ended December 31, 2014 and December 31, 2013, respectively.
- F. The Company participates in a multiemployer defined contribution plan. The funds contributed to the defined contribution plan are separate and discreet to Build America's employees and are not subject to changes in rates or contributions of the other multiemployer plan contributors.
- G. Consolidated/Holding Company Plans
The Company does not participate in any consolidated/holding company plans.
- H. Post Employment Benefits and Compensated Absences
The Company does not have any obligations for post employment benefits or compensated absences that have not been accrued for because the amounts could not be reasonably estimated.
- I. Impact of Medicare Modernization Act on Post Retirement Benefits
The Company does not sponsor a post retirement health care benefit plan.

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

- (1) The Company is a mutual insurance company and has not issued common stock.
- (2) The Company is a mutual insurance company and has not issued preferred stock.
- (3) The Company is a mutual insurance company and as such does not have any cumulative stockholders' dividends.
- (4) The Company is a mutual insurance company and does not have capital stock.
- (5) The Company is a mutual insurance company and does not pay ordinary dividends. Dividend payments to members require regulatory approval through July 15, 2015.
- (6) New York State's comprehensive financial guaranty insurance law defines the scope of permitted financial guaranty insurance and governs the conduct of business of all financial guarantors licensed to do business in the State of New York, including Build America. The New York financial guaranty insurance law also establishes single risk and aggregate risk limits with respect to insured obligations insured by financial guaranty insurers. Single risk limits are specific to the type of insured obligation. Under New York State Insurance Law policyholders' surplus and contingency reserves must be equal to or greater than a percentage of aggregate net liability. The percentage of aggregate net liability is equal to the sum of various percentages of aggregate net liability for various categories of specified obligations.

The Company only insures investment grade, fixed rate, long-term, essential public purpose municipal bonds in core sectors for municipalities or entities that qualify for tax exemption under Section 115 of the Internal Revenue Code. In addition, the Company maintains internal single and aggregate risk limits which are generally more conservative than the single and aggregate risk limits prescribed by New York State Insurance Law.
- (7) There were no mutual surplus advances during 2014 or 2013.
- (8) The Company does not hold stock for special purposes.
- (9) There were no special surplus funds as of December 31, 2014 or December 31, 2013.
- (10) There are no cumulative unrealized gains and losses in unassigned funds (surplus).

Notes to Financial Statements

(11) Surplus Notes

On July 17, 2012, the Company issued, for cash, the Series 2012-A Surplus Notes and Series 2012-B Surplus Notes (collectively, the "Surplus Notes") to HG Holdings and HG Re in the amount of \$203,000,000 and \$300,000,000, respectively.

Pursuant to the Amended and Restated Surplus Note Purchase Agreement (the "Amended Surplus Note Agreement"), effective January 1, 2014, Build America, HG Holdings and HG Re agreed to change the interest rate on the Surplus Notes for the five years ended December 31, 2018 from a fixed 8% rate to a variable rate equal to the one-year U.S. treasury rate plus 300 basis points, set annually. Prior to the end of 2018, Build America has the option to extend the variable rate period for another three years. Following the expiration of the variable rate period, the interest rate adjusts to the higher of the then variable rate or 8%. The Department approved the Amended Surplus Note Agreement on April 25, 2014.

Date Issued	Series	Interest Rate	Par Value (Face Amount of the Note)	Carrying Value of Note	Principal and/ or Interest Paid Current Year	Total Principal and/ or Interest Paid	Total Unapproved Principal and/ or Interest	Date of Maturity
July 17, 2012	2012-A	variable	\$ 203,000,000	\$ 203,000,000	\$ -	\$ -	\$ 233,007,813	April 1, 2042
July 17, 2012	2012-B	variable	\$ 300,000,000	\$ 300,000,000	\$ -	\$ -	\$ 344,346,522	April 1, 2042

The Amended Surplus Note Agreement provides for quarterly payments, on every March 1, June 1, September 1, and December 1, until all amounts due on the Surplus Notes have been paid, upon; i.) the Company's request for authority to make payment and ii.) the Department's approval of that request. These conditions to the payment of interest due on the Surplus Notes allow for the deferral of interest without the occurrence of a default under the Amended Surplus Note Agreement. The Company did not request Department approval for the payments through December 31, 2014 and does not anticipate requesting Department approval for the March 1, 2015 payment. No interest shall be accrued on deferred interest payments. The Surplus Notes are expressly subordinate and junior to the Company's policy obligations and all other liabilities other than distribution of assets to members. Because the Company is a mutual company, there is no liquidation preference for the insurer's common and preferred shareholders, as no such shares exist.

As funds become available to make interest and principal payments and subject to approval by the Department, payments will be made pursuant to the Amended Surplus Note Agreement in the following order, satisfying each category of payment in full before beginning payments on the subsequent category: i.) outstanding principal of the Series 2012-A Surplus Notes, plus any interest due and payable thereon, ii.) interest due and payable on Series 2012-B Surplus Notes, and iii.) outstanding principal of the Series 2012-B Surplus Notes.

The Company may not make any payment of principal or interest on the Series 2012-B Surplus Notes, or on any other debt subordinated to the Surplus Notes, until all interest due and all outstanding principal on the Series 2012-A Surplus Notes has been paid. In addition, the Company may not make any payment of principal on any debt subordinated to the Surplus Notes until all interest due and all outstanding principal on all of the Surplus Notes has been paid.

While the scheduled maturity date of the Surplus Notes is April 1, 2042, the Company has the option to pre-pay, in whole or in part, the principal amount of the Surplus Notes at par value prior to such date subject to Department approval and the conditions noted in the previous paragraphs.

(12) The Company has not undergone reorganization or quasi-reorganization.

(13) The Company has not undergone reorganization or quasi-reorganization.

14. Liabilities, Contingencies and Assessments

A. Commitments

- (1) The Company does not have contingent commitments to a joint venture, partnership or limited liability company.
- (2) Other than exposures resulting from the issuance of financial guaranty insurance policies, the Company does not have any outstanding guarantees.
- (3) Other than exposures resulting from the issuance of financial guaranty insurance policies, the Company does not have any outstanding guarantees.

B. The Company does not issue life insurance policies and therefore is not subject to guaranty fund assessments.

C. The Company did not recognize any gain contingencies.

D. The Company did not have any claims related to extra contractual obligations or bad faith losses stemming from lawsuits.

E. The Company did not issue any product warranties as of the balance sheet date.

F. The Company was not party to any joint and several liability arrangements as of December 31, 2014 or December 31, 2013.

G. The Company has not been named in any lawsuits. The Company does not have any assets that it considers to be impaired.

Notes to Financial Statements

15. Leases

A. Lessee Operating Lease

- (1) The Company leases office space in New York, New York, San Francisco, California and Houston, Texas under operating lease agreements that expire on December 31, 2015, October 15, 2017 and March 31, 2015, respectively.

On September 10, 2014, the Company executed an operating lease agreement for the New York, New York office space, as well as additional contiguous space, for the period January 1, 2016 to December 31, 2025. Under the terms of the lease, Build America has the option to extend the term of the lease for an additional five years for the period January 1, 2026 to December 31, 2030.

- (2) As of December 31, 2014, the minimum aggregate rental commitments are as follows:

Year	Amount
2015	\$ 810,146
2016	1,092,339
2017	1,750,546
2018	1,647,745
Thereafter	12,283,190
Total	<u>\$ 17,583,966</u>

- (3) The Company is not a party to any sales-leaseback transactions.

B. Other Leases

- (1) The Company is not the lessor in any leases.
- a. Not applicable
 - b. Not applicable
 - c. Not applicable
 - d. Not applicable
- (2) The Company is not party to any leveraged leases.
- e. Not applicable
 - f. Not applicable
 - g. Not applicable

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

Build America provides financial guaranty insurance for domestic public finance obligations. Total principal and interest exposure, net of reinsurance, at December 31, 2014 and December 31, 2013 was \$17,560,557,350 and \$7,237,798,291, respectively.

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

- A. The Company has not sold or transferred any receivables during 2014 or 2013.
- B. The Company has not transferred or serviced any financial assets during 2014 or 2013.
- C. The Company did not engage in any wash sale transactions during 2014 or 2013.

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

- A. The Company does not serve as an Administrative Services Only provider.
- B. The Company does not serve as an Administrative Services Contract provider.
- C. The Company is not a party to any Medicare or similarly structured cost based reimbursement contracts.

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

The Company did not write direct premiums through managing general agents or third party administrators.

20. Fair Value Measurements

- A. The fair values of the Company's financial instruments are determined primarily through the use of observable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from external independent sources. Unobservable inputs reflect management's assumptions about what market participants' assumptions would be in pricing the

Notes to Financial Statements

asset or liability based on the best information available. The Company classifies financial assets in the fair value hierarchy based on the lowest level input that is significant to the fair value measurement. This classification requires judgment in assessing the market and pricing methodologies for a particular security. The fair value hierarchy is comprised of the following three levels:

Level 1: Valuations are based on unadjusted quoted prices in active markets for identical financial assets or liabilities;

Level 2: Valuations of financial assets and liabilities are based on prices obtained from independent index providers, pricing vendors or broker-dealers using observable inputs; and

Level 3: Valuations are based on unobservable inputs for assets and liabilities where there is little or no market activity. Management's assumptions and/or internal valuation pricing models are used to determine the fair value of financial assets or liabilities.

- (1) The Company did not record any of its assets or liabilities at fair value as of December 31, 2014 or December 31, 2013.
- (2) During the years ended December 31, 2014 and December 31, 2013, the Company did not transfer any assets or liabilities into or out of Level 3. The estimated fair value of the liability for net financial guaranty insurance contracts as of December 31, 2014 and December 31, 2013 was \$31,299,741 and \$16,163,701, respectively.
- (3) Transfers of assets and liabilities into or out of Level 3 are reflected at their fair values as of the end of each reporting period, consistent with the date of determination of fair value.
- (4) The following inputs, methods and assumptions were used to determine the fair value of each class of financial instrument for which it is practicable to estimate that value:

Bonds

The estimated fair values generally represent prices received from third party pricing services or alternative pricing sources. The pricing services prepare estimates of fair value measurements using their pricing applications, which include available relevant market information, benchmark curves, benchmarking of like securities and matrix pricing. The observable inputs used in the valuation of these securities may include the spread above the risk-free yield curve, reported trades, broker-dealer quotes, bids, prepayment speeds, delinquencies, loss severity and default rates. In cases where specific market quotes are unavailable, interpreting market data and estimating market values require considerable judgment by management. Accordingly, the estimates presented are not necessarily indicative of the amount the Company could realize in the market. In these cases, the fair value measurements are primarily classified as Level 2.

Cash and Short-Term Investments

The fair value of cash and short-term investments approximates its amortized cost. The fair value measurements were classified as Level 1.

Investment Income Due and Accrued

The fair value of investment income due and accrued approximates carrying value, and the fair value measurements were classified as Level 1.

Net Financial Guarantee Insurance Contracts

The fair value of net financial guarantee insurance contracts represents the Company's estimate of the cost to Build America to completely transfer its insurance obligations to another financial guarantor under current market conditions. Theoretically, this amount should be the same amount that another financial guarantor would hypothetically charge in the market place to provide the same protection as of the balance sheet date. The cost to transfer these insurance obligations is based on pricing assumptions observed in the financial guaranty market and includes adjustments to the carrying value of unearned premium reserves, member surplus contributions and ceding commissions. The significant inputs are not observable. The Company accordingly classified this fair value measurement as Level 3.

- (5) The Company did not hold any derivative assets or liabilities at December 31, 2014 or December 31, 2013.

B. The fair values of the Company's financial instruments are reflected in the table in footnote 20(C).

Notes to Financial Statements

- C. The admitted assets, fair values and related level classification within the fair value hierarchy of the Company's financial instruments was as follows:

Fair Value Measurements as of December 31, 2014

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Financial Assets						
Bonds	\$ 419,349,996	\$ 420,892,608	\$ -	\$ 420,892,608	\$ -	\$ -
Cash and short-term investments	52,115,811	52,115,811	52,115,811	-	-	-
Investment income due and accrued	2,548,293	2,548,293	2,548,293	-	-	-
Total Financial Assets	\$ 475,556,712	\$ 475,556,712	\$ 54,664,104	\$ 420,892,608	\$ -	\$ -
Financial Liabilities						
Net financial guaranty insurance contracts	31,299,741	-	-	-	31,299,741	-
Total Financial Liabilities	\$ 31,299,741	\$ -	\$ -	\$ -	\$ 31,299,741	\$ -

Fair Value Measurements as of December 31, 2013

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Financial Assets						
Bonds	\$ 441,678,303	\$ 450,017,589	\$ -	\$ 441,678,303	\$ -	\$ -
Cash and short-term investments	33,648,559	33,648,559	33,648,559	-	-	-
Investment income due and accrued	2,687,481	2,687,481	2,687,481	-	-	-
Total Financial Assets	\$ 478,014,343	\$ 486,353,629	\$ 36,336,040	\$ 441,678,303	\$ -	\$ -
Financial Liabilities						
Net financial guaranty insurance contracts	16,163,701	-	-	-	16,163,701	-
Total Financial Liabilities	\$ 16,163,701	\$ -	\$ -	\$ -	\$ 16,163,701	\$ -

- D. Not applicable

21. Other Items

- A. The Company had no extraordinary items during 2014 or 2013.
- B. The Company does not have outstanding debt and did not restructure debt in 2014 or 2013.
- C. The Company had no other disclosures or unusual items in 2014 or 2013.
- D. The Company had no business interruption insurance recoveries during 2014 or 2013.
- E. The Company did not have any state transferable tax credits as of December 31, 2014 or December 31, 2013.
- F. The Company did not have any sub-prime mortgage related exposure as of December 31, 2014 or December 31, 2013.

