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ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2014

OF THE CONDITION AND AFFAIRS OF THE

MULTINATIONAL INSURANCE COMPANY

NAIC Group Code 4804 (Current Period), 4804 (Prior Period) NAIC Company Code 14153 Employer's ID Number 66-0774694

Organized under the Laws of Puerto Rico, State of Domicile or Port of Entry Puerto Rico

Country of Domicile US

Incorporated/Organized October 11, 2011 Commenced Business November 2, 2011

Statutory Home Office 510 Munoz Rivera Avenue, Hato Rey, Puerto Rico 00918
(Street and Number, City or Town, State, Country and Zip Code)

Main Administrative Office 510 Munoz Rivera Avenue, Hato Rey, Puerto Rico 00936 (Street and Number, City or Town, State, Country and Zip Code) 787-758-0909 (Area Code) (Telephone Number)

Mail Address PO BOX 366107, San Juan, Puerto Rico 00936-6107
(Street and Number or P.O. Box, City or Town, State, Country and Zip Code)

Primary Location of Books and Records 510 Munoz Rivera Avenue, Hato Rey, Puerto Rico, US 00918
(Street and Number, City or Town, State, Country and Zip Code)
787-758-0909
(Area Code) (Telephone Number)

Internet Website Address www.multinationalpr.com

Statutory Statement Contact Oscar Rivera (Name) 787-758-0909 (Area Code) (Telephone Number) (Extension)

oscar.rivera@multinationalpr.com (E-Mail Address) 787-754-6399 (Fax Number)

OFFICERS

Luis M. Pimentel Zerbi (President & CEO)
Yadira Mercado (Senior Vice President Finance-Treasurer)

OTHER

Oscar Rivera (Vice President Finance)
Elizabeth Colon (Vice President Underwriting)
Gustavo Lugo (Vice President Claims)
Yelitza Cruz (Corporate Secretary)

DIRECTORS OR TRUSTEES

Tobias Carrero Nacar
Carlos Iguina Oharriz
Yelitza Cruz Melendez
Tobias Enrique Carrero Valentiner
Luis Pimentel Zerbi
Rafael Andres Carrero Valentiner
Miguel Vazquez Deynes
Fernando Rivera Munoz
Juan Carlos Puig
Bartolome Gamundi Cestero

State of ______________ } SS
County of ______________

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

Luis M. Pimentel Zerbi President & CEO	Yadira Mercado Senior Vice President Finance-Treasurer	Oscar Rivera Vice President Finance

Subscribed and sworn to before me this
day of 2015

a. Is this an original filing? Yes (X) No ( )

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

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Col 1 - Col 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	8,618,434		8,618,434	10,545,517
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	3,374,493		3,374,493	3,374,493
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 $ .... encumbrances)	6,597,427		6,597,427	7,580,317
4.2 Properties held for the production of income (less $ .... encumbrances)	273,333		273,333	280,833
4.3 Properties held for sale (less $ .... encumbrances)				
5. Cash ($ 1,566,008 , Schedule E - Part 1), cash equivalents ($ .... , Schedule E - Part 2) and short-term investments ($ .... , Schedule DA)	1,566,008		1,566,008	1,800,563
6. Contract loans (including $ .... premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivables for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Line 1 through Line 11)	20,429,696		20,429,696	23,581,723
13. Title plants less $ .... charged off (for Title insurers only)				
14. Investment income due and accrued	104,390		104,390	103,375
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	4,477,622	650,115	3,827,507	3,463,453
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $ .... earned but unbilled premiums)				
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	246,868		246,868	82,742
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	112,527		112,527	342,002
21. Furniture and equipment, including health care delivery assets ($ ....)	164,938	164,938		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	56,499		56,499	
24. Health care ($ ....) and other amounts receivable				
25. Aggregate write-ins for other-than-invested assets	319,052	198,763	120,289	69,807
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	25,911,592	1,013,816	24,897,776	27,643,102
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Line 26 and Line 27)	25,911,592	1,013,816	24,897,776	27,643,102
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)				
2501. Account Receivable Other	142,446	22,157	120,289	69,807
2502. Prepaid	176,606	176,606		
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	319,052	198,763	120,289	69,807

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	3,845,382	2,705,020
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Columnn 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	335,557	238,419
4.	Commissions payable, contingent commissions and other similar charges	275,363	172,591
5.	Other expenses (excluding taxes, licenses and fees)	679,106	534,639
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1	Current federal and foreign income taxes (including $ .... on realized capital gains (losses))		
7.2	Net deferred tax liability	75,393	47,192
8.	Borrowed money $ .... and interest thereon $		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $ ...... 4,394,000 and including warranty reserves of $ .... and accrued accident and health experience rating refunds including $ .... for medical loss ratio rebate per the Public Health Service Act)	6,321,909	4,780,817
10.	Advance premium	581,511	661,276
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	368,000	2,108,888
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	366,607	291,959
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including $ .... 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		227,991
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $ .... and interest thereon $		
25.	Aggregate write-ins for liabilities	17,033	25,930
26.	Total liabilities excluding protected cell liabilities (Line 1 through Line 25)	12,865,861	11,794,722
27.	Protected cell liabilities		
28.	Total liabilities (Line 26 and Line 27)	12,865,861	11,794,722
29.	Aggregate write-ins for special surplus funds	502,618	314,618
30.	Common capital stock	3,000,000	3,000,000
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds		
33.	Surplus notes		
34.	Gross paid in and contributed surplus	8,500,000	8,500,000
35.	Unassigned funds (surplus)	29,297	4,033,762
36.	Less treasury stock, at cost:		
	36.1 .... shares common (value included in Line 30 $ ....)		
	36.2 .... shares preferred (value included in Line 31 $ ....)		
37.	Surplus as regards policyholders (Line 29 to Line 35, less Line 36) (Page 4, Line 39)	12,031,915	15,848,380
38.	Totals (Page 2, Line 28, Column 3)	24,897,776	27,643,102

DETAILS OF WRITE-INS

2501.	Unearned portion of amounts recovered pursuant to Article 38.160 of Insurance Code of PR	17,033	25,930
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page		
2599.	Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	17,033	25,930
2901.	Puerto Rico Catastrophic Reserve	502,618	314,618
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page		
2999.	Totals (Line 2901 through Line 2903 plus Line 2998) (Line 29 above)	502,618	314,618
3201.			
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page		
3299.	Totals (Line 3201 through Line 3203 plus Line 3298) (Line 32 above)		

STATEMENT OF INCOME

UNDERWRITING INCOME	1 Current Year	2 Prior Year
1. Premiums earned (Part 1, Line 35, Column 4)	13,922,620	10,029,620
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7)	4,783,848	3,762,078
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	857,723	490,433
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	9,871,262	9,337,539
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Line 2 through Line 5)	15,512,833	13,590,050
7. Net income of protected cells		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	(1,590,213)	(3,560,430)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	891,728	915,526
10. Net realized capital gains (losses) less capital gains tax of $ ....(Exhibit of Capital Gains (Losses))	(1,595)	
11. Net investment gain (loss) (Line 9 plus Line 10)	890,133	915,526
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered $ ...., amount charged off $ ....)		
13. Finance and service charges not included in premiums		
14. Aggregate write-ins for miscellaneous income	103,939	31,352
15. Total other income (Line 12 through Line 14)	103,939	31,352
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 8 plus Line 11 plus Line 15)	(596,141)	(2,613,552)
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)	(596,141)	(2,613,552)
19. Federal and foreign income taxes incurred		
20. Net income (Line 18 minus Line 19) (to Line 22)	(596,141)	(2,613,552)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	15,848,381	19,286,011
22. Net income (from Line 20)	(596,141)	(2,613,552)
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of $	(2,779,447)	(941,743)
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(28,201)	(47,192)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	(412,677)	164,857
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 Line 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus		
38. Change in surplus as regards policyholders for the year (Line 22 through Line 37)	(3,816,466)	(3,437,630)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	12,031,915	15,848,381
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Line 0501 through Line 0503 plus Line 0598) (Line 5 above)		
1401. Other Income	103,939	31,352
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Line 1401 through Line 1403 plus Line 1498) (Line 14 above)	103,939	31,352
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Line 3701 through Line 3703 plus Line 3798) (Line 37 above)		

CASH FLOW

	1 Current Year	2 Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	12,978,322	11,486,082
2. Net investment income	920,510	934,182
3. Miscellaneous income	103,939	31,352
4. Total (Line 1 through Line 3)	14,002,771	12,451,616
5. Benefit and loss related payments	3,807,612	3,783,059
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	10,384,607	10,075,922
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of $ .... tax on capital gains (losses)		59,005
10. Total (Line 5 through Line 9)	14,192,219	13,917,986
11. Net cash from operations (Line 4 minus Line 10)	(189,448)	(1,466,370)
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	15,000	
12.2 Stocks		
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds		
12.8 Total investment proceeds (Line 12.1 through Line 12.7)	15,000	
13. Cost of investments acquired (long-term only):		
13.1 Bonds		659,316
13.2 Stocks		
13.3 Mortgage loans		
13.4 Real estate	(858,060)	(879,503)
13.5 Other invested assets		
13.6 Miscellaneous applications	766,429	812,368
13.7 Total investments acquired (Line 13.1 through Line 13.6)	(91,631)	592,181
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)	106,631	(592,181)
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)	(151,738)	563,884
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(151,738)	563,884
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	(234,555)	(1,494,667)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	1,800,563	3,295,230
19.2 End of year (Line 18 plus Line 19.1)	1,566,008	1,800,563