22. Events Subsequent

Pursuant to Statement of Statutory Accounting Principles ("SSAP") No. 9, Subsequent Events, the date through which Type I or Type II subsequent events have been evaluated was February 18, 2015 for the year ended December 31, 2014, the date in which the statutory financial statements were available for issue. Based on the Company's evaluation, no material items were noted.

23. Reinsurance

- A. The Company did not have an unsecured aggregate recoverable for losses, loss adjustment expenses and unearned premium with any individual reinsurers that exceeds 3% of the Company's policyholder surplus.
- B. The Company did not have any reinsurance recoverables in dispute as of December 31, 2014 or December 31, 2013.
- C. Reinsurance Assumed and Ceded

- (1) The following table summarizes ceded and assumed unearned premiums and the related commission equity at the end of the current year:

December 31, 2014

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All Other	-	-	21,794,515	4,965,006	(21,794,515)	(4,965,006)
c. Total	\$ -	\$ -	\$ 21,794,515	\$ 4,965,006	\$ (21,794,515)	\$ (4,965,006)
d. Direct Unearned Premium Reserve			\$ 28,271,546			

December 31, 2013:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
b. All Other	-	-	10,564,174	2,429,496	(10,564,174)	(2,429,496)
c. Total	\$ -	\$ -	\$ 10,564,174	\$ 2,429,496	\$ (10,564,174)	\$ (2,429,496)
d. Direct Unearned Premium Reserve			\$ 13,561,198			

- (2) The Company does not have additional or return commissions that are predicated on loss experience or other forms of profit sharing arrangements as a result of existing contractual arrangements.
- (3) The Company does not use protected cells as an alternative to traditional reinsurance.

Notes to Financial Statements

- D. The Company did not have any uncollectible reinsurance as of December 31, 2014 or December 31, 2013.
- E. The Company did not commute any ceded reinsurance as of December 31, 2014 or December 31, 2013.
- F. The Company did not have any retroactive reinsurance as of December 31, 2014 or December 31, 2013.
- G. The Company did not have any reinsurance accounted for as a deposit as of December 31, 2014 or December 31, 2013.
- H. The Company did not have any disclosures for the transfer of property and casualty run-off agreements as of December 31, 2014 or December 31, 2013.
- I. The Company has no ceded reinsurance balances to a certified reinsurer as of December 31, 2014 or December 31, 2013.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

The Company does not issue retrospectively rated contracts or contracts subject to redetermination. The Company's reinsurance contract is not retrospectively rated or subject to redetermination.

25. Changes in Incurred Losses and Loss Adjustment Expenses

The Company did not have any losses and loss adjustment expenses for the years ended December 31, 2014 or December 31, 2013.

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

27. Structured Settlements

The Company has not purchased any annuities or completed structured settlements in 2014 or 2013.

28. Health Care Receivables

The Company does not have any health care receivables as of December 31, 2014 or December 31, 2013.

29. Participating Accident and Health Policies

The Company did not issue participating accident or health contracts during 2014 or 2013.

30. Premium Deficiency Reserves

The Company utilizes anticipated investment income as a factor in the premium deficiency calculation. The Company did not have premium deficiency reserves as of December 31, 2014 or December 31, 2013.

31. High Deductibles

The Company has not recorded any reserve credits during 2014 or 2013 relating to high deductibles on unpaid claims.

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

The Company did not have any losses and loss adjustment expenses as of December 31, 2014 or December 31, 2013.

33. Asbestos / Environmental Reserves

The Company has not written any policies that have been identified as having the potential for the existence of a liability due to asbestos or environmental losses.

34. Subscriber Savings Accounts

The Company is not a reciprocal exchange and, therefore, does not have subscriber savings accounts.

35. Multiple Peril Crop Insurance

The Company does not write multiple peril crop insurance.

36. Financial Guaranty Insurance

A. The following disclosures for financial guaranty insurance contracts in force as of December 31, 2014:

- (1) The following disclosures are for installment financial guaranty insurance contracts in force as of December 31, 2014:
 - a. The gross unearned premium reserve on an undiscounted basis for the entire book of business that would have been reported had all installment premiums been received at inception would have been \$29,513,894 as of December 31, 2014.

Notes to Financial Statements

- b. The table below summarizes future, undiscounted premiums expected to be collected under installment contracts as of December 31, 2014:

	Future Expected Undiscounted Premiums Collections
1. (a) 1st Quarter 2015	\$ -
(b) 2nd Quarter 2015	-
(c) 3rd Quarter 2015	-
(d) 4th Quarter 2015	-
(e) Year 2016	-
(f) Year 2017	-
(g) Year 2018	-
(h) Year 2019	-
2. (a) Years 2020 through 2024	193,895
(b) Years 2025 through 2029	524,721
(c) Years 2030 through 2034	329,807
(d) Years 2035 through 2039	164,900
(e) Years 2040 through 2044	19,137
(f) Years 2045 through 2049	-
(g) Years 2050 through 2054	-
Total	\$ 1,232,460

- c. The table below provides a roll forward of the expected future, undiscounted premiums:

1. Expected future premiums - beginning of year	\$ -
2. Less: premium payments received for existing installment contracts	-
3. Add: expected premium payments for new installment contracts	1,232,460
4. Adjustments to the expected future premium payments	-
5. Expected future premiums - end of year	\$ 1,232,460

- (2) The following disclosures are for non-installment financial guaranty insurance contracts in force as of December 31, 2014:

- a. The Company did not recognize any accelerated earned premium revenue on non-installment contracts during the quarter ended December 31, 2014.
- b. The table below summarizes future expected earned premium revenue, net of reinsurance, on non-installment financial guaranty contracts as of December 31, 2014:

	Future Expected Earned Premiums, Net of Reinsurance
1. (a) 1st Quarter 2015	\$ 55,386
(b) 2nd Quarter 2015	55,225
(c) 3rd Quarter 2015	90,081
(d) 4th Quarter 2015	70,301
(e) Year 2016	288,232
(f) Year 2017	311,359
(g) Year 2018	317,792
(h) Year 2019	320,063
2. (a) Years 2020 through 2024	1,516,086
(b) Years 2025 through 2029	1,252,347
(c) Years 2030 through 2034	951,810
(d) Years 2035 through 2039	676,370
(e) Years 2040 through 2044	442,520
(f) Years 2045 through 2049	76,202
(g) Years 2050 through 2054	53,258
(h) Years 2055 through 2059	-
(i) Years 2060 through 2064	-
Total	\$ 6,477,031

- (3) The Company did not have any claim liabilities for financial guaranty insurance contracts in force as of December 31, 2014.

- (4) Insured obligations are monitored periodically with the objective of identifying emerging trends, ensuring proper ratings for capital allocation and avoiding or minimizing losses.

Currently, all of Build America's insured obligations are "Performing" and exhibit no indication that the status will change. The Company does not establish any case basis reserves for insured obligations that are "Performing".

Should any of Build America's insured obligations exhibit weakness that could potentially lead to a rating of below investment grade, those obligations would be placed on Build America's "Watchlist" and would be monitored closely.

If the insured obligation requires distressed credit management, a team of Build America's professionals and, possibly, outside consultants or attorneys, would be engaged to work with the obligor to improve its financial situation and avoid or minimize losses to Build America.

Notes to Financial Statements

If Build America determines that a loss on a Build America "Watchlist" policy is expected and measurable, then Build America would establish a reserve for that policy.

- B. The Company did not have any claim liabilities for financial guaranty insurance contracts inforce as of December 31, 2014.

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[] No[] N/A[X]
- 1.3 State Regulating? New York
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes[] No[X]
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 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. 07/18/2012
- 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). 07/18/2012
- 3.4 By what department or departments?
New York State Department of Financial Services
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[] No[] N/A[X]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[] No[] N/A[X]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[] No[X]
- 4.12 renewals? Yes[] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[] No[X]
- 4.22 renewals? Yes[] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[] No[X]
- 5.2 If yes, provide the name of the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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

1 Nationality	2 Type of Entity
.....

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes[] No[X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes[] No[X]
- 8.4 If response to 8.3 is yes, please provide the names and 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?
PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, New York 10017
- 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?
Mark Littmann, PricewaterhouseCoopers LLP, 185 Asylum Street, Suite 2400, Hartford, CT 06103

GENERAL INTERROGATORIES (Continued)

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

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

BOARD OF DIRECTORS

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

FINANCIAL

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

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
 24.02 If no, give full and complete information, relating thereto
 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ 0
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]

GENERAL INTERROGATORIES (Continued)

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

- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[X] No[]
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 5,666,501
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$ 133,775
- 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
The Bank of New York Mellon	500 Grant Street, Pittsburgh, PA 15258

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
107105	BlackRock Financial Management	55 East 52nd Street, New York, NY 10055

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

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

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

GENERAL INTERROGATORIES (Continued)

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	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	2	3
		Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	455,735,725	454,193,113	(1,542,612)
30.2	Preferred stocks			
30.3	Totals	455,735,725	454,193,113	(1,542,612)

30.4 Describe the sources or methods utilized in determining the fair values

The fair values of the Company's financial instruments are determined primarily through the use of observable inputs. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from external independent sources. Unobservable inputs reflect management's assumptions about what market participants' assumptions would be in pricing the asset or liability based on the best information available.

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:

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? \$ 2,613,609

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	2
Name	Amount Paid
Standard & Poor's	2,555,786

34.1 Amount of payments for legal expenses, if any? \$ 381,623

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	2
Name	Amount Paid
Orrick, Herrington & Sutcliffe LLP	232,800
Drinker, Biddle & Reath LLP	132,369

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ 0

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	2
Name	Amount Paid

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:
- 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	159,256	23,835
2.3 Premium Ratio (2.1 / 2.2) .....	.....	.....
2.4 Reserve Numerator .....	.....	.....
2.5 Reserve Denominator	6,477,031	2,997,024
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[X] N/A []
- 4.2 Does the reporting entity issue non-assessable policies? Yes[X] No [] N/A []
- 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 0%
- 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$ 0
5. For Reciprocal Exchanges Only:
- 5.1 Does the exchange appoint local agents? Yes [] No [] N/A[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?
- 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 and has not issued workers' compensation contracts.
- 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 uses a number of internal models and tools to assess its probable maximum loss.
- 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 does not write and has not issued contracts with catastrophe exposure. The Company has a first-loss reinsurance agreement covering 15% of gross par outstanding on each policy issued. The reinsurer's obligations under this reinsurance agreement are secured by and limited to, the value of, high quality assets held in trusts, which are pledged for the benefit of the Company.
- 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
The Company does not write and has not issued contracts with catastrophe exposure. The Company has a first-loss reinsurance agreement covering 15% of gross par outstanding on each policy issued. The reinsurer's obligations under this reinsurance agreement are secured by and limited to, the value of, high quality assets held in trusts, which are pledged for the benefit of the Company.
- 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): \$ 226,560,270
- 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[X] No[]
- 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. 1
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes[] No[X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes[] No[] N/A[X]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes[] No[] N/A[X]
- 14.5 If the answer to 14.4 is no, please explain
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes[] No[X]
- 15.2 If yes, give full information:
- 16.1 Does the reporting entity write any warranty business? Yes[] No[X]
 If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

GENERAL INTERROGATORIES (Continued)

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

FIVE - YEAR HISTORICAL DATA

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

	1 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)	15,433,775	13,559,725	109,323		
5. Nonproportional Reinsurance Lines (Lines 31, 32, & 33)					
6. TOTAL (Line 35)	15,433,775	13,559,725	109,323		
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)	3,639,263	2,996,699	24,160		
11. Non-proportional Reinsurance Lines (Lines 31, 32 & 33)					
12. TOTAL (Line 35)	3,639,263	2,996,699	24,160		
Statement of Income (Page 4)					
13. Net underwriting gain or (loss) (Line 8)	(37,220,396)	(33,205,919)	(19,779,442)		
14. Net investment gain or (loss) (Line 11)	5,424,450	3,903,270	1,621,065		
15. TOTAL other income (Line 15)					
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)					
18. Net income (Line 20)	(31,795,946)	(29,302,649)	(18,158,377)		
Balance Sheet Lines (Pages 2 and 3)					
19. TOTAL admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	475,718,736	486,528,878	491,173,909		
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)					
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)	26,940,544	17,479,483	7,457,782		
22. Losses (Page 3, Line 1)					
23. Loss adjustment expenses (Page 3, Line 3)					
24. Unearned premiums (Page 3, Line 9)	6,477,031	2,997,024	24,160		
25. Capital paid up (Page 3, Lines 30 & 31)					
26. Surplus as regards policyholders (Page 3, Line 37)	448,778,196	469,049,395	483,716,127		
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(19,620,732)	(12,713,417)	(11,006,774)		
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)	89.0	93.0	95.7		
31. Stocks (Lines 2.1 & 2.2)					
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	11.0	7.0	4.3		
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)	0.0				
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
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)	(1,287)				
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	(20,271,199)	(14,666,731)	483,716,127		
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)					
68. Loss expenses incurred (Line 3)					
69. Other underwriting expenses incurred (Line 4)	23,471.5	139,415.8			
70. Net underwriting gain (loss) (Line 8)	(23,371.5)	(139,315.8)			
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)	1,027.1	1,108.9	81,868.6		
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)					
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)	0.8	0.6	0.0		
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:

DIRECT BUSINESS IN THE STATE OF GRAND TOTAL DURING THE YEAR

NAIC Company Code: 14380

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												
8. Ocean marine												
9. Inland marine												
10. Financial guaranty	15,433,775	723,427		28,271,546								603,492
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)	15,433,775	723,427		28,271,546								603,492

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 Rein- surers 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					
Unauthorized - Other Non-U.S. Insurers																					
AA-3191195	00000	HG Re Ltd	BMU		11,795									21,795		21,795	14		21,781		
2599998 Total - Unauthorized - Other Non-U.S. Insurers (Under \$100,000)																					
2599999 Total - Unauthorized - Other Non-U.S. Insurers						11,795								21,795		21,795	14		21,781		
2699999 Total - Unauthorized						11,795								21,795		21,795	14		21,781		
4099999 Total - Authorized, Unauthorized and Certified						11,795								21,795		21,795	14		21,781		
4199999 Total - Protected Cells																					
9999999 Totals						11,795								21,795		21,795	14		21,781		

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)
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)	HG Re Ltd	21,781	11,795	Yes[] No[X] ...
2)	Yes[] No[X] ...
3)	Yes[] No[X] ...
4)	Yes[] No[X] ...
5)	Yes[] No[X] ...