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001		
20.0002		
20.0003		
20.0004		
20.0005		
20.0006		
20.0007		
20.0008		
20.0009		
20.0010		

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Column 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Column 5 Part 1A	4 Premiums Earned During Year (Columns 1 plus 2 minus 3)
1. Fire	197,234	(164,140)	(6,426)	39,520
2. Allied lines	57,863	33,280	(68,414)	159,557
3. Farmowners multiple peril				
4. Homeowners multiple peril	9,990	431	2,036	8,385
5. Commercial multiple peril	7,747,340	2,807,632	3,638,402	6,916,570
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	192,403	(1,554)	58,882	131,967
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made				
12. Earthquake	154,205	106,882	51,707	209,380
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	1,961,397	768,033	750,368	1,979,062
17.2 Other liability - claims-made				
17.3 Excess workers' compensation				
18.1 Products liability - occurrence	80,178	16,323	32,069	64,432
18.2 Products liability - claims-made				
19.1, 19.2 Private passenger auto liability	258,056	66,373	114,552	209,877
19.3, 19.4 Commercial auto liability	1,659,449	488,147	694,250	1,453,346
21. Auto physical damage	2,504,001	597,650	874,475	2,227,176
22. Aircraft (all perils)				
23. Fidelity				
24. Surety	471,237	68,919	179,796	360,360
26. Burglary and theft		23		23
27. Boiler and machinery	170,360	(7,182)	212	162,966
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	15,463,713	4,780,817	6,321,909	13,922,621
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)				

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A-RECAPITULATION OF ALL PREMIUMS

Line of Business	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
1. Fire	(6,426)				(6,426)
2. Allied lines	(68,414)				(68,414)
3. Farmowners multiple peril					
4. Homeowners multiple peril	2,036				2,036
5. Commercial multiple peril	3,638,402				3,638,402
6. Mortgage guaranty					
8. Ocean marine					
9. Inland marine	58,882				58,882
10. Financial guaranty					
11.1 Medical professional liability - occurrence					
11.2 Medical professional liability - claims-made					
12. Earthquake	51,707				51,707
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	750,368				750,368
17.2 Other liability - claims-made					
17.3 Excess workers' compensation					
18.1 Products liability - occurrence	32,069				32,069
18.2 Products liability - claims-made					
19.1, 19.2 Private passenger auto liability	114,552				114,552
19.3, 19.4 Commercial auto liability	694,250				694,250
21. Auto physical damage	874,475				874,475
22. Aircraft (all perils)					
23. Fidelity					
24. Surety	179,796				179,796
26. Burglary and theft					
27. Boiler and machinery	212				212
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	6,321,909				6,321,909
36. Accrued retrospective premiums based on experience					
37. Earned but unbilled premiums					
38. Balance (Sum of Line 35 through Line 37)					6,321,909
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
3498. Summary of remaining write-ins for Line 34 from overflow page					
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)					

(a) State here basis of computation used in each case.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B-PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written Columns 1 + 2 + 3 - 4 - 5
1. Fire	769,978				572,744	197,234
2. Allied lines	1,701,475				1,643,612	57,863
3. Farmowners multiple peril						
4. Homeowners multiple peril	12,285				2,295	9,990
5. Commercial multiple peril	20,248,604				12,501,264	7,747,340
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	343,787				151,384	192,403
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake	1,005,152				850,947	154,205
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	2,341,167				379,770	1,961,397
17.2 Other liability - claims-made						
17.3 Excess workers' compensation						
18.1 Products liability - occurrence	97,598				17,420	80,178
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	302,069				44,013	258,056
19.3, 19.4 Commercial auto liability	1,902,650				243,201	1,659,449
21. Auto physical damage	2,824,512				320,511	2,504,001
22. Aircraft (all perils)						
23. Fidelity						
24. Surety	471,237					471,237
26. Burglary and theft						
27. Boiler and machinery	436,628				266,268	170,360
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - Nonproportional Assumed Property	XXX					
32. Reinsurance - Nonproportional Assumed Liability	XXX					
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX					
34. Aggregate write-ins for other lines of business						
35. TOTALS	32,457,142				16,993,429	15,463,713
DETAILS OF WRITE-INS						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)						

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Losses Paid Less Salvage				5	6	7	8
Line of Business	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Columns 1 plus 2 minus 3)	Net Losses Unpaid Current Year (Part 2A, Column 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Columns 4 plus 5 minus 6)	Percentage of Losses Incurred (Column 7, Part 2) to Premiums Earned (Column 4, Part 1)
1. Fire	10,368		4,618	5,750	31,986	3,146	34,590	87.5
2. Allied lines	26,946		62,451	(35,505)	52,300	19,380	(2,585)	(1.6)
3. Farmowners multiple peril								
4. Homeowners multiple peril	11,965		2,393	9,572	2,245	2,090	9,727	116.0
5. Commercial multiple peril	2,412,014		1,131,590	1,280,424	2,441,654	1,719,835	2,002,243	28.9
6. Mortgage guaranty								
8. Ocean marine								
9. Inland marine	7,450		12,370	(4,920)	11,549	7,102	(473)	(0.4)
10. Financial guaranty								
11.1 Medical professional liability - occurrence								
11.2 Medical professional liability - claims-made								
12. Earthquake					101		101	
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	153,848			153,848	275,643	122,337	307,154	15.5
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	117,726			117,726	73,794	52,978	138,542	66.0
19.3, 19.4 Commercial auto liability	679,400			679,400	679,318	435,452	923,266	63.5
21. Auto physical damage	1,524,276		93,357	1,430,919	235,507	323,831	1,342,595	60.3
22. Aircraft (all perils)								
23. Fidelity								
24. Surety	6,272			6,272	36,285	18,869	23,688	6.6
26. Burglary and theft								
27. Boiler and machinery	151,793		151,793		5,000		5,000	3.1
28. Credit								
29. International								
30. Warranty								
31. Reinsurance - Nonproportional Assumed Property	XXX							
32. Reinsurance - Nonproportional Assumed Liability	XXX							
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX							
34. Aggregate write-ins for other lines of business								
35. TOTALS	5,102,058		1,458,572	3,643,486	3,845,382	2,705,020	4,783,848	34.4
DETAILS OF WRITE-INS								
3401.								
3402.								
3403.								
3498. Summary of remaining write-ins for Line 34 from overflow page								
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)								

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

	Reported Losses				Incurred But Not Reported			8	9
Line of Business	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred But Not Reported (Columns 1 plus 2 minus 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded	Net Losses Unpaid (Columns 4 plus 5 plus 6 minus 7)	Net Unpaid Loss Adjustment Expenses
1. Fire	41,700		18,828	22,872	13,327		4,213	31,986	1,453
2. Allied lines	1,800		360	1,440	63,063		12,203	52,300	8,470
3. Farmowners multiple peril									
4. Homeowners multiple peril					2,800		555	2,245	292
5. Commercial multiple peril	1,841,126		80,487	1,760,639	845,900		164,885	2,441,654	202,974
6. Mortgage guaranty									
8. Ocean marine									
9. Inland marine	12,000		3,016	8,984	5,051		2,486	11,549	367
10. Financial guaranty									
11.1 Medical professional liability - occurrence									
11.2 Medical professional liability - claims-made									
12. Earthquake					108		7	101	17
13. Group accident and health								(a)	
14. Credit accident and health (group and individual)									
15. Other accident and health								(a)	
16. Workers' compensation									
17.1 Other liability - occurrence	144,182			144,182	131,461			275,643	26,462
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	36,475			36,475	37,319			73,794	7,222
19.3, 19.4 Commercial auto liability	346,820			346,820	332,498			679,318	65,768
21. Auto physical damage	217,421		20,490	196,931	45,176		6,600	235,507	17,815
22. Aircraft (all perils)									
23. Fidelity									
24. Surety	2			2	36,283			36,285	4,717
26. Burglary and theft									
27. Boiler and machinery	32,000		27,000	5,000	43,440		43,440	5,000	
28. Credit									
29. International									
30. Warranty									
31. Reinsurance - Nonproportional Assumed Property	XXX				XXX				
32. Reinsurance - Nonproportional Assumed Liability	XXX				XXX				
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX				XXX				
34. Aggregate write-ins for other lines of business									
35. TOTALS	2,673,526		150,181	2,523,345	1,556,426		234,389	3,845,382	335,557
DETAILS OF WRITE-INS									
3401.									
3402.									
3403.									
3498. Summary of remaining write-ins for Line 34 from overflow page									
3499. Totals (Line 3401 through Line 3403 plus Line 3498) (Line 34 above)									

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	1,030,204			1,030,204
1.2 Reinsurance assumed				
1.3 Reinsurance ceded	172,481			172,481
1.4 Net claim adjustment services (Line 1.1 plus Line 1.2 minus Line 1.3)	857,723			857,723
2. Commission and brokerage:				
2.1 Direct excluding contingent		6,713,403		6,713,403
2.2 Reinsurance assumed excluding contingent				
2.3 Reinsurance ceded excluding contingent		2,684,573		2,684,573
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 (Line 2.1 plus Line 2.2 minus Line 2.3 plus Line 2.4 plus Line 2.5 minus Line 2.6 plus Line 2.7)		4,028,830		4,028,830
3. Allowances to manager and agents		57,060		57,060
4. Advertising		22,074		22,074
5. Boards, bureaus and associations		214,583		214,583
6. Surveys and underwriting reports				
7. Audit of assureds' records				
8. Salary and related items:				
8.1 Salaries		2,400,509		2,400,509
8.2 Payroll taxes		197,738		197,738
9. Employee relations and welfare		182,023		182,023
10. Insurance		88,928		88,928
11. Directors' fees		29,949		29,949
12. Travel and travel items		51,096		51,096
13. Rent and rent items		79,541		79,541
14. Equipment				
15. Cost or depreciation of EDP equipment and software		1,196,491		1,196,491
16. Printing and stationery		70,472		70,472
17. Postage, telephone and telegraph, exchange and express		34,203		34,203
18. Legal and auditing		273,494		273,494
19. Totals (Line 3 through Line 18)		4,898,161		4,898,161
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $ 86,830		99,055		99,055
20.2 Insurance department licenses and fees				
20.3 Gross guaranty association assessments				
20.4 All other (excluding federal and foreign income and real estate)				
20.5 Total taxes, licenses and fees (Line 20.1 plus Line 20.2 plus Line 20.3 plus Line 20.4)		99,055		99,055
21. Real estate expenses		251,274		251,274
22. Real estate taxes		67,131		67,131
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses		526,811	29,290	556,101
25. Total expenses incurred	857,723	9,871,262	29,290	(a) 10,758,275
26. Less unpaid expenses - current year	335,559	1,291,146	3,568	1,630,273
27. Add unpaid expenses - prior year	238,420	932,369	1,233	1,172,022
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Line 25 minus Line 26 plus Line 27 minus Line 28 plus Line 29)	760,584	9,512,485	26,955	10,300,024
DETAILS OF WRITE-INS				
2401. Profesional Services (Underwriting, Accounting, etc.)		294,882		294,882
2402. Supplies Expense		19,947		19,947
2403. Miscelaneous Expense		(12,113)		(12,113)
2498. Summary of remaining write-ins for Line 24 from overflow page		224,095	29,290	253,385
2499. Totals (Line 2401 through Line 2403 plus Line 2498) (Line 24 above)		526,811	29,290	556,101

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

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. Government bonds	(a)	
1.1	Bonds exempt from U.S. tax	(a) 408,070	483,894
1.2	Other bonds (unaffiliated)	(a)	
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) 563,140	563,137
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 6,315	6,315
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income		
10.	Total gross investment income	977,525	1,053,346
11.	Investment expenses		(g) 29,290
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) 132,328
15.	Aggregate write-ins for deductions from investment income		
16.	Total deductions (Line 11 through Line 15)		161,618
17.	Net investment income (Line 10 minus Line 16)		891,728
	DETAILS OF WRITE-INS		
0901.			
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)		
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Line 1501 through Line 1503 plus Line 1598) (Line 15 above)		

(a) Includes $ 483,895 accrual of discount less $ (29,840) amortization of premium and less $ .... paid for accrued interest on purchases.
(b) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued dividends on purchases.
(c) Includes $ .... accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.
(d) Includes $ 563,140 for company's occupancy of its own buildings; and excludes $ .... interest on encumbrances.
(e) Includes $ 6,315 accrual of discount less $ .... amortization of premium and less $ .... paid for accrued interest on purchases.
(f) Includes $ .... accrual of discount less $ .... amortization of premium.
(g) Includes $ 29,290 investment expenses and $ .... investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $ .... interest on surplus notes and $ .... interest on capital notes.
(i) Includes $ 132,328 depreciation on real estate and $ .... depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) On Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Col. 1 + Col. 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds					
1.1	Bonds exempt from U.S. tax	(1,595)		(1,595)	(1,880,691)	
1.2	Other bonds (unaffiliated)					
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				(898,756)	
5.	Contract loans					
6.	Cash, cash equivalents and short-term investments					
7.	Derivative instruments					
8.	Other invested assets					
9.	Aggregate write-ins for capital gains (losses)					
10.	Total capital gains (losses)	(1,595)		(1,595)	(2,779,447)	
	DETAILS OF WRITE-INS					
0901.						
0902.						
0903.						
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Line 0901 through Line 0903 plus Line 0998) (Line 9 above)					

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income			
4.3 Properties held for sale			
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Line 1 to Line 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	650,115	349,432	(300,683)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			
15.3 Accrued retrospective premiums			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset			
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	164,938	176,973	12,035
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	198,763	74,734	(124,029)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Line 12 to Line 25)	1,013,816	601,139	(412,677)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Line 26 and Line 27)	1,013,816	601,139	(412,677)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Line 1101 through Line 1103 plus Line 1198) (Line 11 above)			
2501. Prepaid Expense	176,606	74,734	(101,872)
2502. Other Accounts Receivable	22,157		(22,157)
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page			
2599. Totals (Line 2501 through Line 2503 plus Line 2598) (Line 25 above)	198,763	74,734	(124,029)

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Accounting Practices

The accompanying financial statements of the Multinational Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico.

Effective January 1, 2001, the Insurance Commissioner of Puerto Rico required that insurance companies domiciled in the Commonwealth of Puerto Rico prepare their statutory basis financial statements in accordance with the NAIC "Accounting Practices and Procedures Manual" - version effective January 1, 2001, subject to any deviations prescribed or permitted by the Insurance Commissioner of Puerto Rico.

The Commissioner, on a notice dated December 13, 2012, permitted the Company to capitalize a market value adjustment as determined by the Commissioner for one of its real estate properties located in San Juan, Puerto Rico, and for the investment in common stock of a domestic life insurance company. Such notice was in effect through the year 2013. Subsequent to the year ended December 31, 2012, on June 3, 2013, the Company received a new notice from the Commissioner in which the authorization for the for the year 2013 for the market value adjustment for the real estate property was retired and left without effect. On June 10, 2013, the Company formally requested the Commissioner a meeting to discuss this matter. As of the date of the issuance of these statutory financial statements, the Commissioner is evaluating the arguments presented by management in order to establish a final position as to the permitted practice. On a letter dated March 25, 2014 the Commissioner granted a three years phase out period commencing on December 31, 2013, to eliminate the previously granted permitted practice on real estate. As a result, an adjustment in the amount of $999,253 was recorded to reduce related real estate value to $6,597,428. Accordingly, remaining market value adjustment for the real estate appreciation at 2014 year end, resulted in $999,253 and will be amortized completely in December 2015.

A reconciliation of the policyholders' surplus between the amounts presented in the accompanying financial statements (PR State basis) and NAIC SAP as shown below:

Statutory Surplus - PR State Basis	$ 12,031,915
Puerto Rico prescribed practices:	
Common Stock	(3,374,493)
Real Estate	(999,253)
Unearned Premium Adjusted as per Chapter 5 Section 516	(4,621,305)
Statutory Surplus - NAIC SAP	$ 3,036,864

The Company insures real and personal property against loss and damages, and writes other casualty lines. The business is primarily written through general agents who collect the premiums from the insurers and remit them to the Company, net of commissions.

Effective on June 1, 1998, the Commissioner of Insurance of the Commonwealth of Puerto Rico issued a new accounting policy regarding the method to account for multiple-year premiums written on auto personal lines. The accounting policy requires that premiums related to the first 365 days of coverage to be accounted as premiums written subject to unearned premiums computation. The premium related to the period over 365 days is accounted as premiums paid in advance. The commissions related to the first 365 days of the period of the policy are accounted as commission expense. Commissions related to the period over 365 days is paid and recorded as commission expense on the policy renewal date.

The Commissioner has adopted prescribed accounting practices that differ from those in NAIC SAP. Specifically, section 519 of the Insurance Code of Puerto Rico establishes that a new domestic insurer may during the first full five years of its operations, maintain unearned premium reserves in the following percentages: 1st Year 50%, 2nd Year 60%, 3rd Year 70%, 4th Year 80% and 5th Year 90%. The effect of section 519 of the Puerto Rico Code in the statutory financial statements was a decrease in unearned premium reserve and a surplus increase in the amount of $4,621, 305.

B. Use of Estimates in the Preparation of Financial Statements

The preparation of financial statements in conformity with statutory accounting practices prescribed or permitted by the Commissioner of Insurance requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Accounting Policies

Premiums written are taken into income on a pro-rata basis over the periods covered by the policies, whereas the related acquisition and commission costs are expensed when incurred. The unearned premiums are computed based on the monthly pro rata method and presented net of unearned premiums ceded under reinsurance contracts.

Investments in debt securities designated as highest and high quality (NAIC designation 1 and 2) are generally stated at amortized cost and any premium or discount is amortized to income using the interest method, all other debt securities are reported at the lower of amortized cost or fair market value. As permitted by rules promulgated by the NAIC's codification, redeemable preferred stocks are accounted for at amortized cost, until the investment reaches the lower of its par or redemption value.

Equity securities (common stock), other than those from an affiliated company, are stated at market value. Common stock fr11om an affiliated insurance company is presented at the Company's equity in the affiliated company's statutory capital and surplus. The unrealized gain or loss on common stock is accounted for as a direct increase of decrease of unassigned surplus. Short Term investments are stated at amortized cost. Bonds not backed by other loans are stated at either amortized cost, using the interest method or the lower of amortized cost or fair market value.