SCHEDULE F - PART 4

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

1 ID Number	2 NAIC Company Code	3 Name of Reinsurer	4 Domiciliary Jurisdiction	Reinsurance Recoverable on Paid Losses and Paid Loss Adjustment Expenses							12 Percentage Overdue Col. 10/Col. 11	13 Percentage More Than 120 Days Overdue Col. 9/Col. 11
				5 Current	Overdue				11 Total Due Cols. 5 + 10			
					6 1 - 29 Days	7 30-90 Days	8 91-120 Days	9 Over 120 Days		10 Total Overdue Columns 6 + 7 + 8 + 9		
NONE												
9999999 Totals												

SCHEDULE F - PART 5

Provision for Unauthorized Reinsurance as of December 31, Current Year (000 Omitted)

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
ID Number	NAIC Company Code	Name of Reinsurer	Domiciliary Jurisdiction	Reinsurance Recoverable All Items Schedule F Pt. 3, Col.15	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	Issuing or Confirming Bank Reference Number (a)	Ceded Balances Payable	Miscellaneous Balances Payable	Trust Funds and Other Allowed Offset Items	Total Collateral and Offsets Allowed (Cols. 6+7+9 +10+11 But Not in Excess of Col. 5)	Provision for Unauthorized Reinsurance (Col. 5 minus Col. 12)	Recoverable Paid Losses & LAE Expenses Over 90 Days Past Due Not In Dispute	20 % of Amount in Col. 14	20% of Amount in Dispute Included in Column 5	Provision for Overdue Reinsurance (Col. 15 plus Col. 16)	Total Provision for Reinsurance Ceded to Unauthorized Reinsurers (Col. 13 + Col. 17 but not in Excess of Col. 5)
Other Non-U.S. Insurers																	
AA-3191195	00000	HG Re Ltd	BMU	21,781				14		21,964	21,781						
1299999 Total - Other Non-U.S. Insurers				21,781			X X X	14		21,964	21,781						
1399999 Total - Affiliates and Others				21,781			X X X	14		21,964	21,781						
1499999 Total - Protected Cells							X X X										
9999999 Totals				21,781			X X X	14		21,964	21,781						

1. Amounts in dispute totaling \$.....0 are included in Column 5.
 2. Amounts in dispute totaling \$.....0 are excluded from Column 14.

(a)

Issuing or Confirming Bank Reference Number	Letter of Credit Code	American Bankers Association (ABA) Routing Number	Issuing or Confirming Bank Name	Letter of Credit Amount

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

SCHEDULE F - PART 8

Provision for Overdue Reinsurance as of December 31, Current Year

1	2	3	4	5	6	7	8	9	10	11	12
ID Number	NAIC Company Code	Name of Reinsurer	Reinsurance Recoverable All Items	Funds Held By Company Under Reinsurance Treaties	Letters of Credit	Ceded Balances Payable	Other Miscellaneous Balances	Other Allowed Offset Items	Sum of Cols. 5 through 9 but not in Excess of Column 4	Column 4 minus Column 10	Greater of Column 11 or Schedule F Part 4 Col. 8+9
9999999 Totals											
1. Total											
2. Line 1 x .20											
3. Schedule F - Part 7 Column 11											
4. Provision for Overdue Authorized Reinsurance (Line 2 + 3)											
5. Provision for Reinsurance Ceded to Unauthorized Reinsurers (Schedule F Part 5 Col. 18 x 1000)											
6. Provision for Reinsurance Ceded to Certified Reinsurers (Schedule F Part 6, Sn 1, Col. 21 x 1000)											
7. Provision for Overdue Reins. Ceded to Certified Reinsrs (Sch. F Part 6, Sn 2, Col. 15 x 1000)											
8. Provision for Reinsurance (sum Lines 4 + 5 + 6 + 7) (Enter this amount on Page 3, Line 16)											

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)	473,025,970		473,025,970
2. Premiums and considerations (Line 15)			
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	2,692,766		2,692,766
6. Net amount recoverable from reinsurers		21,780,442	21,780,442
7. Protected cell assets (Line 27)			
8. TOTALS (Line 28)	475,718,736	21,780,442	497,499,178
LIABILITIES (Page 3)			
9. Losses and loss adjustment expenses (Lines 1 through 3)			
10. Taxes, expenses, and other obligations (Lines 4 through 8)	15,705,427		15,705,427
11. Unearned premiums (Line 9)	6,477,031	21,794,515	28,271,546
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)	14,073	(14,073)	0
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	4,744,013		4,744,013
19. TOTAL Liabilities excluding protected cell business (Line 26)	26,940,544	21,780,442	48,720,986
20. Protected cell liabilities (Line 27)			
21. Surplus as regards policyholders (Line 37)	448,778,196	X X X	448,778,196
22. TOTALS (Line 38)	475,718,740	21,780,442	497,499,182

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	108	84	24									X X X
11. 2014	723	564	159									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													X X X
12. Totals													X X X

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

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.

34	Schedule P - Part 2 Summary	NONE
34	Schedule P - Part 3 Summary	NONE
34	Schedule P - Part 4 Summary	NONE
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 ...	..... 108	..... 84	..... 24	.....	.....	.....	.....	.....	.....	.....	.....	... X X X ...
3. 2014 ...	..... 723	..... 564	..... 159	.....	.....	.....	.....	.....	.....	.....	.....	... 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						
	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	
4. Totals	

	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 ...	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
4. Totals ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	... X X X ...	.....	.....	... X X X ...	.....	.....

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
61	Schedule P - Part 2R Sn 1 - Products Liability - Occurrence	NONE
61	Schedule P - Part 2R Sn 2 - Products Liability - Claims-Made	NONE
61	Schedule P - Part 2S - Financial Guaranty/Mortgage Guaranty	NONE
61	Schedule P - Part 2T - Warranty	NONE
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
71	Schedule P - Part 4R Sn 1 - Products Liability - Occurrence	NONE

71	Schedule P - Part 4R Sn 2 - Products Liability - Claims-Made	NONE
71	Schedule P - Part 4S - Financial Guaranty/Mortgage Guaranty	NONE
71	Schedule P - Part 4T - Warranty	NONE
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	151,820	5,944						
2. Alaska (AK)	L								
3. Arizona (AZ)	L	88,870	3,419						
4. Arkansas (AR)	L	135,508	121						
5. California (CA)	L	4,073,994	245,860						
6. Colorado (CO)	L	68,737	4,008						
7. Connecticut (CT)	L	110,263	2,027						
8. Delaware (DE)	L								
9. District of Columbia (DC)	L								
10. Florida (FL)	L	209,690	3,305						
11. Georgia (GA)	L	71,763	198						
12. Hawaii (HI)	L	102,019							
13. Idaho (ID)	L								
14. Illinois (IL)	L	544,942	20,623						
15. Indiana (IN)	L	192,415	3,930						
16. Iowa (IA)	L	76,297	792						
17. Kansas (KS)	L	56,079	830						
18. Kentucky (KY)	L	64,784	429						
19. Louisiana (LA)	L	476,338	4,784						
20. Maine (ME)	L								
21. Maryland (MD)	L								
22. Massachusetts (MA)	L	60,076	1,862						
23. Michigan (MI)	L	238,636	10,536						
24. Minnesota (MN)	L	24,663							
25. Mississippi (MS)	L	79,643	266						
26. Missouri (MO)	L	47,466							
27. Montana (MT)	L								
28. Nebraska (NE)	L								
29. Nevada (NV)	L		1,972						
30. New Hampshire (NH)	L								
31. New Jersey (NJ)	L	223,137	3,662						
32. New Mexico (NM)	L	231,309	18,794						
33. New York (NY)	L	3,961,700	133,550						
34. North Carolina (NC)	L								
35. North Dakota (ND)	L								
36. Ohio (OH)	L	299,144	5,588						
37. Oklahoma (OK)	L	49,071	3,499						
38. Oregon (OR)	L								
39. Pennsylvania (PA)	L	914,221	82,576						
40. Rhode Island (RI)	L								
41. South Carolina (SC)	L	89,396	14,525						
42. South Dakota (SD)	L	7,345	59						
43. Tennessee (TN)	L	32,170	654						
44. Texas (TX)	L	2,577,911	147,648						
45. Utah (UT)	L								
46. Vermont (VT)	L								
47. Virginia (VA)	L	24,371	83						
48. Washington (WA)	L	57,591	437						
49. West Virginia (WV)	L								
50. Wisconsin (WI)	L	92,409	1,445						
51. Wyoming (WY)	L								
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	15,433,775	723,427						

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.

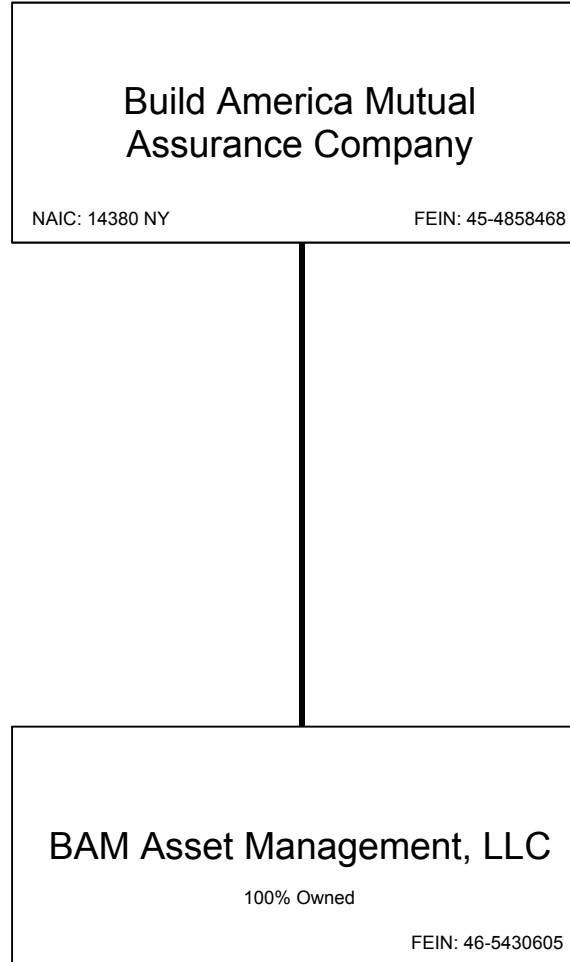
(a) Insert the number of L responses except for Canada and Other Alien.
Explanation of basis of allocation of premiums by states, etc.: Premiums allocated based on location of risk and/or policyholders.

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)	*
.....	14380	45-4858468	.....	.....	.....	Build America Mutual Assurance Company	NY	RE	.....	.....	.....	.....	.....
.....	00000	46-5430605	.....	.....	.....	BAM Asset Management, LLC	DE	DS	Build America Mutual Assurance Company	Ownership	100.0	Build America Mutual Assurance Company	.....

Asterisk	Explanation
0000001

SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13
NAIC Company Code	ID Number	Names of Insurers and Parent, Subsidiaries or Affiliates	Shareholder Dividends	Capital Contributions	Purchases, Sales or Exchanges of Loans, Securities, Real Estate, Mortgage Loans or Other Investments	Income/(Disburse- ments) Incurred in Connection with Guarantees or Undertakings for the Benefit of any Affiliate(s)	Management Agreements and Service Contracts	Income/ (Disbursements) Incurred Under Reinsurance Agreements	*	Any Other Material Activity not in the Ordinary Course of the Insurer's Business	Totals	Reinsurance Recoverable/ (Payable) on Losses and/or Reserve Credit Taken/ (Liability)
.. 14380 ..	.. 45-4858468 ..	BUILD AMER MUT ASSUR CO ..	.....	..... (3,000)	.....	.....	.....	.....	.....	.....	..... (3,000)	.....
.. 00000 ..	.. 46-5430605 ..	BAM Asset Management, LLC ..	.....	..... 3,000	.....	.....	.....	.....	.....	.....	..... 3,000	.....
9999999 Control Totals ..		.....	.....	.....	.....	.....	.....	.....	XXX	.....	.....	.....