Redeemable Preferred stocks in good standing are carried at amortized cost. Perpetual preferred stocks in good standing are carried at fair market value. Other preferred stocks not in good standing are carried at the lower of amortized cost or fair market value.

Loan backed securities are stated at either amortized cost, using the interest method or the lower of amortized cost or fair market value. The retrospective adjustment method is used to value all securities except for interest only securities, EITF 99-20 eligible securities or securities where the yield had become negative, that are valued using the prospective method. Declines in the market value of invested assets below cost are evaluated for other than temporary impairment losses.

Impairment losses for declines in value of fixed maturity investments and equity securities below cost attributable to issuer-specific events are based upon all relevant facts and circumstances for each investment and are recognized when appropriate in accordance with SAP and related guidance. For fixed maturity investments with unrealized losses due to market conditions or industry-related events where the Company has the positive intent and ability to hold the investment for a period of time sufficient to allow a market recovery or to maturity, declines in value below cost are assumed to be temporary.

Mortgage loans and note receivable are presented at their outstanding unpaid principal balance.

Investment transactions are recorded on the basis of trade date. Realized gains and losses on sales of investments are determined using the specific identification method.

Prepayments assumptions for Mortgage-Backed Securities, Collateralized Mortgage Obligations and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover), term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, we monitor the rate of prepayment and calibrate the model to reflect actual experience, market factors, and viewpoint.

Cash includes non-negotiable certificates of deposit with original maturities of one year of less, saving accounts and other interest-bearing accounts with banks, as well as cash on hand and on deposit.

Electronic data processing equipment is presented at cost, net of accumulated depreciation. Depreciation is provided on the straight-line method over the estimated useful life of the equipment.

Equipment, furniture and fixtures and leasehold improvements are classified as non-admitted assets. Depreciation is provides under the straight-line method over the estimated useful life of the assets.

Real Estate investments represent properties occupied by the Company or held for the production of income and are presented at cost, net of accumulated depreciation, or as adjusted by the market value adjustment under acceptance by the Commissioner. A useful life of real estate was estimated at approximates 40 years. Depreciation expense for the year ended on December 31, 2014 amounted to approximately $119,750.

Real Estate as of December 31, 2014 consists of the following:

Property occupied by the Company, including marke value of $999,253		
Home Office, Net	$	6,519,984
Property Occupied - Other net		77,444
Sub-total	$	6,597,428
Property held for production of income, net		273,333
Real Estate, net	$	6,870,761

The Company’s reserves for loss and loss adjustment expenses represent individual case estimates for reported claims, estimates for unreported losses based on past experience modified for current trends and estimates of expenses for investigating and settling claims. The total of such liability is reduced for portions ceded to other insurers. Management believes that the reserve for losses and loss adjustment expenses at December 31, 2014, is reasonable and reflective of anticipated ultimate experience. Because of the length of time required for ultimate liability losses and loss adjustment expenses to be determined, the net amounts that will ultimately be paid to settle the liability may vary from the estimated amounts provided for in the statutory statements of admitted assets, liabilities, surplus and other funds. The resulting difference between the estimates and the actual loss, as subsequently determined, is reflected in operations in the period such difference arises.

NOTE 2: ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

Not Applicable.

NOTE 3: BUSINESS COMBINATIONS AND GOODWILL

Not Applicable.

NOTE 4: DISCONTINUED OPERATIONS

Not Applicable.

NOTE 5: INVESTMENTS

During February 2014, the investments rating agencies Moody’s, Standard and Poor’s and Fitch downgraded the general obligations bonds of the Commonwealth of Puerto Rico and some other instrumentalities. As of December 31, 2014 Multinational Insurance Company (“the Company”) possessed investments in Puerto Rico (P.R.) obligations and other instrumentalities with an amortized cost in the amount of $6.4 million and with a market value of $4.6 million.

The Statement of Statutory Accounting Principle Number 26 (“SSAP No. 26”) establishes that bonds shall be valued and reported in accordance with this statement, the *Purposes and Procedures Manual of the National Association of Insurance Commissioner (“NAIC”) Securities Valuation Office (“SVO”),* and the designation assigned in the NAIC *Valuations of Securities* product prepared by the *SVO.* For reporting entities that maintain an Asset Valuation Reserve (“AVR”), the bonds shall be reported as amortized cost, except those with a NAIC designation of 6, which shall be reported at the lower of amortized cost or fair value. For reporting entities that do not maintain an AVR, bonds that are designated highest-quality and high-quality (NAIC designations 1 and 2, respectively) shall be reported at amortized cost; with all other bonds (NAIC designations 3 to 6) reported at the lower of amortized cost or fair value.

Property and Casualty Insurance Companies do not maintain an Asset Valuation Reserve, and as a result they should report bonds with classification 1 and 2 at amortized cost and those with NAIC designation of 3 to 6 at the lower of cost or fair value.

As of December 31, 2014 all bonds in Puerto Rico Obligations presented in the accompanying financial statements were classified by the SVO with a classification of 3 and 4. As a result of the abovementioned downgrade, investments in PR were recorded at fair value with a valuation allowance charged to surplus amounting to $1.8 million.

In addition, the Article 6.03 of the Puerto Rico Insurance Code (the "Code") establishes that in those cases in which an investment becomes ineligible at a date subsequent to its acquisition as a result of a downgrade to the "low investment grade category", the insurer will have a year after such downgrade to dispose of corresponding investment. The Code defines as low investment grade category debt securities classified 4, 5, or 6 by the SVO, or BB to R by Standard and Poor's Rating Group. On March 30, 2014 the Puerto Rico Legislature, approved "P. de S. 968", which amended aforementioned Article 6.03, and extends the one year term mentioned above to three years and, upon request of the insurer, grants authority to the Puerto Rico Insurance Commissioner to waive the disposal requirement of a downgraded debt security, if it is contrary to the bests interest of the policyholders, debt holders, or public interest.

Other than Temporary Investments Assessment

The SSAP No. 26 also requires an assessment in order to determine if there is a probability that a deficiency resulting by the difference between the carrying value of a debt security and its fair value is "other than temporary impairment" ("OTTI"). A decline in value is other than temporary if it is probable that the reporting entity will be unable to collect all amounts due according to the contractual terms of a debt security in effect at the date of the acquisition. The SSAP establishes that a decline in fair value which is other than temporary includes situations where a reporting entity has made a decision to sell a security prior to its maturity at an amount below its carrying value. If it is determined that the decline in fair value is other than temporary, an impairment loss should be recognized for the entire difference between the bond's carrying value and its fair value at the balance sheet date of the reporting period for which the assessment is made.

As previously mentioned, the Article 6.03 of the Puerto Rico Insurance Code (the "Code") establishes that in those cases in which an investment becomes ineligible at a date subsequent to its acquisition as a result of a downgrade to the "low investment grade category", the insurer will have a year after such downgrade to dispose of corresponding investment. The Code defines as low investment grade category debt securities classified 4, 5, or 6 by the SVO, or BB to R by Standard and Poor's Rating Group. On March 30, 2014 the Puerto Rico Legislature, approved "P de S 968", which amended aforementioned Article 6.03 which extends the one year term mentioned above to three years and upon request of the insurer, granting authority to the Puerto Rico Insurance Commissioner to waive the disposal requirement of a downgraded debt security, if it is contrary to the bests interest of the policyholders, debt holders, or public interest.

As mentioned above, as a result of the downgrading of Puerto Rico obligations, investments in our portfolio with amortized cost of $ 6.4 million and a $ 4.6 million fair value as of December 31, 2014, were downgraded to designation 3 and 4 by the NAIC Securities Valuation Office. Nevertheless, it is our understanding that the decline in value of those investments is temporary and that the Company has the ability and intent to hold those securities until they recover or its maturity. We recognize that Puerto Rico's economy has been stuck for several years, but it is our opinion that on the positive front recent reforms as well as newly enacted taxes should help relief the government's debt servicing burdens and provide some breathing room to policy makers. In addition, it is important to point out that our Constitution provides for bondholders protection, since in any event they have priority on the recovery of their investment. Accordingly, we understand that the unrealized losses reflected on the Puerto Rico government obligations does not constitute impairment other than temporary.

A. Mortgage Loans

Not Applicable.

B. Trouble Debt Restructuring for Creditors

Not Applicable.

C. Reverse Mortgage

Not Applicable.

D. Loan Backed Securities

Not Applicable

E. Repurchase Agreements

Not Applicable.

F. Write-downs for Impairments of Real Estate and Retail Land Sales

Not Applicable.

G. Low income housing Credits

Not Applicable.

NOTE 6: JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANY

Not Applicable.

NOTE 7: INVESTMENT INCOME

A. Accrued Investment income

The Company non-admits investment income due and accrued if amounts are over 90 days past due. The investment income reported as due and accrued is completely admitted.

B. Amounts none admitted

Not Applicable.

NOTE 8: DERIVATIVE INSTRUMENTS

The Company does not have derivative instruments.

NOTE 9: INCOME TAXES

The Company is taxed on taxable income determined on the basis of the annual statements filed with the Insurance Commissioner of Commonwealth of Puerto Rico. Also, the Company is subject to an alternative minimum income tax which is calculated based on a formula established by existing tax laws.