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? | Waived |
| 4. Will the confidential Risk-based Capital Report be filed with the state of domicile, if required, by March 1? | Waived |

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? | Waived |
|---|--------|

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? | Yes |
| 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? | No |
| 23. Will the Bail Bond Supplement be filed with the state of domicile and the NAIC by March 1? | No |
| 24. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC by March 1? | No |
| 25. Will an approval from the reporting entity's state of domicile for relief related to the five-year rotation requirement for lead audit partner be filed electronically with the NAIC by March 1? | No |
| 26. Will an approval from the reporting entity's state of domicile for relief related to the one-year cooling off period for independent CPA be filed electronically with the NAIC by March 1? | No |
| 27. Will an approval from the reporting entity's state of domicile for relief related to the Requirements for Audit Committees be filed electronically with the NAIC by March 1? | No |

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? | See Explanation |
|--|-----------------|

Explanations:

33. The Company did not meet the threshold required for the filing.

Bar Codes:

Risk-Based Capital Filing



Statement (Annual, quarterly and combined)



Schedule SIS



Medicare Supplement Insurance Experience Exhibit



Supplement A to Schedule T



Trusteed Surplus Statement



SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

Premiums Attributed to Protected Cells Exhibit



Reinsurance Summary Supplemental Filing



Medicare Part D Coverage Supplement



Exceptions to the Reinsurance Attestation Supplement



Bail Bond Supplement



Director and Officer Supplement



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



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



Approval for Relief related to Require. for Audit Committees



Credit Insurance Exhibit



LTC Supplemental Interrogatories



Accident and Health Policy Experience Exhibit



Supplemental Health Care Exhibit



Supplemental Health Care Exhibit's Expense Allocation Report



NONE

SUMMARY INVESTMENT SCHEDULE

Investment Categories	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4	5	6
	Amount	Percentage	Amount	Securities Lending Reinvested Collateral Amount	Total (Col. 3 + 4) Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities	5,028,415	1.063	5,028,415		5,028,415	1.063
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	43,736,968	9.246	43,736,968		43,736,968	9.246
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	4,399,537	0.930	4,399,537		4,399,537	0.930
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	2,180,764	0.461	2,180,764		2,180,764	0.461
1.43 Revenue and assessment obligations	11,865,719	2.508	11,865,719		11,865,719	2.508
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	44,925,422	9.497	44,925,422		44,925,422	9.497
1.512 Issued or Guaranteed by FNMA and FHLMC	40,656,370	8.595	40,656,370		40,656,370	8.595
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						
2. Other debt and other fixed income securities (excluding short term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	268,099,413	56.677	268,099,413		268,099,413	56.678
2.2 Unaffiliated Non-U.S. securities (including Canada)						
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	17,551	0.004	17,551		17,551	0.004
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	52,115,811	11.017	52,115,811		52,115,811	11.018
11. Other invested assets	1,713	0.000				
12. TOTAL Invested assets	473,027,683	100.000	473,025,970		473,025,970	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		
8. Deduct amortization of premium and mortgage interest	NONE	
9. TOTAL foreign exchange change in book value/recorded investment		
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)	1,000	
2.2	Additional investment made after acquisition (Part 2, Column 9)	5,000,000	5,001,000
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	(1,287)	
5.2	TOTALS, Part 3, Column 9		(1,287)
6.	TOTAL gain (loss) on disposals, Part 3, Column 19		
7.	Deduct amounts received on disposals, Part 3, Column 16		4,998,000
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)		1,713
12.	Deduct total nonadmitted amounts		1,713
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		450,017,589
2.	Cost of bonds and stocks acquired, Part 3, Column 7		42,435,068
3.	Accrual of Discount		86,075
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		(228,931)
6.	Deduction consideration for bonds and stocks disposed of, Part 4, Column 7		65,815,245
7.	Deduct amortization of premium		5,601,948
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)		420,892,608
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)		420,892,608

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					
Governments (Including all obligations guaranteed by governments)	1. United States	49,953,837	49,436,935	50,050,536	46,905,034
	2. Canada				
	3. Other Countries				
	4. TOTALS	49,953,837	49,436,935	50,050,536	46,905,034
U.S. States, Territories and Possessions (Direct and guaranteed)	5. TOTALS	4,399,537	4,410,566	4,398,558	4,410,000
U.S. Political Subdivisions of States, Territories and Possessions (Direct and guaranteed)	6. TOTALS	2,180,764	2,175,450	2,195,390	2,000,000
U.S. Special revenue and special assessment obligations and all non-guaranteed obligations of agencies and authorities of governments and their political subdivisions	7. TOTALS	96,259,057	96,871,300	97,288,339	93,590,177
Industrial and Miscellaneous and Hybrid Securities (unaffiliated)	8. United States	268,099,413	266,458,765	276,352,554	259,154,000
	9. Canada				
	10. Other Countries				
	11. TOTALS	268,099,413	266,458,765	276,352,554	259,154,000
Parent, Subsidiaries and Affiliates	12. TOTALS				
	13. TOTAL Bonds	420,892,608	419,353,016	430,285,377	406,059,211
PREFERRED STOCKS					
Industrial and Miscellaneous (unaffiliated)	14. United States				
	15. Canada				
	16. Other Countries				
	17. TOTALS				
Parent, Subsidiaries and Affiliates	18. TOTALS				
	19. TOTAL Preferred Stocks				
COMMON STOCKS					
Industrial and Miscellaneous (unaffiliated)	20. United States				
	21. Canada				
	22. Other Countries				
	23. TOTALS				
Parent, Subsidiaries and Affiliates	24. TOTALS				
	25. TOTAL Common Stocks				
	26. TOTAL Stocks				
	27. TOTAL Bonds and Stocks	420,892,608	419,353,016	430,285,377	

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

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)
1. U.S. Governments											
1.1 NAIC 1	40,983,195	21,321,118	10,357,427	7,976,716	4,158,498	84,796,954	18.61	78,359,002	16.43	84,796,954	
1.2 NAIC 2											
1.3 NAIC 3											
1.4 NAIC 4											
1.5 NAIC 5											
1.6 NAIC 6											
1.7 TOTALS	40,983,195	21,321,118	10,357,427	7,976,716	4,158,498	84,796,954	18.61	78,359,002	16.43	84,796,954	
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		1,497,310	2,902,227			4,399,537	0.97			4,399,538	
3.2 NAIC 2											
3.3 NAIC 3											
3.4 NAIC 4											
3.5 NAIC 5											
3.6 NAIC 6											
3.7 TOTALS		1,497,310	2,902,227			4,399,537	0.97			4,399,538	
4. U.S. Political Subdivisions of States, Territories & Possessions, Guaranteed											
4.1 NAIC 1		1,077,869	1,102,895			2,180,764	0.48			2,180,764	
4.2 NAIC 2											
4.3 NAIC 3											
4.4 NAIC 4											
4.5 NAIC 5											
4.6 NAIC 6											
4.7 TOTALS		1,077,869	1,102,895			2,180,764	0.48			2,180,764	
5. U.S. Special Revenue & Special Assessment Obligations etc., Non-Guaranteed											
5.1 NAIC 1	20,909,080	58,569,869	11,798,078	4,845,329	136,703	96,259,059	21.12	101,448,381	21.27	96,259,059	
5.2 NAIC 2											
5.3 NAIC 3											
5.4 NAIC 4											
5.5 NAIC 5											
5.6 NAIC 6											
5.7 TOTALS	20,909,080	58,569,869	11,798,078	4,845,329	136,703	96,259,059	21.12	101,448,381	21.27	96,259,059	

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

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

	1	2	3	4	5	6	7	8	9	10	11
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)
6. Industrial and Miscellaneous (unaffiliated)											
6.1 NAIC 1	20,579,322	215,276,075	32,244,018			268,099,415	58.83	297,111,914	62.30	246,487,902	21,611,513
6.2 NAIC 2											
6.3 NAIC 3											
6.4 NAIC 4											
6.5 NAIC 5											
6.6 NAIC 6											
6.7 TOTALS	20,579,322	215,276,075	32,244,018			268,099,415	58.83	297,111,914	62.30	246,487,902	21,611,513
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) 82,471,597	297,742,241	58,404,645	12,822,045	4,295,201	455,735,729	100.00	X X X	X X X	434,124,217	21,611,513
9.2 NAIC 2	(d)							X X X	X X X		
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	82,471,597	297,742,241	58,404,645	12,822,045	4,295,201	(b) 455,735,729	100.00	X X X	X X X	434,124,217	21,611,513
9.8 Line 9.7 as a % of Column 6	18.10	65.33	12.82	2.81	0.94	100.00	X X X	X X X	X X X	95.26	4.74
10. Total Bonds Prior Year											
10.1 NAIC 1	61,884,517	319,852,429	81,805,778	12,375,654	1,000,920	X X X	X X X	476,919,298	100.00	456,678,778	20,240,519
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	61,884,517	319,852,429	81,805,778	12,375,654	1,000,920	X X X	X X X	(b) 476,919,298	100.00	456,678,778	20,240,519
10.8 Line 10.7 as a % of Col. 8	12.98	67.07	17.15	2.59	0.21	X X X	X X X	100.00	X X X	95.76	4.24
11. Total Publicly Traded Bonds											
11.1 NAIC 1	77,935,841	283,648,590	55,422,539	12,822,045	4,295,201	434,124,216	95.26	456,678,778	95.76	434,124,216	X X X
11.2 NAIC 2											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	77,935,841	283,648,590	55,422,539	12,822,045	4,295,201	434,124,216	95.26	456,678,778	95.76	434,124,216	X X X
11.8 Line 11.7 as a % of Col. 6	17.95	65.34	12.77	2.95	0.99	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	17.10	62.24	12.16	2.81	0.94	95.26	X X X	X X X	X X X	95.26	X X X
12. Total Privately Placed Bonds											
12.1 NAIC 1	4,535,756	14,093,650	2,982,107			21,611,513	4.74	20,240,519	4.24	X X X	21,611,513
12.2 NAIC 2										X X X	
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	4,535,756	14,093,650	2,982,107			21,611,513	4.74	20,240,519	4.24	X X X	21,611,513
12.8 Line 12.7 as a % of Col. 6	20.99	65.21	13.80			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	1.00	3.09	0.65			4.74	X X X	X X X	X X X	X X X	4.74

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(a) Includes \$.....21,611,513 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.

SCHEDULE D - PART 1A - SECTION 2

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

Distribution by Type		1 1 Year or Less	2 Over 1 Year Through 5 Years	3 Over 5 Years Through 10 Years	4 Over 10 Years Through 20 Years	5 Over 20 Years	6 Total Current Year	7 Column 6 as a % of Line 9.5	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
1.	U.S. Governments											
1.1	Issuer Obligations	34,843,117	5,028,415				39,871,532	8.75	41,931,640	8.79	39,871,532	
1.2	Residential Mortgage-Backed Securities	6,140,078	16,292,703	10,357,427	7,976,716	4,158,498	44,925,422	9.86	36,427,362	7.64	44,925,422	
1.3	Commercial Mortgage-Backed Securities											
1.4	Other Loan-Backed and Structured Securities											
1.5	TOTALS	40,983,195	21,321,118	10,357,427	7,976,716	4,158,498	84,796,954	18.61	78,359,002	16.43	84,796,954	
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		1,497,310	2,902,227			4,399,537	0.97			4,399,538	
3.2	Residential Mortgage-Backed Securities											
3.3	Commercial Mortgage-Backed Securities											
3.4	Other Loan-Backed and Structured Securities											
3.5	TOTALS		1,497,310	2,902,227			4,399,537	0.97			4,399,538	
4.	U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed											
4.1	Issuer Obligations		1,077,869	1,102,895			2,180,764	0.48			2,180,764	
4.2	Residential Mortgage-Backed Securities											
4.3	Commercial Mortgage-Backed Securities											
4.4	Other Loan-Backed and Structured Securities											
4.5	TOTALS		1,077,869	1,102,895			2,180,764	0.48			2,180,764	
5.	U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed											
5.1	Issuer Obligations	13,772,401	40,335,587	1,016,174	478,526		55,602,688	12.20	52,634,875	11.04	55,602,689	
5.2	Residential Mortgage-Backed Securities	7,136,679	18,234,282	10,781,904	4,366,803	136,703	40,656,371	8.92	48,813,506	10.24	40,656,370	
5.3	Commercial Mortgage-Backed Securities											
5.4	Other Loan-Backed and Structured Securities											
5.5	TOTALS	20,909,080	58,569,869	11,798,078	4,845,329	136,703	96,259,059	21.12	101,448,381	21.27	96,259,059	
6.	Industrial and Miscellaneous											
6.1	Issuer Obligations	20,579,322	215,276,075	32,244,018			268,099,415	58.83	297,111,914	62.30	246,487,902	21,611,513
6.2	Residential Mortgage-Backed Securities											
6.3	Commercial Mortgage-Backed Securities											
6.4	Other Loan-Backed and Structured Securities											
6.5	TOTALS	20,579,322	215,276,075	32,244,018			268,099,415	58.83	297,111,914	62.30	246,487,902	21,611,513
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 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 9.5	8 Total From Column 6 Prior Year	9 % From Column 7 Prior Year	10 Total Publicly Traded	11 Total Privately Placed
Distribution by Type											
9. Total Bonds Current Year											
9.1 Issuer Obligations	69,194,840	263,215,256	37,265,314	478,526		370,153,936	81.22	X X X	X X X	348,542,425	21,611,513
9.2 Residential Mortgage-Backed Securities	13,276,757	34,526,985	21,139,331	12,343,519	4,295,201	85,581,793	18.78	X X X	X X X	85,581,792	
9.3 Commercial Mortgage-Backed Securities								X X X	X X X		
9.4 Other Loan-Backed and Structured Securities								X X X	X X X		
9.5 TOTALS	82,471,597	297,742,241	58,404,645	12,822,045	4,295,201	455,735,729	100.00	X X X	X X X	434,124,217	21,611,513
9.6 Line 9.5 as a % of Col. 6	18.10	65.33	12.82	2.81	0.94	100.00	X X X	X X X	X X X	95.26	4.74
10. Total Bonds Prior Year											
10.1 Issuer Obligations	46,425,119	284,399,011	60,854,300			X X X	X X X	391,678,430	82.13	371,437,911	20,240,519
10.2 Residential Mortgage-Backed Securities	15,459,398	35,453,418	20,951,478	12,375,654	1,000,920	X X X	X X X	85,240,868	17.87	85,240,868	
10.3 Commercial Mortgage-Backed Securities						X X X	X X X				
10.4 Other Loan-Backed and Structured Securities						X X X	X X X				
10.5 TOTALS	61,884,517	319,852,429	81,805,778	12,375,654	1,000,920	X X X	X X X	476,919,298	100.00	456,678,779	20,240,519
10.6 Line 10.5 as a % of Col. 8	12.98	67.07	17.15	2.59	0.21	X X X	X X X	100.00	X X X	95.76	4.24
11. Total Publicly Traded Bonds											
11.1 Issuer Obligations	64,659,084	249,121,606	34,283,208	478,526		348,542,424	76.48	371,437,911	77.88	348,542,424	X X X
11.2 Residential Mortgage-Backed Securities	13,276,757	34,526,985	21,139,331	12,343,519	4,295,201	85,581,793	18.78	85,240,868	17.87	85,581,793	X X X
11.3 Commercial Mortgage-Backed Securities											X X X
11.4 Other Loan-Backed and Structured Securities											X X X
11.5 TOTALS	77,935,841	283,648,591	55,422,539	12,822,045	4,295,201	434,124,217	95.26	456,678,779	95.76	434,124,217	X X X
11.6 Line 11.5 as a % of Col. 6	17.95	65.34	12.77	2.95	0.99	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	17.10	62.24	12.16	2.81	0.94	95.26	X X X	X X X	X X X	95.26	X X X
12. Total Privately Placed Bonds											
12.1 Issuer Obligations	4,535,756	14,093,650	2,982,107			21,611,513	4.74	20,240,519	4.24	X X X	21,611,513
12.2 Residential Mortgage-Backed Securities										X X X	
12.3 Commercial Mortgage-Backed Securities										X X X	
12.4 Other Loan-Backed and Structured Securities										X X X	
12.5 TOTALS	4,535,756	14,093,650	2,982,107			21,611,513	4.74	20,240,519	4.24	X X X	21,611,513
12.6 Line 12.5 as a % of Col. 6	20.99	65.21	13.80			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	1.00	3.09	0.65			4.74	X X X	X X X	X X X	X X X	4.74

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	26,901,709	26,901,709			
2. Cost of short-term investments acquired	174,842,366	174,842,366			
3. Accrual of discount					
4. Unrealized valuation increase (decrease)					
5. TOTAL gain (loss) on disposals					
6. Deduct consideration received on disposals	181,889,842	181,889,842			
7. Deduct amortization of premium	11,005	11,005			
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)	19,843,228	19,843,228			
11. Deduct total nonadmitted amounts					
12. Statement value at end of current period (Line 10 minus Line 11)	19,843,228	19,843,228			

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

SI11 Schedule DB Part A Verification NONE

SI11 Schedule DB Part B Verification NONE

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

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

SI14 Schedule DB Verification NONE

SCHEDULE E - VERIFICATION BETWEEN YEARS (Cash Equivalents)

	1 Total	2 Bonds	3 Other (a)
1. Book/adjusted carrying value, December 31 of prior year			
2. Cost of cash equivalents acquired	14,999,778	14,999,778	
3. Accrual of discount	111	111	
4. Unrealized valuation increase (decrease)			
5. TOTAL gain (loss) on disposals			
6. Deduct consideration received on disposals			
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)	14,999,889	14,999,889	
11. Deduct total nonadmitted amounts			
12. Statement value at end of current period (Lines 10 minus 11)	14,999,889	14,999,889	

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

E01 Schedule A - Part 1 Real Estate Owned NONE

E02 Schedule A - Part 2 Real Estate Acquired NONE

E03 Schedule A - Part 3 Real Estate Disposed NONE

E04 Schedule B Part 1 - Mortgage Loans Owned NONE

E05 Schedule B Part 2 - Mortgage Loans Acquired NONE

E06 Schedule B Part 3 - Mortgage Loans Disposed NONE

SCHEDULE BA - PART 1

Showing Other Long-Term Invested Assets OWNED December 31 of Current Year

1 CUSIP Identification	2 Name or Description	3 Code	Location		6 Name of Vendor or General Partner	7 NAIC Designation	8 Date Originally Acquired	9 Type and Strategy	10 Actual Cost	11 Fair Value	12 Book/ Adjusted Carrying Value Less Encumbrances	Change in Book/Adjusted Carrying Value					18 Investment Income	19 Commitment for Additional Investment	20 Percentage of Ownership
			4 City	5 State								13 Unrealized Valuation Increase (Decrease)	14 Current Year's (Depreciation) or (Amortization)/ Accretion	15 Current Year's Other-Than- Temporary Impairment Recognized	16 Capitalized Deferred Interest and Other	17 Total Foreign Exchange Change in B./A. C. V.			
Any Other Class of Assets - Affiliated																			
. 00000000	BAM Asset Management, LLC		Wilmington	DE	Internal transfer		04/16/2014		3,000	1,713	1,713	(1,287)							100.000
4399999 Subtotal - Any Other Class of Assets - Affiliated									3,000	1,713	1,713	(1,287)							XXX
4499999 Total - Unaffiliated																			XXX
4599999 Total - Affiliated									3,000	1,713	1,713	(1,287)							XXX
4699999 Totals									3,000	1,713	1,713	(1,287)							XXX

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE December 31 of Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 Date Originally Acquired	7 Type and Strategy	8 Actual Cost at Time of Acquisition	9 Additional Investment Made After Acquisition	10 Amount of Encumbrances	11 Percentage of Ownership
		3 City	4 State							
Any Other Class of Assets - Affiliated										
.000000000	BAM Asset Management, LLC	Wilmington	DE	Internal transfer	04/16/2014 ..		1,000	5,000,000		100.000
4399999 Subtotal - Any Other Class of Assets - Affiliated							1,000	5,000,000		X X X
4499999 Total - Unaffiliated										X X X
4599999 Total - Affiliated							1,000	5,000,000		X X X
4699999 Totals							1,000	5,000,000		X X X

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Year

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/Adjusted Carrying Value Less Encumbrances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/Adjusted Carrying Value Less Encumbrances on Disposal	16 Consideration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Investment Income	
		3 City	4 State					9 Unrealized Valuation Increase (Decrease)	10 Current Year's (Depreciation) or (Amortization)/ Accretion	11 Current Year's Other-Than- Temporary Impairment Recognized	12 Capitalized Deferred Interest and Other	13 Total Change in B./A.C.V. (9 + 10 - 11 + 12)	14 Total Foreign Exchange Change in B./A.C.V.							
Any Other Class of Assets - Affiliated																				
000000000	BAM Asset Management, LLC	Wilmington	DE	Capital return	04/16/2014	12/22/2014	4,998,000							4,998,000	4,998,000					
4399999 Subtotal - Any Other Class of Assets - Affiliated								4,998,000						4,998,000	4,998,000					
4499999 Total - Unaffiliated																				
4599999 Total - Affiliated								4,998,000						4,998,000	4,998,000					
4699999 Totals								4,998,000						4,998,000	4,998,000					

SCHEDULE D - PART 1

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

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	B O N D C H A R	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	
U.S. Governments - Issuer Obligations																						
912828TC4	US TREASURY N/B	SD			1	3,528,264	97.5860	3,437,951	3,523,000	3,526,447		(747)			1.000	0.980	JD	194	35,230	07/18/2012	06/30/2019	
912828TC4	US TREASURY N/B				1	1,502,742	97.5860	1,464,276	1,500,500	1,501,968		(318)			1.000	0.980	JD	82	15,005	07/18/2012	06/30/2019	
0199999 Subtotal - U.S. Governments - Issuer Obligations						5,031,006		4,902,227	5,023,500	5,028,415		(1,065)			X X X	X X X	X X X	276	50,235	X X X	X X X	
U.S. Governments - Residential Mortgage-Backed Securities																						
36176XKJ2	GNMA POOL 779107			2	1	2,369,333	107.3790	2,319,146	2,159,768	2,365,125		(989)			4.000	0.800	MON	7,199	86,391	08/14/2012	04/15/2042	
36179MC24	GNMA POOL MA0089			2	1	5,731,913	107.3300	5,590,004	5,208,241	5,719,110		(3,074)			4.000	1.570	MON	17,361	208,330	07/17/2012	05/20/2042	
36179ME30	GNMA POOL MA0154			2	1	5,481,944	105.1370	5,317,021	5,057,217	5,469,895		(1,744)			3.500	1.840	MON	14,750	177,219	07/17/2012	06/20/2042	
36179MG61	GNMA POOL MA0221			2	1	9,451,968	107.3180	9,386,887	8,746,760	9,438,311		(4,907)			4.000	2.010	MON	29,156	349,870	02/28/2013	07/20/2042	
36179MMX5	GNMA POOL MA0374			2	1	7,355,828	102.7440	7,131,953	6,941,507	7,308,812		(18,682)			2.500	1.360	MON	14,461	173,538	09/26/2012	09/20/2042	
36179QPH8	GNMA POOL MA2224			2	1	14,628,544	107.4200	14,789,697	13,768,041	14,624,169		(4,375)			4.000	3.380	MON	45,893	91,787	09/29/2014	09/20/2044	
0299999 Subtotal - U.S. Governments - Residential Mortgage-Backed Securities						45,019,530		44,534,708	41,881,534	44,925,422		(33,771)			X X X	X X X	X X X	128,820	1,087,135	X X X	X X X	
0599999 Subtotal - U.S. Governments						50,050,536		49,436,935	46,905,034	49,953,837		(34,836)			X X X	X X X	X X X	129,096	1,137,370	X X X	X X X	
U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
574193JB5	MARYLAND ST SERIES B				1FE	1,497,000	99.0450	1,485,675	1,500,000	1,497,310		310			1.000	1.060	MS	5,000	6,792	08/14/2014	03/01/2018	
57582P2T6	MASSACHUSETTS ST SERIES B				1FE	1,901,558	99.4540	1,899,571	1,910,000	1,902,227		669			2.090	2.170	MN	6,653	16,966	07/01/2014	05/01/2020	
594612BS1	MICHIGAN ST SERIES B			1	1FE	1,000,000	102.5320	1,025,320	1,000,000	1,000,000					3.590	3.590	JD	2,992	14,958	06/25/2014	12/01/2026	
1199999 Subtotal - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						4,398,558		4,410,566	4,410,000	4,399,537		979			X X X	X X X	X X X	14,645	38,716	X X X	X X X	
1799999 Subtotal - U.S. States, Territories and Possessions (Direct and Guaranteed)						4,398,558		4,410,566	4,410,000	4,399,537		979			X X X	X X X	X X X	14,645	38,716	X X X	X X X	
U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations																						
442331SN5	CITY OF HOUSTON, TEXAS PUBLIC IMPROVEMEN				1FE	1,106,510	109.9090	1,099,900	1,000,000	1,102,895		(3,615)			4.360	2.240	MS	14,537		10/20/2014	03/01/2020	
546585DA5	LOUISVILLE & JEFFERSON CNTY KY SERIES C				1FE	1,088,880	107.6360	1,076,360	1,000,000	1,077,869		(11,011)			4.000	1.270	JD	3,333	20,000	07/25/2014	12/01/2017	
1899999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations						2,195,390		2,176,260	2,000,000	2,180,764		(14,626)			X X X	X X X	X X X	17,870	20,000	X X X	X X X	
2499999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)						2,195,390		2,176,260	2,000,000	2,180,764		(14,626)			X X X	X X X	X X X	17,870	20,000	X X X	X X X	
U.S. Special Revenue, Special Assessment - Issuer Obligations																						
040580GC0	ARIZONA HST SCH FACS BRD REVEN				1FE	1,471,011	99.4390	1,476,669	1,485,000	1,471,908		897			1.370	1.630	JJ	10,157		09/30/2014	07/01/2018	
041189VJ2	ARKANSAS TECH UNIV REVENUE SERIES B			1	1FE	478,514	98.5720	479,983	490,000	478,526		12			3.500	3.680	MN	4,288		12/22/2014	12/01/2034	
13066KW54	CALIFORNIA ST DEPT OF WTR RESO SERIES AO				1FE	1,996,800	99.2430	1,984,860	2,000,000	1,996,915		115			1.870	1.900	JD	3,118	18,710	10/27/2014	12/01/2019	
3133EAZ84	FEDERAL FARM CREDIT BANK				1	7,000,000	99.4000	6,958,014	7,000,000	7,000,000					1.290	1.290	MS	24,080	90,300	09/24/2012	09/25/2018	
3134G3M31	FREDDIE MAC				1	9,497,150	99.7040	9,471,833	9,500,000	9,498,424		566			1.000	1.010	MS	24,806	95,000	09/13/2012	09/27/2017	
3135G0AL7	FANNIE MAE				1	13,981,176	102.0960	13,476,685	13,200,000	13,466,143		(220,143)			2.250	0.560	MS	87,450	297,000	08/24/2012	03/15/2016	
3137EACM9	FREDDIE MAC				1	14,173,887	101.0250	13,789,940	13,650,000	13,772,401		(177,319)			1.750	0.440	MS	73,653	238,875	09/24/2012	09/10/2015	
46246KH70	IOWA ST FIN AUTH				1FE	1,017,256	106.0160	1,012,453	955,000	1,012,717		(4,539)			3.280	1.540	FA	13,052		09/11/2014	08/01/2018	
64971M5T5	NEW YORK CITY NY TRANSITIONAL				1FE	1,622,130	106.3830	1,595,745	1,500,000	1,612,339		(9,791)			3.750	2.110	MN	9,375	28,125	07/16/2014	11/01/2019	
650035XM5	NEW YORK ST URBAN DEC CORP REV				1FE	1,133,059	100.7100	1,127,952	1,120,000	1,129,368		(3,691)			1.330	0.630	MS	4,386	7,448	07/08/2014	03/15/2019	
73358WAG9	PORT AUTH OF NEW YORK & NEW JE PORT AUTH				1FE	1,154,230	114.0230	1,140,230	1,000,000	1,148,590		(5,530)			5.310	2.110	JD	4,424	26,545	10/17/2014	12/01/2016	
759911X88	REGL TRANSPRTN AUTH IL				1FE	1,999,120	99.7950	1,995,900	2,000,000	1,999,182		62			0.550	0.580	AO	2,750		11/20/2014	05/06/2016	
837545JP8	SOUTH DAKOTA ST CONSERVANCY DI SOUTH DAK				1FE	1,016,680	101.0180	1,010,180	1,000,000	1,016,174		(506)			2.330	2.030	FA	9,721		10/20/2014	08/01/2020	
2599999 Subtotal - U.S. Special Revenue, Special Assessment - Issuer Obligations						56,540,903		55,520,444	54,900,000	55,602,687		(419,867)			X X X	X X X	X X X	271,260	802,003	X X X	X X X	
U.S. Special Revenue, Special Assessment - Residential Mortgage-Backed Securities																						
3128M9DF6	FREDDIE MAC GOLD POOL G07002			2	1	4,376,300	108.5410	4,406,527	4,059,765	4,367,484		(2,761)			4.500	2.840	MON	15,224	182,689	08/24/2012	12/01/2041	
3128MJQK9	FREDDIE MAC GOLD POOL G08457			2	1	5,406,855	108.5260	5,471,185	5,041,356	5,396,842		(2,496)			4.500	2.830	MON	18,905	226,861	08/15/2012	08/01/2041	
31307CLJ5	FHLMC POOL J23929			2	1	10,022,018	101.9240	10,436,569	10,239,609	10,035,696		9,682			2.500	2.910	MON	21,333	255,990	09/06/2013	05/01/2028	
3138EJRO	FNMA POOL AL2071			2	1	3,589,344	112.2940	3,663,146	3,262,113	3,580,565		(60)			5.500	2.420	MON	14,951	179,416	08/24/2012	03/01/2040	
3138LVX7	FNMA POOL A05161			2	1	2,671,695	105.8210	2,631,124	2,486,382	2,651,248		(5,436)			3.500	1.970	MON	7,252	87,023	09/24/2012	06/01/2027	
3140ZCU67	FNMA POOL 725205			2	1	2,110,547	110.7780	2,124,866	2,102,494	2,102,494		(2,326)			5.000	2.210	MON	7,992	95,907	09/24/2012	03/01/2034	
31403DGY9	FNMA POOL 745515			2	1	3,512,330	110.6570	3,555,534	3,213,109	3,502,288		(2,060)			5.000	2.150	MON	13,388	160,655	08/24/2012	05/01/2036	
31410KJY1	FNMA POOL 889579			2	1	1,263,718	113.4750	1,301,057	1,146,554	1,260,286		624			6.000	1.940	MON	5,733	68,793	08/14/2012	05/01/2038	
31410KL3	FNMA POOL 889983			2	1	1,508,213	113.4700	1,545,250	1,361,818	1,503,793		768			6.000	1.930	MON	6,809	81,709	09/24/2012	10/01/2038	
31417CD71	FNMA POOL AB6291			2	1	6,286,416	104.2150	6,212,578	5,961,337	6,255,674		(16,245)			3.000	1.890	MON	14,903	178,840	02/28/2013	09/01/2027	
2699999 Subtotal - U.S. Special Revenue, Special Assessment - Residential Mortgage-Backed Securities						40,747,436		41,347,836	38,690,177	40,656,370		(20,310)			X X X	X X X	X X X	126,490	1,517,883	X X X	X X X	
3199999 Subtotal - U.S. Special Revenue, Special Assessment						97,288,339		96,868,280	93,590,177	96,259,057		(440,177)			X X X	X X X	X X X	397,750	2,319,886	X X X	X X X	