Deferred tax liability was recorded in the amount of $75,393 due to the recognition and timing difference resulted from the catastrophic reserve.

On June 30, 2013, the Governor of the Commonwealth of Puerto Rico signed into law Puerto Rico's Act No. 40 known as Tax burden Adjustment and Redistribution Act which introduces substantial changes to the 2011 tax reform. The law established a tax to the insurance companies of 1% on net premiums earned after June 30, 2013. The Office of the Commissioner of Insurance of PR (OCS) issued Normative Letter CN-2014-170-AF providing guidance for this special tax calculation pursuant to section 7.022 of the Insurance Code.

For 2014 the OCS published and provided Form No. OCS-AF-2015-001 “Special Premium Tax Calculation” for Property and Casualty Companies and the 1% was applied to the Direct Premiums Earned following the calculation form. This tax liability for the year ended December 31, 2014 amounted to $300,920 from which a total of $139,326 was charge as expenses and the remaining portion recoverable from the reinsurers. This tax liability is due on or before March 31, 2015. For year 2013, the amount reported as tax liability was $38,316 paid on March 2014.

Also the new tax legislation of 2013 requires the companies to calculate a Sales Tax (known as “Patente Nacional”) of .5% of net income effective January 1, 2013. During July 2014, under Law 77 there were some modifications to this tax for those insurance companies with net income in excess of $3 million. As a result the tax shall be based on a progressive tax table commencing with .35% up to 1%. No calculation for this tax was applicable for the years 2014 and 2013, based on the net results of operations of the Company.

NOTES TO FINANCIAL STATEMENTS

NOTE 10: INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

A. Nature of Relationship

Multinational Insurance Company was incorporated and domiciled in San Juan, Puerto Rico and licensed to do property and casualty insurance business in PR on October 11, 2011 and began operations on November 2, 2011. The Company is a wholly-owned subsidiary of Ancon SA, an insurance company licensed in Panama. The Company bought certain assets and assumed the in force portfolio and its unearned premiums and paid in advance premiums from National Insurance Company which was in the process of liquidation as a result of a court order received from the San Juan Superior Court of PR requested by the Office of the Commissioner of Insurance of PR. Among assets acquired by the Company there are 122,158 shares or 48.81% of the outstanding common stocks of Multinational Life Insurance Company (formerly known as National Life Insurance Company). The purchase transaction on the Company's book was recorded as balance sheet entries since it was prior of commencing their operations. The Commissioner permitted the Company to record the excess of assets acquired and liabilities assumed over cash paid for business interest as part of aggregate write-ins for other than special funds since NAIC SAP does not address the accounting for this transaction. On November 12, 2011 the Company acquired additional 119,622.5 shares at a price of $3,304,500 of Multinational Life Insurance Company from previous shareholders which were subsequently sold at cost during 2012 to another affiliated company. The agreed price of $3,304,500 was received during April 2012. This transaction was approved by the Office of the Commissioner of Insurance of P.R.

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

Not Applicable.

C. Change in Terms of Inter-Company Arrangements

Not Applicable

D. Amount Due to or From Related Parties

As of December 31, 2014, the company reported net amount due from Multinational Life Insurance Company in the amount of $56,499. The net amount due from Multinational Life Insurance Company does not bear interest and are due on demand.

E. Guarantees or Contingencies for Related Parties

Not Applicable

F. Transaction with Related Parties

The Company leases office space to Multinational Life Insurance Company under an operating lease agreement. This agreement expire on December 31 2013 and has a renewal option for a period of five years. During the year ended December 31, 2013 a total amount of $540,000 was recorded as rent income and for the year 2012 the total was $437,760.

In addition, the company shares certain expenses with Multinational Life Insurance Company such as salaries, professional services, occupancy expenses, information technology, and other expenses which are incurred for the benefit of both companies. For the year ended December 31, 2014 these charges were as follows:

Amount billed from Multinational Life Insurance Company	$ 1,284,777
Amount billed to Multinational Life Insurance Company	1,441,564
Decrease in other expenses net balance	$ (156,787)

G. Nature of Relationship that could affect operations

Not Applicable.

H. Amount Deducted for Investment in Upstream Company

Not Applicable.

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

The Company owns 122,158 shares or 48.81% of the common stocks of Multinational Life Insurance for the total statement value of $3,374,493 presented at market adjustment under special acceptance by the Commissioner.

J. Write-down for Impairment of investments in Subsidiary, Controlled or Affiliated Companies.

Not Applicable.

K. Foreign Subsidiary value using CARVM

Not Applicable.

L. Downstream Holdings Company Value Using Look – Through Method

Not Applicable.

NOTE 11: DEBT

Not Applicable.

NOTE 12: RETIREMENTS PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT PLANS

Not Applicable.

NOTE 13: CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

The Company has 500,000 shares of $10 par value common stocks authorized and 300,000 shares issued and outstanding. The Company also has 300,000 shares of $10 par value preferred stock authorized and none issued or outstanding.

Surplus is restricted as to payment of dividends by statutory limitations applicable to insurance companies. Such limitations restrict the payment of dividends by the insurance companies generally to unassigned surplus funds reported for statutory purposes.

Pursuant to amendments to the Insurance Code, the Puerto Rico Insurance Code requires multiline property and casualty insurance companies to have a minimum common stock paid in capital of $3,000,000. In addition, the Code requires a minimum surplus amounting to one third of net premiums written. At December 31, 2014 the Company met these capital requirements.

In accordance with the Act No. 73 of August 12, 1994 and Chapter 25 of the Insurance Code, the Companies required to establishing and maintaining a trust fund for the payment of catastrophe losses. The establishment of this trust fund increases the financial capacity of the Company in order to offer protection related to catastrophic losses. This trust may invest its funds in securities authorized by the Insurance Code, but not in investments whose value may be affected by hazards covered by catastrophic insurance losses. The interest earned on the investments and any realized gain / (loss) on investments transactions become part of the reserve for catastrophic insurance losses and an income / (expense) of the Company. The assets in this fund are to be used solely and exclusively to pay catastrophe losses covered under policies written in Puerto Rico.

The company segregate from the surplus the amount of $502,618 to complied with the article 25.30 (6) of the Puerto Rico Insurance Law. In Puerto Rico, catastrophic reserves are recorded as aggregate write-ins for special surplus funds and reduced from unassigned surplus. Under GAAP catastrophic reserves are not recorded.

NOTE 14: CONTINGENCIES

A. Contingent Commitments

Pursuant to Chapter 41 and Rule no. 56 of the Insurance Code of the Commonwealth of Puerto Rico, the Company is a member of "Sindicato de Aseguradores para la Suscripción Conjunta de Seguros de Responsabilidad Profesional Médico-Hospitalaria" and "Sindicato de Aseguradores de Responsabilidad Profesional para Médicos". Both syndicates were created for the purpose of underwriting medical-hospital professional liability insurance. As a member, the Company shares risks with other members, companies and, accordingly, is contingently liable in the event that these syndicates cannot meet their obligations. It has been reported that such syndicates have a cumulative deficit which could give rise to future assessments to replenish those deficits. During 2013 and 2012 no payments were made for this contingency and no formal notifications or indications have been received.

In addition, pursuant to Article 12 of Rule LXIX of the Insurance Code of the Commonwealth of Puerto Rico, the Company is a member of the Compulsory Vehicle Liability Joint Underwriting Association. This association was organized in 1997 to underwrite insurance coverage of motor vehicle property damage liability risks effective on January 1998; its limit is $4,000 per occurrence. As a participant, the Company shares the risk, proportionately with other members, based on a formula established by the Insurance Code. During the year ended December 31, 2014 the Company received a dividend distribution in the amount of $95,139 based on Article 20 (e) of Tule LXX of the Insurance Code. No other distributions were received before, since the Company commenced operations on November, 2011.

B. Guaranty Fund and Other Assessments

Property and liability insurance companies are members of Puerto Rico Property and Casualty Insurance Guaranty Association (PRPCIGA). As a member, is required to provide funds for the settlement of claims and reimbursements of unearned premiums of insurance policies issued by insolvent insurance companies.

On July 1, 2013, the Company received an assessment imposed by the PRPCIGA in a meeting held by its Board of Directors. The first assessment was for vehicle insurance and the other for all Other Covered Lines insurance, both based on .026% and .87%, respectively, of Direct Puerto Rico Premiums as reported in former Page 14 of the Annual Statement filed with the Insurance Commissioner for the year ended December 31, 2012. The Company paid $ 102,336 on August 1, 2013

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The amount paid by the Company under this order is subject to recoupment (to be recovered prospectively) from the insured up to the amount paid, date established and by prior approval by the office of the Commissioner of Insurance of Puerto Rico. On August 28, 2013 the Commissioner issued Circular Letter No. CC-2013-1837-EX to allow the insurers to recoup the amounts paid. Recoveries will be made commencing with all new policies and additional premium endorsements with effective date of October 1,2013 and renewals with an effective date of November 1,2013.The percentages for the recovery are .1% for automobile insurance and .9% for all other classes of insurance to which Chapter 38 of the Insurance Code applies.