SCHEDULE D - PART 1

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

1 CUSIP Identification	2 Description	Codes			6 NAIC Designation	7 Actual Cost	Fair Value		10 Par Value	11 Book/ Adjusted Carrying Value	Change in Book Adjusted Carrying Value				Interest					Dates	
		3 Code	4 F O R E I G N	5 Bond CHAR			8 Rate Used to Obtain Fair Value	9 Fair Value			12 Unrealized Valuation Increase/ (Decrease)	13 Current Year's (Amortization)/ Accretion	14 Current Year's Other- Than- Temporary Impairment Recognized	15 Total Foreign Exchange Change in B./A.C.V.	16 Rate of	17 Effective Rate of Interest	18 When Paid	19 Admitted Amount Due and Accrued	20 Amount Received During Year	21 Acquired	22 Stated Contractual Maturity Date
Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations																					
00440EAK3	ACE INA HOLDINGS				1FE	2,463,040	112,3070	2,246,134	2,000,000	2,271,718		(82,349)			5.800	1.440	MS	34,156	116,000	08/23/2012	03/15/2018
009158AQ9	AIR PRODUCTS & CHEMICALS				1FE	879,725	101,6310	863,865	850,000	862,120		(7,532)			2.000	1.090	FA	7,036	17,000	08/20/2012	08/02/2016
009158AS5	AIR PRODUCTS & CHEMICALS				1FE	2,647,244	98,9890	2,623,211	2,650,000	2,648,476		535			1.200	1.220	AO	6,713	31,800	09/06/2012	10/15/2017
0258MDE6	AMERICAN EXPRESS CREDIT SERIES MTN				1FE	4,594,680	100,5500	4,524,741	4,500,000	4,515,165		(33,841)			1.750	0.990	JD	4,156	78,750	08/14/2012	06/12/2015
02665WAC5	AMERICAN HONDA FINANCE				1FE	2,316,026	100,6090	2,339,148	2,325,000	2,318,140		1,726			2.130	2.210	AO	11,116	49,406	10/03/2013	10/10/2018
032654AG0	ANALOG DEVICES				1FE	2,154,960	102,2950	2,045,904	2,000,000	2,056,653		(43,681)			3.000	0.780	AO	12,667	60,000	09/25/2012	04/15/2016
03523TBA5	ANHEUSER-BUSCH INBEV WOR				1FE	4,244,560	102,2820	4,091,288	4,000,000	4,093,895		(82,999)			2.880	0.770	FA	43,444	115,000	03/20/2013	02/15/2016
03523TBN7	ANHEUSER-BUSCH INBEV WOR				1FE	2,522,425	99,9110	2,497,780	2,500,000	2,511,657		(4,498)			1.380	1.190	JJ	15,851	34,375	07/30/2012	07/15/2017
035242AF3	ANHEUSER-BUSCH INBEV FIN				1FE	2,325,000	99,4790	2,312,875	2,325,000	2,325,000					0.630	0.640	FMAN	2,410	11,389	01/22/2014	02/01/2019
037411BB0	APACHE CORP				1FE	2,058,740	99,9020	1,998,048	2,000,000	2,029,487		(12,673)			1.750	1.100	AO	7,389	35,000	08/30/2012	04/15/2017
037833AG5	APPLE INC				1FE	5,000,000	100,0670	5,003,355	5,000,000	5,000,000					0.480	0.530	FMAN	3,953	24,609	04/30/2013	05/03/2018
05531FAL7	BB&T CORPORATION SERIES MTN				1FE	2,744,995	99,9460	2,748,523	2,750,000	2,747,326		990			1.600	1.640	FA	16,622	44,000	08/07/2012	08/15/2017
05531FAM5	BB&T CORPORATION SERIES MTN			1	1FE	1,647,954	99,0450	1,634,244	1,650,000	1,648,785		389			1.450	1.470	JJ	11,231	23,925	11/14/2012	01/12/2018
055482AJ2	BJ SERVICES CO				1FE	2,470,160	112,2960	2,245,926	2,000,000	2,284,334		(80,213)			6.000	1.700	JD	10,000	120,000	08/23/2012	06/01/2018
06406HBX6	BANK OF NEW YORK MELLON SERIES MTN				1FE	2,834,622	102,1860	2,759,033	2,700,000	2,755,203		(34,648)			2.300	0.990	JJ	26,393	62,100	09/06/2012	07/28/2016
084670BB3	BERKSHIRE HATHAWAY INC				1FE	1,140,821	102,0830	1,122,917	1,100,000	1,122,295		(13,577)			2.200	0.940	FA	9,142	24,200	08/14/2013	08/15/2016
097023BE4	BOEING CO				1FE	964,265	97,7810	953,361	975,000	967,744		2,099			0.950	1.180	MN	1,184	9,263	04/30/2013	05/15/2018
110122AT5	BRISTOL-MYERS SQUIBB CO				1FE	4,679,415	94,9130	4,508,372	4,750,000	4,695,118		6,590			2.000	2.170	FA	39,583	95,000	07/26/2012	08/01/2022
111320AE7	BROADCOM CORP				1FE	1,132,045	102,3910	1,279,883	1,250,000	1,306,068		(14,117)			2.700	1.490	MN	5,625	33,750	08/31/2012	11/01/2018
111320AF4	BROADCOM CORP				1FE	1,191,633	96,0000	1,152,000	1,200,000	1,192,999		821			2.500	2.580	FA	11,333	30,000	05/08/2013	08/15/2022
149123BM2	CATERPILLAR INC				1FE	2,591,814	107,8800	2,400,319	2,225,000	2,398,928		(106,055)			5.700	0.840	FA	47,912	126,825	02/27/2013	08/15/2016
15189XAL2	CENTERPOINT ENER HOUSTON				1FE	2,593,084	95,7820	2,490,340	2,600,000	2,594,596		646			2.250	2.280	FA	24,375	58,500	08/07/2012	08/01/2022
171232AR2	CHUBB CORP				1FE	4,907,520	112,9780	4,519,100	4,000,000	4,543,440		(155,756)			5.750	1.590	MN	29,389	230,000	08/16/2012	05/15/2018
17275RAC6	CISCO SYSTEMS INC				1FE	2,911,775	105,5020	2,637,545	2,500,000	2,636,831		(119,044)			5.500	0.680	FA	49,271	137,500	08/31/2012	02/22/2016
191216AP5	COCA-COLA CO/THE				1FE	3,095,177	100,9800	3,032,432	3,003,000	3,028,222		(82,847)			1.500	0.530	MN	5,756	45,045	08/31/2012	11/15/2015
191216AY6	COCA-COLA CO/THE				1FE	1,032,810	100,6330	1,006,326	1,000,000	1,019,049		(5,827)			1.650	1.040	MS	4,904	16,500	08/13/2012	03/14/2018
191216BC3	COCA-COLA CO/THE				1FE	2,350,000	100,0350	2,350,827	2,350,000	2,350,000					0.330	0.340	FMAN	1,280	8,053	10/29/2013	11/01/2016
209111EN9	CONS EDISON CO OF NY				1FE	2,323,900	107,5160	2,150,320	2,000,000	2,155,093		(90,061)			5.500	0.900	MS	32,389	110,000	02/12/2013	09/15/2016
235851AL6	DANAHER CORP				1FE	2,790,291	102,2570	2,709,797	2,650,000	2,705,937		(37,518)			2.300	0.860	JD	1,354	60,950	09/25/2012	06/23/2016
263534BQ1	EI DU PONT DE NEMOURS				1FE	1,159,817	108,1450	1,072,801	992,000	1,069,168		(38,812)			5.250	1.210	JD	2,315	52,080	08/21/2012	12/15/2016
26442CAC8	DUKE ENERGY CAROLINAS				1FE	2,394,520	110,7470	2,214,946	2,000,000	2,227,346		(72,732)			5.250	1.410	JJ	48,417	105,000	08/31/2012	01/15/2018
26442CAD6	DUKE ENERGY CAROLINAS				1FE	4,786,080	111,0670	4,442,684	4,000,000	4,472,919		(139,686)			5.100	1.400	AO	43,067	204,000	09/25/2012	04/15/2018
268648AP7	EMC CORP				1FE	2,482,500	99,6600	2,491,503	2,500,000	2,487,355		3,541			1.880	2.030	JD	3,906	46,875	08/14/2013	06/01/2018
26875PAH4	EOG RESOURCES INC				1FE	2,368,377	101,8070	2,299,816	2,259,000	2,298,764		(36,351)			2.500	0.870	FA	23,531	56,475	02/13/2013	02/01/2016
291011BC7	EMERSON ELECTRIC CO				1FE	1,164,670	108,7090	1,087,088	1,000,000	1,121,553		(19,302)			4.250	2.040	MN	5,431	42,500	09/24/2012	11/15/2020
29736RAE0	ESTEE LAUDER CO INC				1FE	1,648,532	96,1090	1,585,805	1,650,000	1,648,861		135			2.350	2.360	FA	14,648	38,775	07/30/2012	08/15/2022
341081EZ6	FLORIDA POWER & LIGHT				1FE	2,448,680	111,0650	2,221,290	2,000,000	2,249,578		(86,376)			5.550	1.060	MN	18,500	111,000	08/31/2012	11/01/2017
354613AH4	FRANKLIN RESOURCES INC				1FE	2,401,350	99,6290	2,391,101	2,400,000	2,400,744		(273)			1.380	1.360	MS	9,717	33,000	09/25/2012	09/15/2017
36962G6M1	GENERAL ELEC CAP CORP				1FE	2,497,500	100,4320	2,510,808	2,500,000	2,499,206		835			1.000	1.030	JD	1,389	25,000	12/05/2012	12/11/2015
36962G6Q2	GENERAL ELEC CAP CORP SERIES MTN				1FE	2,508,950	100,3720	2,509,310	2,500,000	2,503,166		(3,085)			0.830	0.780	JAJ0	4,918	21,196	02/08/2013	01/08/2016
373334JV4	GEORGIA POWER COMPANY				1FE	2,415,389	102,6910	2,310,554	2,250,000	2,313,808		(49,199)			3.000	0.780	AO	14,250	67,500	03/20/2013	04/15/2016
373334JY8	GEORGIA POWER COMPANY				1FE	1,124,269	100,0630	1,125,710	1,125,000	1,124,850		244			0.750	0.770	FA	3,305	8,438	08/07/2012	08/10/2015
406216BC4	HALLIBURTON COMPANY				1FE	1,994,000	99,5680	1,991,364	2,000,000	1,995,599		1,172			2.000	2.060	FA	16,667	39,556	08/14/2013	08/01/2018
437076AP7	HOME DEPOT INC				1FE	2,897,350	105,5320	2,638,288	2,500,000	2,634,427		(114,680)			5.400	0.750	MS	45,000	135,000	09/10/2012	03/01/2016
437076BB7	HOME DEPOT INC			1	1FE	2,296,757	101,9070	2,343,856	2,300,000	2,297,573		624			2.250	2.280	MS	15,956	51,750	09/03/2013	09/10/2018
438516AP1	HONEYWELL INTERNATIONAL				1FE	1,134,970	105,6850	1,056,852	1,000,000	1,053,242		(43,866)			5.400	0.930	MS	15,900	54,000	02/13/2013	03/15/2016
438516AX4	HONEYWELL INTERNATIONAL				1FE	1,214,560	110,9280	1,109,275	1,000,000	1,125,172		(38,562)			5.300	1.250	MS	17,667	53,000	08/28/2012	03/01/2018
458140AH3	INTEL CORP				1FE	2,362,253	101,9400	2,293,643	2,250,000	2,299,305		(27,958)			1.950	0.690	AO	10,969	43,875	09/25/2012	10/01/2016
45866FAB0	INTERCONTINENTALEXCHANGE				1FE	324,711	101,8220	330,922	325,000	3											

SCHEDULE D - PART 1

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

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 Desig- nation	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	
665772CD9	NORTHERN STATES PWR-MINN				1FE	2,424,418		110,6770	2,213,540	2,000,000		2,248,288				5.250	1.240	MS	35,000	105,000	09/04/2012	03/01/2018
665772CH0	NORTHERN STATES PWR-MINN				1FE	1,971,998		96,0460	1,896,910	1,975,000		1,972,657				2.150	2.170	FA	16,041	42,463	08/06/2012	08/15/2022
68389XAK1	ORACLE CORP				1FE	2,854,188		107,4520	2,686,310	2,500,000		2,753,684				3.880	1.930	JJ	44,670	96,875	08/31/2012	07/15/2020
68389XAN5	ORACLE CORP				1FE	2,345,935		99,6440	2,341,636	2,350,000		2,347,691				1.200	1.240	AO	5,953	28,200	10/18/2012	10/15/2017
68389XAR6	ORACLE CORP				1FE	2,300,000		100,7150	2,316,454	2,300,000		2,300,000				0.810	0.850	JAJO	4,037	19,017	07/09/2013	01/15/2019
693476BM4	PNC FUNDING CORP			1	1FE	4,790,074		102,6960	4,621,311	4,500,000		4,621,338				2.700	1.030	MS	34,425	121,500	09/06/2012	09/19/2016
69349LAJ7	PNC BANK NA				1FE	2,100,000		100,1200	2,102,510	2,100,000		2,100,000				0.540	0.610	JAJO	2,028	11,585	01/23/2013	01/28/2016
69351UAQ6	PPL ELECTRIC UTILITIES			1	1FE	2,115,799		98,8120	2,075,052	2,100,000		2,112,328				2.500	2.410	MS	17,500	52,500	08/31/2012	09/01/2022
695114CH9	PACIFICORP				1FE	3,074,800		112,9700	2,824,240	2,500,000		2,854,057				5.650	1.520	JJ	65,132	141,250	09/06/2012	07/15/2018
717081AQ6	PFIZER INC				1FE	2,044,543		109,2460	1,911,810	1,750,000		1,922,555				4.650	1.450	MS	27,125	81,375	08/30/2012	03/01/2018
717081DB6	PFIZER INC				1FE	1,279,030		116,3390	1,163,387	1,000,000		1,181,718				6.200	1.700	MS	18,256	62,000	08/13/2012	03/15/2019
718172AN9	PHILIP MORRIS INTL INC				1FE	2,559,000		101,0730	2,526,820	2,500,000		2,528,587				1.630	1.100	MS	11,398	40,625	07/30/2012	03/20/2017
718172AS8	PHILIP MORRIS INTL INC				1FE	2,225,813		99,5790	2,240,525	2,250,000		2,237,035				1.130	1.350	FA	9,141	25,313	08/14/2012	08/21/2017
74005PBB9	PRAXAIR INC				1FE	5,725,778		95,8210	5,509,690	5,750,000		5,731,094				2.200	2.250	FA	47,789	126,500	08/13/2012	08/15/2022
740189AJ4	PRECISION CASTPARTS CORP				1FE	2,349,295		99,6320	2,341,340	2,350,000		2,349,771				0.700	0.710	JD	503	16,450	12/17/2012	12/20/2015
74153WBZ1	PRICOA GLOBAL FUNDING 1 SERIES 144A				1FE	999,230		98,6270	986,273	1,000,000		999,468				1.600	1.620	MN	1,422	16,000	05/21/2013	05/29/2018
74256LAG4	PRINCIPLE LFE GLB FND II SERIES 144A				1FE	4,489,965		100,7300	4,532,841	4,500,000		4,492,379				2.250	2.300	AO	21,375	105,469	09/23/2013	10/15/2018
742718DS5	PROCTER & GAMBLE CO				1FE	2,595,873		101,1400	2,528,505	2,500,000		2,526,352				1.800	0.580	MN	5,750	45,000	09/05/2012	11/15/2015
742718EF2	PROCTER & GAMBLE CO				1FE	1,250,000		99,5800	1,244,753	1,250,000		1,250,000				0.310	0.320	FMAN	629	3,995	10/30/2013	11/04/2016
771196AS1	ROCHE HLDGS INC SERIES 144A			1	1FE	1,461,129		115,4990	1,335,164	1,156,000		1,354,636				6.000	1.710	MS	23,120	69,360	08/30/2012	03/01/2019
828807BT3	SIMON PROPERTY GROUP			1	1FE	2,300,640		105,5940	2,111,872	2,000,000		2,111,174				6.100	0.920	MN	20,333	122,000	02/13/2013	05/01/2016
828807BV8	SIMON PROPERTY GROUP			1	1FE	2,226,318		108,8720	2,064,207	1,896,000		2,049,058				5.880	1.580	MS	37,130	111,390	09/13/2012	03/01/2017
842400EY5	SOUTHERN CAL EDISON				1FE	1,122,640		104,4330	1,044,329	1,000,000		1,045,612				5.000	0.590	JJ	23,056	50,000	03/20/2013	01/15/2016
842400FJ7	SOUTHERN CAL EDISON				1FE	2,471,620		112,6590	2,253,180	2,000,000		2,292,124				5.500	1.350	FA	41,556	110,000	09/04/2012	08/15/2018
857477AH6	STATE STREET CORP				1FE	2,513,419		102,4460	2,407,490	2,350,000		2,405,524				2.880	0.860	MS	21,395	67,563	08/30/2012	03/07/2016
872540AM1	TJX COS INC				1FE	1,275,150		119,1240	1,191,239	1,000,000		1,182,303				6.950	2.440	AO	14,672	69,500	08/15/2012	04/15/2019
87612EAP1	TARGET CORP				1FE	2,701,485		109,1930	2,456,834	2,250,000		2,477,491				5.380	0.980	MN	20,156	120,938	08/30/2012	05/01/2017
882508AU8	TEXAS INSTRUMENTS INC				1FE	4,721,025		97,6330	4,637,577	4,750,000		4,730,585				1.650	1.740	FA	32,221	78,375	07/30/2012	08/03/2019
89417EAC3	TRAVELERS COS INC SERIES MTN				1FE	2,478,359		111,6000	2,231,990	2,000,000		2,270,100				5.750	1.090	JD	5,111	115,000	08/23/2012	12/15/2017
904764AP2	UNILEVER CAPITAL CORP				1FE	1,946,856		98,6360	1,948,053	1,975,000		1,960,038				0.850	1.150	FA	6,948	16,788	08/22/2012	08/02/2017
90521APJ1	UNION BANK NA			1	1FE	4,527,990		101,4750	4,566,357	4,500,000		4,521,103				2.630	2.490	MS	31,172	118,125	09/23/2013	09/26/2018
911312AP1	UNITED PARCEL SERVICE				1FE	5,078,284		99,5080	5,050,021	5,075,000		5,076,823				1.130	1.110	AO	14,273	57,094	09/25/2012	10/01/2017
91159HHD5	US BANCORP SERIES MTN			1	1FE	5,120,275		100,7460	5,037,315	5,000,000		5,060,300				1.650	1.110	MN	10,542	82,500	08/30/2012	05/15/2017
91159HF0	US BANCORP SERIES MTN			1	1FE	1,400,000		100,3410	1,404,777	1,400,000		1,400,000				0.720	0.750	FMAN	1,264	10,542	11/04/2013	11/15/2018
913017BQ1	UNITED TECHNOLOGIES CORP				1FE	4,430,055		116,1020	4,063,570	3,500,000		4,096,781				6.130	1.780	FA	89,323	214,375	07/26/2012	02/01/2019
91324PBS0	UNITEDHEALTH GROUP INC				1FE	1,031,300		101,5830	1,015,832	1,000,000		1,016,228				1.880	1.000	MN	2,396	18,750	03/20/2013	11/15/2016
91324PBV3	UNITEDHEALTH GROUP INC			1	1FE	2,821,638		100,3200	2,758,803	2,750,000		2,804,883				2.880	2.560	MS	23,280	79,063	08/03/2012	03/15/2022
927804EZ3	VIRGINIA ELEC & POWER CO				1FE	1,132,310		104,7760	1,047,756	1,000,000		1,049,369				5.400	0.620	JJ	24,900	54,000	03/26/2013	01/15/2016
927804FC3	VIRGINIA ELEC & POWER CO				1FE	3,111,325		111,5510	2,788,768	2,500,000		2,832,959				5.950	0.940	MS	43,799	148,750	09/05/2012	09/15/2017
931142CJ0	WAL-MART STORES INC				1FE	2,799,970		113,0330	2,543,252	2,250,000		2,568,327				5.800	1.170	FA	49,300	130,500	08/30/2012	02/15/2018
931142DE0	WAL-MART STORES INC				1FE	2,498,225		99,9530	2,498,830	2,500,000		2,499,242				0.600	0.620	AO	3,333	15,000	04/04/2013	04/11/2016
94974BFQ8	WELLS FARGO & COMPANY				1FE	2,319,908		100,2650	2,331,150	2,325,000		2,320,981				2.150	2.190	JJ	23,050	35,686	10/21/2013	01/15/2019
983024AM2	WYETH LLC				1FE	1,994,698		109,5790	1,829,961	1,670,000		1,831,572				5.450	1.080	AO	22,754	91,015	08/30/2012	04/01/2017
3299999	Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations					276,352,554		X X X	266,458,765	259,154,000		268,099,413				X X X	X X X	X X X	1,988,850	7,271,668	X X X	X X X
3899999	Subtotal - Industrial & Miscellaneous (Unaffiliated)					276,352,554		X X X	266,458,765	259,154,000		268,099,413				X X X	X X X	X X X	1,988,850	7,271,668	X X X	X X X
7799999	Subtotals - Issuer Obligations					344,518,411		X X X	333,467,452	325,487,500		335,310,816				X X X	X X X	X X X	2,292,901	8,182,622	X X X	X X X
7899999	Subtotals - Residential Mortgage-Backed Securities					85,766,966		X X X	85,882,544	80,571,711		85,581,792				X X X	X X X	X X X	255,310	2,605,018	X X X	X X X
8399999	Grand Total - Bonds					430,285,377		X X X	419,349,996	406,059,211		420,892,608				X X X	X X X	X X X	2,548,211	10,787,640	X X X	X X X

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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								
36179QPH8	GNMA POOL MA2224 4.000% 09/20/44		09/29/2014	Bank of America	X X X	14,628,544	13,768,041	33,655
0599999 Subtotal - Bonds - U.S. Governments						14,628,544	13,768,041	33,655
Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)								
574193JB5	MARYLAND ST SERIES B 1.000% 03/01/18		08/14/2014	Mesirow	X X X	1,497,000	1,500,000	6,292
57582P2T6	MASSACHUSETTS ST SERIES B		07/01/2014	Wells Fargo	X X X	1,901,558	1,910,000	4,325
594612BS1	MICHIGAN ST SERIES B 3.590% 12/01/26		06/25/2014	BARCLAY'S	X X X	1,000,000	1,000,000	
1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)						4,398,558	4,410,000	10,617
Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)								
442331SN5	CITY OF HOUSTON, TEXAS PUBLIC IMPROVEMEN		10/20/2014	RBC Capital Markets	X X X	1,106,510	1,000,000	6,299
546585DA5	LOUISVILLE & JEFFERSON CNTY KY SERIES C		07/25/2014	National Financial Services	X X X	1,088,880	1,000,000	6,556
2499999 Subtotal - Bonds - U.S. Political Subdivisions of States (Direct and Guaranteed)						2,195,390	2,000,000	12,855
Bonds - U.S. Special Revenue, Special Assessment								
040580GC0	ARIZONA HST SCH FACS BRD REVEN		09/30/2014	Merrill Lynch	X X X	1,471,011	1,485,000	5,192
041189VU2	ARKANSAS TECH UNIV REVENUE SERIES B		12/22/2014	BAM Asset Management, LLC	X X X	478,514	490,000	3,859
13066KW54	CALIFORNIA ST DEPT OF WTR RESO SERIES AO		10/27/2014	BARCLAY'S	X X X	1,996,800	2,000,000	15,488
46246KH70	IOWA ST FIN AUTH 3.280% 08/01/18		09/11/2014	Bank of America	X X X	1,017,256	955,000	3,916
64971M5T5	NEW YORK CITY NY TRANSITIONAL		07/16/2014	RBC Capital Markets	X X X	1,622,130	1,500,000	12,500
650035XM5	NEW YORK ST URBAN DEC CORP REV		07/08/2014	Merrill Lynch	X X X	1,133,059	1,120,000	4,800
73358WAG9	PORT AUTH OF NEW YORK & NEW JE PORT AUTH		10/17/2014	BARCLAY'S	X X X	1,154,120	1,000,000	20,794
759911X88	REGL TRANSPRTN AUTH IL		11/20/2014	Merrill Lynch	X X X	1,999,120	2,000,000	1,650
837545JP8	SOUTH DAKOTA ST CONSERVANCY DI SOUTH DAK		10/20/2014	Stifel Nicolaus	X X X	1,016,680	1,000,000	5,314
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						11,888,690	11,550,000	73,513
Bonds - Industrial and Miscellaneous (Unaffiliated)								
035242AF3	ANHEUSER-BUSCH INBEV FIN		01/22/2014	BARCLAY'S	X X X	2,325,000	2,325,000	
57629WBU3	MASSMUTUAL GLOBAL FUNDING SERIES 144A		04/02/2014	Morgan Stanley	X X X	2,347,462	2,350,000	
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						4,672,462	4,675,000	
8399997 Subtotal - Bonds - Part 3						37,783,644	36,403,041	130,640
8399998 Summary item from Part 5 for Bonds						4,651,424	4,627,263	3,653
8399999 Subtotal - Bonds						42,435,068	41,030,304	134,293
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						42,435,068	X X X	134,293

SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					17	18	19	20	21	
										11	12	13	14	15						
CUSIP Identification	Description	Forfeign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (Cols. 11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date
Bonds - U.S. Governments																				
36176XKU2	GNMA POOL 779107 4.000% 04/15/42		12/01/2014	Paydown	X X X	859,622	859,622	943,032	941,751		(82,129)		(82,129)		859,622				18,604	04/15/2042
36179MC24	GNMA POOL MA0089 4.000% 05/20/42		12/01/2014	Paydown	X X X	1,118,707	1,118,707	1,231,190	1,229,100		(110,393)		(110,393)		1,118,707				25,516	05/20/2042
36179ME30	GNMA POOL MA0154 3.500% 06/20/42		12/01/2014	Paydown	X X X	779,495	779,495	844,961	843,372		(63,877)		(63,877)		779,495				15,806	06/20/2042
36179MG61	GNMA POOL MA0221 4.000% 07/20/42		12/01/2014	Paydown	X X X	1,839,945	1,839,945	1,988,290	1,986,450		(146,505)		(146,505)		1,839,945				41,760	07/20/2042
36179MMX5	GNMA POOL MA0374 2.500% 09/20/27		12/01/2014	Paydown	X X X	1,038,303	1,038,303	1,100,277	1,096,039		(57,736)		(57,736)		1,038,303				14,414	09/20/2027
912828TQ3	US TREASURY N/B 0.250% 09/30/14		09/30/2014	Maturity	X X X	10,000,000	10,000,000	10,001,205	10,000,453		(453)		(453)		10,000,000				25,000	09/30/2014
0599999 Subtotal - Bonds - U.S. Governments						15,636,072	15,636,072	16,108,955	16,097,165		(461,093)		(461,093)		15,636,072				141,100	X X X
Bonds - U.S. Special Revenue, Special Assessment																				
3128M9DF6	FREDDIE MAC GOLD POOL G07002		12/01/2014	Paydown	X X X	691,458	691,458	745,370	744,339		(52,881)		(52,881)		691,458				17,355	12/01/2041
3128MJQK9	FREDDIE MAC GOLD POOL G08457		12/01/2014	Paydown	X X X	805,288	805,288	863,671	862,471		(57,183)		(57,183)		805,288				20,203	08/01/2041
31307CLJ5	FHLMC POOL J23929 2.500% 05/01/28		12/01/2014	Paydown	X X X	1,191,313	1,191,313	1,165,998	1,166,462		24,850		24,850		1,191,313				17,178	05/01/2028
3134G3H78	FREDDIE MAC 0.350% 12/05/14		12/05/2014	Maturity	X X X	8,500,000	8,500,000	8,502,363	8,501,011		(1,011)		(1,011)		8,500,000				29,750	12/05/2014
3138EJRO	FNMA POOL AL2071 5.500% 03/01/40		12/01/2014	Paydown	X X X	1,075,580	1,075,580	1,183,474	1,180,599		(105,019)		(105,019)		1,075,580				30,151	03/01/2040
3138LWVX7	FNMA POOL A05161 3.500% 06/01/27		12/01/2014	Paydown	X X X	312,798	312,798	336,111	334,223		(21,425)		(21,425)		312,798				6,096	06/01/2027
31402CU67	FNMA POOL 725205 5.000% 03/01/34		12/01/2014	Paydown	X X X	519,243	519,243	571,330	569,779		(50,536)		(50,536)		519,243				13,544	03/01/2034
31403DG9	FNMA POOL 745515 5.000% 05/01/36		12/01/2014	Paydown	X X X	1,012,692	1,012,692	1,106,999	1,104,483		(91,791)		(91,791)		1,012,692				25,759	05/01/2036
31410KJY1	FNMA POOL 889579 6.000% 05/01/38		12/01/2014	Paydown	X X X	555,461	555,461	612,222	610,258		(54,797)		(54,797)		555,461				16,202	05/01/2038
31410KXL3	FNMA POOL 889983 6.000% 10/01/38		12/01/2014	Paydown	X X X	624,567	624,567	691,708	689,329		(64,762)		(64,762)		624,567				18,052	10/01/2038
31417C7D1	FNMA POOL AB6291 3.000% 09/01/27		12/01/2014	Paydown	X X X	831,559	831,559	876,905	874,883		(43,324)		(43,324)		831,559				13,419	09/01/2027
3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment						16,119,959	16,119,959	16,656,151	16,637,837		(517,879)		(517,879)		16,119,959				207,709	X X X
Bonds - Industrial and Miscellaneous (Unaffiliated)																				
001055AH5	AFLAC INC 2.650% 02/15/17		12/19/2014	JP Morgan	X X X	3,753,952	3,650,000	3,808,083	3,761,715		(34,411)		(34,411)		3,727,304		26,648	26,648	131,385	02/15/2017
00206RBD3	AT&T INC 3.000% 02/15/22		05/29/2014	Goldman Sachs	X X X	4,987,500	5,000,000	5,309,500	5,267,796		(12,700)		(12,700)		5,255,097		(267,597)	(267,597)	120,000	02/15/2022
075887BB4	BECTON DICKINSON 1.750% 11/08/16		12/19/2014	JP Morgan	X X X	2,520,925	2,500,000	2,590,300	2,562,954		(21,424)		(21,424)		2,541,530		(20,605)	(20,605)	49,340	11/08/2016
097014AK0	BOEING CAPITAL CORP 3.250% 10/27/14		10/27/2014	Maturity	X X X	1,000,000	1,000,000	1,058,680	1,021,946		(21,946)		(21,946)		1,000,000				32,500	10/27/2014
22160KAD7	COSTCO WHOLESALE CORP 0.650% 12/07/15		01/24/2014	Merrill Lynch	X X X	3,886,284	3,875,000	3,870,389	3,872,021		113		113		3,872,134		14,150	14,150	3,554	12/07/2015
278642AG8	EBAY INC 1.350% 07/15/17		10/06/2014	Wells Fargo	X X X	995,430	1,000,000	1,005,320	1,003,864		(829)		(829)		1,003,035		(7,605)	(7,605)	16,650	07/15/2017
61166WAF8	MONSANTO CO 5.125% 04/15/18		06/25/2014	FTN Financial	X X X	466,319	415,000	497,411	477,978		(7,052)		(7,052)		470,926		(4,607)	(4,607)	15,065	04/15/2018
771196AS1	ROCHE HLDGS INC SERIES 144A		08/29/2014	Redemption	X X X	787,014	666,000	846,519	809,250		(8,815)		(8,815)		800,434		(13,420)	(13,420)	26,714	03/01/2019
806605AJ0	MERCK & CO INC 6.000% 09/15/17		12/01/2014	Call	X X X	3,967,915	3,500,000	4,329,370	4,114,606		(149,435)		(149,435)		3,965,172		2,743	2,743	254,333	09/15/2017
857477AH6	STATE STREET CORP 2.875% 03/07/16		10/06/2014	US Bancorp	X X X	2,221,036	2,150,000	2,299,511	2,243,474		(32,736)		(32,736)		2,210,738		10,298	10,298	67,307	03/07/2016
863667AC5	STRYKER CORP 2.000% 09/30/16		12/17/2014	RAYMOND JAMES/FI	X X X	4,812,609	4,725,000	4,902,944	4,845,200		(42,201)		(42,201)		4,802,999		9,610	9,610	116,025	09/30/2016
3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						29,398,984	28,481,000	30,518,027	29,980,804		(331,436)		(331,436)		29,649,369		(250,385)	(250,385)	832,873	X X X
8399997 Subtotal - Bonds - Part 4						61,155,015	60,237,031	63,283,133	62,715,806		(1,310,408)		(1,310,408)		61,405,400		(250,385)	(250,385)	1,181,682	X X X
8399998 Summary Item from Part 5 for Bonds						4,660,230	4,627,263	4,651,424			(12,648)		(12,648)		4,638,776		21,454	21,454	7,057	X X X
8399999 Subtotal - Bonds						65,815,245	64,864,294	67,934,557	62,715,806		(1,323,056)		(1,323,056)		66,044,176		(228,931)	(228,931)	1,188,739	X X X
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						65,815,245	X X X	67,934,557	62,715,806		(1,323,056)		(1,323,056)		66,044,176		(228,931)	(228,931)	1,188,739	X X X

E14

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
1999999 Total - Preferred and Common Stocks								X X X	X X X

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
0399999 Total - Preferred and Common Stocks				X X X	X X X

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	
Bonds - U.S. Governments - Issuer Obligations																				
0199999 Subtotal - Bonds - U.S. Governments - Issuer Obligations																				
0599999 Subtotal - Bonds - U.S. Governments																				
7799999 Subtotal - Issuer Obligations																				
8399999 Total Bonds																				
8699999 Total - Parent, Subsidiaries and Affiliates																				
Exempt Money Market Mutual Funds																				
261941108	DREYFUS TRSY PRIME CASH MGMT			12/31/2014	Various		19,843,228						19,843,228							MON
8899999 Subtotal - Exempt Money Market Mutual Funds																				
9199999 Total Short-Term Investments																				

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, California	12/31/2014			17,272,694	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories						
			X X X			X X X
0199999 Totals - Open Depositories						
			X X X		17,272,694	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		17,272,694	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		17,272,694	X X X

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

1. January	4,760,148	4. April	3,569,710	7. July	7,208,487	10. October	3,907,680
2. February	12,159,143	5. May	2,789,970	8. August	6,815,917	11. November	4,131,730
3. March	4,311,973	6. June	6,573,605	9. September	4,025,355	12. December	17,327,680

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
Bonds - U.S. Governments - Issuer Obligations							
US Treasury Bill		12/17/2014	0.020	01/15/2015	14,999,889		
0199999 Subtotal - Bonds - U.S. Governments - Issuer Obligations					14,999,889		
0599999 Subtotal - Bonds - U.S. Governments					14,999,889		
7799999 Subtotals - Bonds - Issuer Obligations					14,999,889		
8399999 Subtotals - Bonds					14,999,889		
8699999 Total Cash Equivalents					14,999,889		

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)	B	State Deposit			107,605	104,905
5. California (CA)						
6. Colorado (CO)						
7. Connecticut (CT)						
8. Delaware (DE)						
9. District of Columbia (DC)						
10. Florida (FL)	B	State Deposit			160,157	156,137
11. Georgia (GA)	B	State Deposit			37,537	36,595
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			110,108	107,344
23. Michigan (MI)						
24. Minnesota (MN)						
25. Mississippi (MS)						
26. Missouri (MO)						
27. Montana (MT)						
28. Nebraska (NE)						
29. Nevada (NV)	B	State Deposit			215,210	209,810
30. New Hampshire (NH)	B	State Deposit			525,514	512,326
31. New Jersey (NJ)						
32. New Mexico (NM)	B	State Deposit			113,111	110,272
33. New York (NY)	O	State Deposit	2,105,019	2,064,763		
34. North Carolina (NC)	B	State Deposit			215,210	209,810
35. North Dakota (ND)						
36. Ohio (OH)						
37. Oklahoma (OK)						
38. Oregon (OR)	B	State Deposit			280,274	273,241
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			535,523	522,085
48. Washington (WA)	B	State Deposit			1,101,076	1,073,445
49. West Virginia (WV)						
50. Wisconsin (WI)						
51. Wyoming (WY)	B	State Deposit			160,157	156,137
52. American Samoa (AS)						
53. Guam (GU)						
54. Puerto Rico (PR)						
55. U.S. Virgin Islands (VI)						
56. Northern Mariana Islands (MP)						
57. Canada (CAN)						
58. Aggregate Alien and Other (OT)	X X X	X X X				
59. TOTAL	X X X	X X X	2,105,019	2,064,763	3,561,482	3,472,106
DETAILS OF WRITE-INS						
5801.						
5802.						
5803.						
5898. Summary of remaining write-ins for Line 58 from overflow page	X X X	X X X				
5899. TOTALS (Lines 5801 through 5803 plus 5898) (Line 58 above)	X X X	X X X				

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