For the year ended December 31,2014, the Company recovered a total of approximately $104,000, from which $17,033 were recorded as a liability (Aggregate write-in for liabilities: “Unearned portion of amounts recovered pursuant to Article 38.160 of the Insurance Code of PR” as per Circular Letter CC-2013-1837-EX. Liability was calculated using the monthly pro-rata basis of statutory accounting.

C. Gain Contingencies

Not Applicable.

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

Not Applicable.

E. Other Contingencies and Write-downs for Impairment

Not Applicable.

NOTE 15: LEASES

The Company has an operating lease agreement for office space rented by a related party which expires on December 31, 2014, with renewal options for five additional years. In the years 2014 and 2013, rental income for this lease amounted to $ 540,000.

NOTE 16: INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATION OF CREDIT RISK

Not Applicable.

NOTE 17: SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

Not Applicable.

NOTE 18: GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

Not Applicable.

NOTE 19: DIRECT PREMIUM WRITTEN (DPW) /PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

The Company uses general agencies to write and administer all property and casualty lines of business. As reported in the following chart, general agencies which write direct premiums greater than 5% of policyholder's surplus for the period ended on December 31, 2014. The terms of the general agency contracts give the agency authority to premium collection (P) and underwriting authority (B) for all policies issued under these agreements.

General Agency	EIN No.	Exclusive Contract	Type	Authority	Total DPW
Colonial Insurance Agency	66-0381156	No	All Lines	B, P	$ 6,452,391
J. Jaramillo Insurance, Inc.	66-0727754	No	All Lines	B, P	2,919,827
Firstbank Insurance Agency	66-0577926	No	All Lines	B, P	1,823,672
Benitez Insurance Agency	66-0343660	No	All Lines	B, P	1,820,609
Seguros N Colon	66-0538812	No	All Lines	B, P	1,529,927
Corona Insurance	66-0551184	No	All Lines	B, P	1,473,734
M. Cano	66-0393904	No	All Lines	B, P	1,240,932
Prima Group Insurance	66-0489844	No	All Lines	B, P	928,774
All Others					14,267,276
Total					$ 32,457,142

NOTE 20: OTHER ITEMS

A. Extraordinary items

Not Applicable.

B. Trouble Debt Restructuring for Debts

Not Applicable.

C. Other Disclosures

Not Applicable

D. Uncollectible Premium Receivable

Not Applicable.

E. Business Interruption Insurance Recoveries

Not Applicable.

F. Hybrids Securities

Not Applicable.

G. State Transferable Credits

Not Applicable.

H. Impact of Medicare Modernization Act

Not Applicable.

I. Sub Prime Mortgages

Not Applicable.

NOTE 21: EVENT SUBSEQUENT

None.

NOTE 22: REINSURANCE

The Company limits the maximum net loss that can arise from large risks or risks in concentrated areas of exposure by reinsuring (ceding) certain levels of risks with other insurers or reinsurers. Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial position of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies.

A reserve is provided for unearned premiums and reinsurance balances receivables on business with unauthorized reinsurers. Also, a reserve is provided for overdue amounts, as defined, for authorized reinsurance. Changes in these reserves are charged or credited to unassigned surplus. As of December 31, 2014 no reserves were deemed necessary.

Effective April, 1 2014 the Company entered into a personal and commercial quota share reinsurance treaty to provide coverage for its personal property and commercial multiple peril property business lines. The reinsurance treaty provides coverage in Quota Share Basis of 80/20 for personal lines and 50/50 for commercial lines of up to $15 million capacity. Also have a Per Risk X/L up to 15M, with a retention of 300K. Prior to April 1, 2014 the company has quota share and surplus reinsurance treaty to provide coverage for its personal property and commercial multiple peril property business lines. The reinsurance treaty provides coverage in Quota Share Basis 50% of the Company’s retention of $250,000 up to $15 million capacity in Surplus.

Effective April 1, 2014 the Company entered into a reinsurance treaty to provide coverage for all of its casualty business lines. This reinsurance treaty provides coverage in excess of the Company’s retention of $150,000 up to $6 million. Prior to April 1, 2014 the reinsurance treaty provided coverage in excess of a Company’s retention of $150,000 up to $6 million.

Effective April 1, 2014 the company entered in a separate catastrophe excess of loss reinsurance program, applicable to all property business personal and commercial) including but not limited to fire, allied lines, plate glass, inland marine, wind, earthquake, burglary and theft, builder’s risk, electronic equipment, auto physical damage, yacht hull, and the property sections of homeowners, dwelling, and commercial multiple peril. Effective April 1, 2014, MIC have a Catastrophe program, split in two towers, with $95 million of capacity for commercial tower with a retention of $1.3M and $25 million for personal with a Company’s retention of $500K.

The Company has a Reinstatement Premium Protection. Proportional treaties are maintained for equipment breakdown, and commercial auto physical damage.

NOTE 23: RESTROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

Not Applicable.

NOTE 24: CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Not Applicable.

NOTES TO FINANCIAL STATEMENTS

NOTE 25: INTERCOMPANY POOLING ARRANGEMENTS

Not Applicable.

NOTE 26: STRUCTURED SETTLEMENTS

Not Applicable.

NOTE 27: HEALTH CARE RECEIVABLES

Not Applicable.

NOTE 28: PARTICIPATING POLICIES

Not Applicable.

NOTE 29: PREMIUM DEFICIENCY RESERVES

Not Applicable.

NOTE 30: HIGH DEDUCTIBLES

Not Applicable.

NOTE 31: DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

The Company does not discount its loss and loss adjustment expense reserve for the time value of money.

NOTE 32: ASBESTOS/ENVIRONMENTAL RESERVES

Not Applicable.

NOTE 33: SUBSCRIBER SAVING ACCOUNTS

Not Applicable.

NOTE 34: MULTIPLE PERIL CROP INSURANCE

Not Applicable.

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? Yes (X) No ( )

If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes (X) No ( ) N/A ( )

1.3 State Regulating? Puerto Rico

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 of 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. ....

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). ....

3.4 By what department or departments?
PR Office of the Commissioner of Insurance

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes ( ) No ( ) N/A (X)

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes ( ) No ( ) N/A (X)

4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business? Yes ( ) No (X)
4.12 renewals? Yes ( ) No (X)

4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business? Yes ( ) No (X)
4.22 renewals? Yes ( ) No (X)

5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes ( ) No (X)

5.2 If yes, provide the name of entity, the 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 (X) No ( )

7.2 If yes,

7.21 State the percentage of foreign control .... 100.0 %

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
PANAMA	INSURANCE COMPANY

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes ( ) No (X)

8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
....

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes ( ) No (X)

8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
LPG, P.S.C. PMB 516 1353 LUIS VIGOREAUX AVE., GUAYNABO PR 00966

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 the 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 the 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 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?
KPMG, LLP 303 PEACHTREE ST NE, ATLANTA GA 30308

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes ( ) No (X)

12.11 Name of real estate holding company

12.12 Number of parcels involved

12.13 Total book/adjusted carrying value $

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 (X)

13.3 Have there been any changes made to any of the trust indentures during the year? Yes ( ) No (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 issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof? Yes (X) No ( )

17. Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof? Yes (X) No ( )

18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees, or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes (X) No ( )

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes ( ) No (X)

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
20.11 To directors or other officers $
20.12 To stockholders not officers $
20.13 Trustees, supreme or grand (Fraternal only) $

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 $
20.22 To stockholders not officers $
20.23 Trustees, supreme or grand (Fraternal only) $

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 $
21.22 Borrowed from others $
21.23 Leased from others $
21.24 Other $

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 $..................
22.22 Amount paid as expenses $..................
22.23 Other amounts paid $..................

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: $..................

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 the 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 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. $..................

24.06 If answer to 24.04 is NO, report amount of collateral for other programs. $..................

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes ( ) No ( ) N/A (X)

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes ( ) No ( ) N/A (X)

24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes ( ) No ( ) N/A (X)

24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

24.101 Total fair value of reinvented collateral assets reported on Schedule DL, Parts 1 and 2 $..................

24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 $..................

24.103 Total payable for securities lending reported on the liability page $..................

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 ( ) No (X)

25.2 If yes, state the amount thereof at December 31 of the current year:

25.21 Subject to repurchase agreements $..................
25.22 Subject to reverse repurchase agreements $..................
25.23 Subject to dollar repurchase agreements $..................
25.24 Subject to reverse dollar repurchase agreements $..................
25.25 Placed under option agreements $..................
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock $..................
25.27 FHLB Capital Stock $..................
25.28 On deposit with states $..................
25.29 On deposit with other regulatory bodies $..................
25.30 Pledged as collateral - excluding collateral pledged to an FHLB $..................
25.31 Pledged as collateral to FHLB - including assets backing funding agreements $..................
25.32 Other $..................

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? If no, attach a description with this statement. Yes ( ) No ( ) N/A (X)

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. $ ....

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 1, 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
CITIBANK	San Juan PR
BANCO POPULAR PR - TRUST DIVISION	San Juan PR
OFFICE OF INSURANCE COMMISSIONER OF PR	San Juan PR

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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 Number	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value

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

1 Name of Mutual Fund (from question 29.2)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	$ 8,618,434	$ 8,745,799	$ 127,365
30.2 Preferred stocks	$	$	$
30.3 Totals	$ 8,618,434	$ 8,745,799	$ 127,365

30.4 Describe the sources or methods utilized in determining the fair values:
Market Sources were used to determine the Fair Market Value on your Schedule D.

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 ( )

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? $ 196,497

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Insurance Service Office	$ 196,497
	$
	$
	$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

34.1 Amount of payments for legal expenses, if any? $ 55,869

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Iguina - Oharriz Attorneys & Consultant	$ 24,463
Rexach & Pico Law Office	$ 31,406
	$
	$

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

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
	$
	$
	$
	$

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND 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. $..................

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $..................

1.31 Reason for excluding:

....

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Line (1.2) above. $..................

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $..................

1.6 Individual policies:

Most current three years:

1.61 Total premium earned	$..................
1.62 Total incurred claims	$..................
1.63 Number of covered lives	....

All years prior to most current three years:

1.64 Total premium earned	$..................
1.65 Total incurred claims	$..................
1.66 Number of covered lives	....

1.7 Group policies:

Most current three years:

1.71 Total premium earned	$..................
1.72 Total incurred claims	$..................
1.73 Number of covered lives	....

All years prior to most current three years:

1.74 Total premium earned	$..................
1.75 Total incurred claims	$..................
1.76 Number of covered lives	....

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	$	$ ....
2.2 Premium Denominator	$	$ ....
2.3 Premium Ratio (Line 2.1/Line 2.2)	....	....
2.4 Reserve Numerator	$	$ ....
2.5 Reserve Denominator	$	$ ....
2.6 Reserve Ratio (Line 2.4/Line 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	$..................
3.22 Non-participating policies	$..................

4. For Mutual reporting entities and Reciprocal Exchange only:

4.1 Does the reporting entity issue assessable policies? Yes ( ) No (X)

4.2 Does the reporting entity issue non-assessable policies? Yes ( ) No (X)

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? .... %

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $..................

5. For Reciprocal Exchanges only:

5.1 Does the exchange appoint local agents? Yes ( ) No (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 (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?

N/A

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:

RMS & AIR for calculating PML for wind & earthquake exposure

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?

MIC has a catastrophe excess of loss reinsurance program

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.4 Does the reporting entity carry catastrophe 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 (X) No ( )

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 unreinsured catastrophic loss.

....

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. ....

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes ( ) No (X)

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.

....

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 the 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 this 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 $..........

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $..........

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: $..........

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)

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:

12.41 From .... %

12.42 To .... %

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 the 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 the current year:

12.61 Letters of credit $..................

12.62 Collateral and other funds $..................

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $..................

13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes ( ) No (X)

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. ....

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 (X)

14.4 If the answer to 14.3 is no, are the methods described in 14.2 entirely contained in written agreements? Yes ( ) No (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:

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? Yes ( ) No (X)

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:

17.11 Gross amount of unauthorized reinsurance in Schedule F - Part 3 excluded from Schedule F - Part 5 $..................
17.12 Unfunded portion of Interrogatory 17.11 $..................
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 $..................
17.14 Case reserves portion of Interrogatory 17.11 $..................
17.15 Incurred but not reported portion of Interrogatory 17.11 $..................
17.16 Unearned premium portion of Interrogatory 17.11 $..................
17.17 Contingent commission portion of Interrogatory 17.11 $..................

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 $..................
17.19 Unfunded portion of Interrogatory 17.18 $..................
17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 $..................
17.21 Case reserves portion of Interrogatory 17.18 $..................
17.22 Incurred but not reported portion of Interrogatory 17.18 $..................
17.23 Unearned premium portion of Interrogatory 17.18 $..................
17.24 Contingent commission portion of Interrogatory 17.18 $..................

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. $................

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. $................

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 and 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 and 19.3, 19.4)	4,643,484	4,614,060	2,754,162	118,844	
2. Property lines (Lines 1, 2, 9, 12, 21 and 26)	6,644,904	4,767,997	3,694,282	411,868	
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	20,697,517	19,358,858	18,783,579	403,121	
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	471,237	216,234	105,119	56,990	
5. Nonproportional reinsurance lines (Lines 31, 32 and 33)					
6. Total (Line 35)	32,457,142	28,957,149	25,337,142	990,823	
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 and 19.3, 19.4)	3,959,080	4,251,897	2,122,429	22,317	
8. Property lines (Lines 1, 2, 9, 12, 21 and 26)	3,105,706	2,640,417	2,439,741	318,503	
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	7,927,690	4,143,459	9,057,244	242,785	
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	471,237	216,234	105,119	57,914	
11. Nonproportional reinsurance lines (Line 31, 32 and 33)					
12. Total (Line 35)	15,463,713	11,252,007	13,724,533	641,519	
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(1,590,213)	(3,560,430)	(379,211)	(78,402)	
14. Net investment gain (loss) (Line 11)	890,133	915,526	607,522	96,172	
15. Total other income (Line 15)	103,939	31,352	518,864		
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)			51,500	1,212	
18. Net income (Line 20)	(596,141)	(2,613,552)	695,675	16,558	
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Column 3)	24,897,776	27,643,102	29,290,281	27,073,302	
20. Premiums and considerations (Page 2, Column 3)					
20.1 In course of collection (Line 15.1)	3,827,507	3,463,453	2,916,126	1,154,479	
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)	12,865,861	11,794,722	10,004,270	8,093,914	
22. Losses (Page 3, Line 1)	3,845,382	2,705,020	2,734,343	557,375	
23. Loss adjustment expenses (Page 3, Line 3)	335,557	238,419	298,539		
24. Unearned premiums (Page 3, Line 9)	6,321,909	4,780,817	3,558,430	3,625,099	
25. Capital paid up (Page 3, Line 30 and Line 31)	3,000,000	3,000,000	3,000,000	3,000,000	
26. Surplus as regards policyholders (Page 3, Line 37)	12,031,915	15,848,380	19,286,011	18,979,388	
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	(189,448)	(1,466,370)	778,997	5,978,351	
Risk-Based Capital Analysis					
28. Total adjusted capital	12,031,915	15,848,380	19,286,011	18,979,388	
29. Authorized control level risk-based capital	3,433,632	3,397,762	3,802,607	548,109	
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)	42.2	44.7	39.0	25.1	
31. Stocks (Line 2.1 and Line 2.2)	16.5	14.3	13.3	26.5	
32. Mortgage loans on real estate (Line 3.1 and Line 3.2)					
33. Real estate (Lines 4.1, 4.2 and 4.3)	33.6	33.3	34.8	36.2	
34. Cash, cash equivalents and short-term investments (Line 5)	7.7	7.6	12.9	12.2	
35. Contact loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)					
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Column 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Column 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Column 1	3,374,493	3,374,493	3,374,493	6,678,993	
45. Affiliated short-term investments (Schedule DA Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Line 42 through Line 47	3,374,493	3,374,493	3,374,493	6,678,993	
49. Total investment in parent included in Line 42 through Line 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)	28.0	21.3	17.5	35.2	

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 (losses) (Line 24)	(2,779,447)	(941,743)	305,278		
52.	Dividends to stockholders (Line 35)					
53.	Change in surplus as regards policyholders for the year (Line 38)	(3,816,466)	(3,437,630)	306,620	18,979,388	
	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 and 19.3, 19.4)	950,974	684,338	365,236	3,551	
55.	Property lines (Lines 1, 2, 9, 12, 21 and 26)	1,569,040	2,133,952	1,595,729	91,715	
56.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	2,575,772	1,350,202	414,389	4,464	
57.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	6,272	7,540			
58.	Nonproportional reinsurance lines (Lines 31, 32, and 33)					
59.	Total (Line 35)	5,102,058	4,176,032	2,375,354	99,730	
	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 and 19.3, 19.4)	950,974	684,338	365,236	3,551	
61.	Property lines (Lines 1, 2, 9, 12, 21 and 26)	1,396,244	1,909,379	1,229,683	80,629	
62.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 and 27)	1,289,996	1,190,144	367,464	841	
63.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 and 34)	6,272	7,540			
64.	Nonproportional reinsurance lines (Lines 31, 32, and 33)					
65.	Total (Line 35)	3,643,486	3,791,401	1,962,383	85,021	
	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)	34.4	37.5	30.0	41.5	
68.	Loss expenses incurred (Line 3)	6.2	4.9	3.4		
69.	Other underwriting expenses incurred (Line 4)	70.9	93.1	69.3	63.6	
70.	Net underwriting gain (loss) (Line 8)	(11.4)	(35.5)	(2.7)	(5.1)	
	Other Percentages					
71.	Other underwriting expenses to net premiums written (Page 4, Line 4 plus Line 5 minus Line 15 divided by Page 8, Part 1B, Column 6, Line 35 x 100.0)	63.2	82.7	65.9	153.3	
72.	Losses and loss expenses incurred to premiums earned (Page 4, Line 2 plus Line 3 divided by Page 4, Line 1 x 100.0)	40.5	42.4	33.4	41.5	
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)	128.5	71.0	71.2	3.4	
	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)	405	(644)	(21)		
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)	2.6	(3.3)	(0.1)		
	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)	(348)	(115)			
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)	(1.8)	(0.6)			

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 (X)
If no, please explain:

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
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported - Direct and Assumed
	Direct and Assumed	Ceded	Net (Columns 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Columns 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX									XXX
2. 2005												XXX
3. 2006												XXX
4. 2007												XXX
5. 2008												XXX
6. 2009												XXX
7. 2010												XXX
8. 2011	1,977	429	1,548	526	84	51	1				492	XXX
9. 2012	23,251	9,462	13,789	3,605	565	725	53				3,712	XXX
10. 2013	26,834	16,805	10,029	4,385	807	639	68				4,149	XXX
11. 2014	30,092	16,169	13,923	3,242	815	242	54				2,615	XXX
12. Totals	XXX	XXX	XXX	11,758	2,271	1,657	176				10,968	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding - Direct & Assumed
1.													XXX
2.													XXX
3.													XXX
4.													XXX
5.													XXX
6.													XXX
7.													XXX
8.	51											51	XXX
9.	648		2				1					651	XXX
10.	799	10	64	10			16	2				857	XXX
11.	1,175	140	1,489	224			359	39				2,620	XXX
12.	2,673	150	1,555	234			376	41				4,179	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	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	Inter - Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1.	XXX	XXX	XXX	XXX	XXX	XXX			XXX		
2.											
3.											
4.											
5.											
6.											
7.											
8.	628	85	543	31.8	19.8	35.1				51	
9.	4,981	618	4,363	21.4	6.5	31.6				650	1
10.	5,903	897	5,006	22.0	5.3	49.9				843	14
11.	6,507	1,272	5,235	21.6	7.9	37.6				2,300	320
12.	XXX	XXX	XXX	XXX	XXX	XXX			XXX	3,844	335

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										DEVELOPMENT	
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	11 One Year	12 Two Year
1. Prior												
2. 2005												
3. 2006	XXX											
4. 2007	XXX	XXX										
5. 2008	XXX	XXX	XXX									
6. 2009	XXX	XXX	XXX	XXX								
7. 2010	XXX	XXX	XXX	XXX	XXX							
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	642	482	527	543	16	61
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,772	4,083	4,363	280	(409)
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,897	5,006	109	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,235	XXX	XXX
										12. Totals	405	(348)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)										11	12
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior	0 0 0										XXX	XXX
2. 2005											XXX	XXX
3. 2006	XXX										XXX	XXX
4. 2007	XXX	XXX									XXX	XXX
5. 2008	XXX	XXX	XXX								XXX	XXX
6. 2009	XXX	XXX	XXX	XXX							XXX	XXX
7. 2010	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	85	453	470	492	XXX	XXX
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,767	3,211	3,712	XXX	XXX
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,880	4,149	XXX	XXX
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,615	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END ($000 OMITTED)									
	1 2005	2 2006	3 2007	4 2008	5 2009	6 2010	7 2011	8 2012	9 2013	10 2014
1. Prior										
2. 2005										
3. 2006	XXX									
4. 2007	XXX	XXX								
5. 2008	XXX	XXX	XXX							
6. 2009	XXX	XXX	XXX	XXX						
7. 2010	XXX	XXX	XXX	XXX	XXX					
8. 2011	XXX	XXX	XXX	XXX	XXX	XXX	370	2	4	
9. 2012	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,061	109	3
10. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,085	68
11. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,585

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated By States And Territories

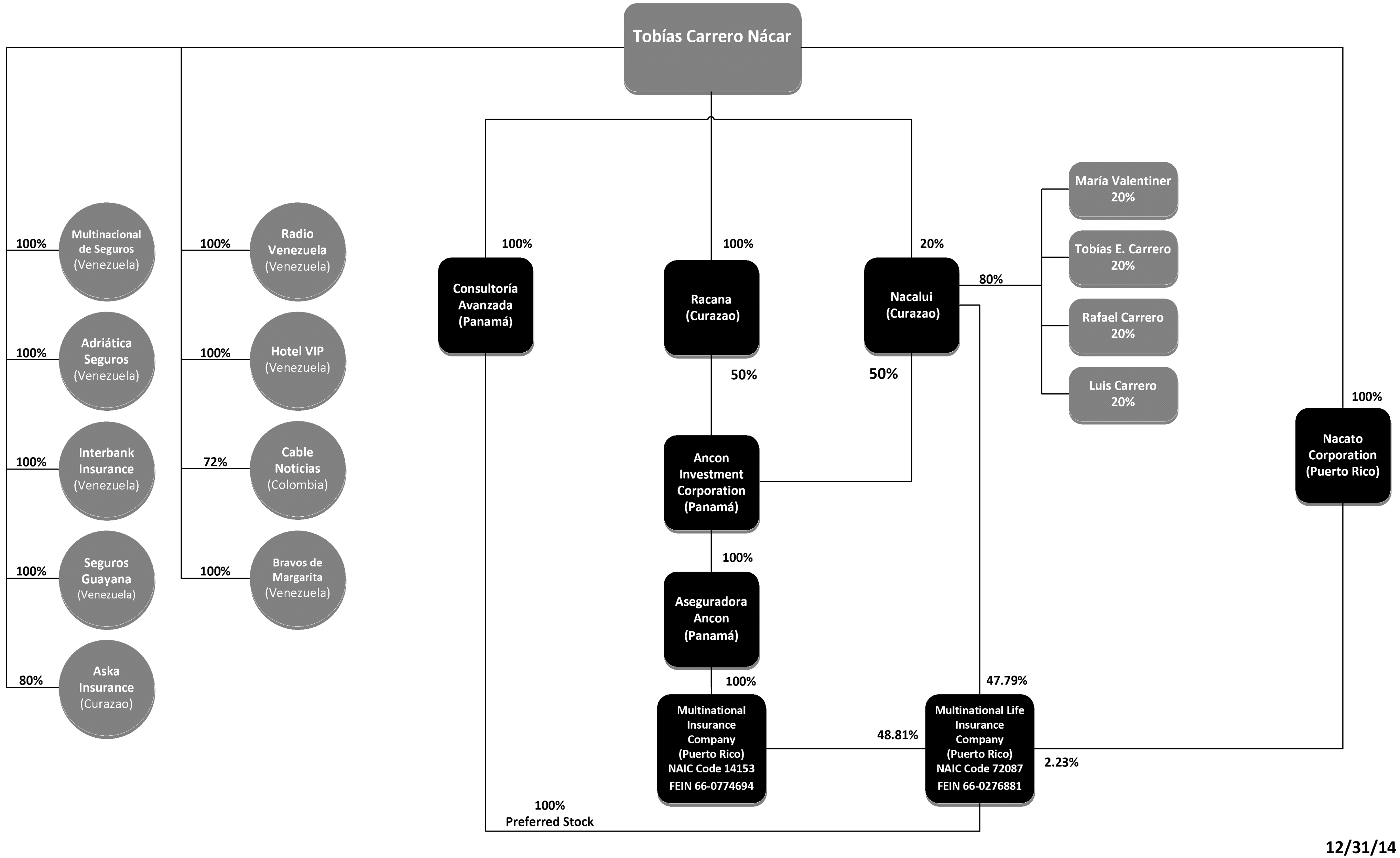
States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken 2 Direct Premiums Written	 3 Direct Premiums Earned	4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct 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)
1. Alabama AL	N								
2. Alaska AK	N								
3. Arizona AZ	N								
4. Arkansas AR	N								
5. California CA	N								
6. Colorado CO	N								
7. Connecticut CT	N								
8. Delaware DE	N								
9. Dist. Columbia DC	N								
10. Florida FL	N								
11. Georgia GA	N								
12. Hawaii HI	N								
13. Idaho ID	N								
14. Illinois IL	N								
15. Indiana IN	N								
16. Iowa IA	N								
17. Kansas KS	N								
18. Kentucky KY	N								
19. Louisiana LA	N								
20. Maine ME	N								
21. Maryland MD	N								
22. Massachusetts MA	N								
23. Michigan MI	N								
24. Minnesota MN	N								
25. Mississippi MS	N								
26. Missouri MO	N								
27. Montana MT	N								
28. Nebraska NE	N								
29. Nevada NV	N								
30. New Hampshire NH	N								
31. New Jersey NJ	N								
32. New Mexico NM	N								
33. New York NY	N								
34. North Carolina NC	N								
35. North Dakota ND	N								
36. Ohio OH	N								
37. Oklahoma OK	N								
38. Oregon OR	N								
39. Pennsylvania PA	N								
40. Rhode Island RI	N								
41. South Carolina SC	N								
42. South Dakota SD	N								
43. Tennessee TN	N								
44. Texas TX	N								
45. Utah UT	N								
46. Vermont VT	N								
47. Virginia VA	N								
48. Washington WA	N								
49. West Virginia WV	N								
50. Wisconsin WI	N								
51. Wyoming WY	N								
52. American Samoa AS	N								
53. Guam GU	N								
54. Puerto Rico PR	L	32,457,142	30,092,030		5,102,058	6,442,455	4,229,952		
55. U.S. Virgin Islands VI	N								
56. Northern Mariana Islands MP	N								
57. Canada CAN	N								
58. Aggregate other alien OT	XXX								
59. Totals	(a) 1	32,457,142	30,092,030		5,102,058	6,442,455	4,229,952		
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Line 58001 through 58003+58998) (Line 58 above)	XXX								

(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.

Explanation of basis of allocation of premiums by states, etc.

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

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



Property and Casualty
Annual Statement Blank Alphabetical Index

Property and Casualty
Annual Statement Blank Alphabetical Index (cont.)