

**ANNUAL STATEMENT**

**OF THE**

**DELTA DENTAL OF P.R., INC.**

**of**

**GUAYNABO**

**in the state of**

**Puerto Rico**

**TO THE**

**Insurance Department**

**OF THE STATE OF**

**Puerto Rico**

**For the Year Ending**  
**DECEMBER 31, 2016**

**2016**



# ANNUAL STATEMENT

## For the Year Ending DECEMBER 31, 2016

### OF THE CONDITION AND AFFAIRS OF THE

# DELTA DENTAL OF P.R., INC.

NAIC Group Code 2479 , 2479 NAIC Company Code 47085 Employer's ID Number 680652604  
(Current Period) (Prior Period)

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

Country of Domicile United States of America

Licensed as business type: Life, Accident & Health[X] Property/Casualty[ ] Hospital, Medical & Dental Service or Indemnity[ ]  
 Dental Service Corporation[ ] Vision Service Corporation[ ] Health Maintenance Organization[ ]  
 Other[ ] Is HMO Federally Qualified? Yes[ ] No[X] N/A[ ]

Incorporated/Organized 06/10/2002 Commenced Business 07/01/2007

Statutory Home Office METRO OFFICE PARK 14 STREET 2 SUITE 200 , GUAYNABO, PR, 00968  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office METRO OFFICE PARK 14 STREET 2 SUITE 200  
(Street and Number)

GUAYNABO, PR, 00968 (939)205-3300  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address METRO OFFICE PARK 14 STREET 2 SUITE 200 , GUAYNABO, PR, 00968  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records METRO OFFICE PARK 14 STREET 2 SUITE 200  
(Street and Number)

GUAYNABO, PR, US 00968 (939)205-3300  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address www.deltadentalpr.com

Statutory Statement Contact Marianne Ortiz (939)205-3300  
(Name) (Area Code)(Telephone Number)(Extension)  
mortiz@deltadentalpr.com (939)205-3311  
(E-Mail Address) (Fax Number)

### OFFICERS

| Name            | Title     |
|-----------------|-----------|
| Marianne Ortiz  | President |
| Carmen Figueroa | Secretary |
| Mónica Lugo     | Treasurer |

### OTHERS

### DIRECTORS OR TRUSTEES

|                      |                     |
|----------------------|---------------------|
| Anthony Barth        | Belinda Martinez    |
| Alfonso Ortiz        | Ana Maria Romero    |
| Lic. Edlin Buitrago  | Jorge Rodriguez DMD |
| Lic. Jaime Rodriguez |                     |

State of Puerto Rico  
 County of \_\_\_\_\_ ss

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

\_\_\_\_\_  
(Signature)  
**Marianne Ortiz**  
(Printed Name)  
 1.  
**President**  
(Title)

\_\_\_\_\_  
(Signature)  
**Carmen Figueroa**  
(Printed Name)  
 2.  
**Secretary**  
(Title)

\_\_\_\_\_  
(Signature)  
**Mónica Lugo**  
(Printed Name)  
 3.  
**Treasurer**  
(Title)

Subscribed and sworn to before me this \_\_\_\_\_ day of \_\_\_\_\_, 2017

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

Yes[X] No[ ]

\_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

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

**DIRECTORS OR TRUSTEES (continued)**

## ASSETS

|   | Current Year |                            |  | Prior Year                  |
|---|--------------|----------------------------|--|-----------------------------|
|   | 1<br>Assets  | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1-2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D) .....   | 7,541,120    |                            | 7,541,120                                  | 5,521,298                   |
| 2. Stocks (Schedule D):   |              |                            |  |                             |
| 2.1 Preferred stocks .....  |              |                            |  |                             |
| 2.2 Common Stocks .....   | 1,183,850    |                            | 1,183,850                                  | 2,963,871                   |
| 3. Mortgage loans on real estate (Schedule B):  |              |                            |  |                             |
| 3.1 First liens .....   |              |                            |  |                             |
| 3.2 Other than first liens .....  |              |                            |  |                             |
| 4. Real estate (Schedule A):  |              |                            |  |                             |
| 4.1 Properties occupied by the company (less \$.....0 encumbrances) .....   |              |                            |  |                             |
| 4.2 Properties held for the production of income (less \$.....0 encumbrances) .....   |              |                            |  |                             |
| 4.3 Properties held for sale (less \$.....0 encumbrances) .....   |              |                            |  |                             |
| 5. Cash (\$.....13,678,641, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) ..... | 13,678,641   |                            | 13,678,641                                 | 12,212,587                  |
| 6. Contract loans (including \$.....0 premium notes) .....  |              |                            |  |                             |
| 7. Derivatives (Schedule DB) .....  |              |                            |  |                             |
| 8. Other invested assets (Schedule BA) .....  |              |                            |  |                             |
| 9. Receivables for securities .....   |              |                            |  |                             |
| 10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....   |              |                            |  |                             |
| 11. Aggregate write-ins for invested assets .....   |              |                            |  |                             |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....   | 22,403,611   |                            | 22,403,611                                 | 20,697,756                  |
| 13. Title plants less \$.....0 charged off (for Title insurers only) .....  |              |                            |  |                             |
| 14. Investment income due and accrued .....   | 85,413       |                            | 85,413                                     | 67,477                      |
| 15. Premiums and considerations:  |              |                            |  |                             |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....  | 182,386      | 30,425                     | 151,962                                    | 154,955                     |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....   |              |                            |  |                             |
| 15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0) .....  |              |                            |  |                             |
| 16. Reinsurance:  |              |                            |  |                             |
| 16.1 Amounts recoverable from reinsurers .....  | 1,815,661    |                            | 1,815,661                                  | 2,349,707                   |
| 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 .....  | 1,826,330    | (4,178)                    | 1,830,508                                  | 2,258,235                   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....  |              |                            |  |                             |
| 18.2 Net deferred tax asset .....   | 278,504      | 278,504                    |  | 171,787                     |
| 19. Guaranty funds receivable or on deposit .....   |              |                            |  |                             |
| 20. Electronic data processing equipment and software .....   | 64,045       |                            | 64,045                                     | 38,446                      |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) .....   | 107,496      | 107,496                    |  |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....  |              |                            |  |                             |
| 23. Receivables from parent, subsidiaries and affiliates .....  | 163,615      |                            | 163,615                                    | 235,443                     |
| 24. Health care (\$.....0) and other amounts receivable .....   |              |                            |  |                             |
| 25. Aggregate write-ins for other than invested assets .....  | 88,259       | 79,362                     | 8,897                                      | 9,418                       |
| 26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....                                    | 27,015,318   | 491,608                    | 26,523,710                                 | 25,983,224                  |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....   |              |                            |  |                             |
| 28. TOTAL (Lines 26 and 27) .....   | 27,015,318   | 491,608                    | 26,523,710                                 | 25,983,224                  |
| <b>DETAILS OF WRITE-INS</b>   |              |                            |  |                             |
| 1101. ....  |              |                            |  |                             |
| 1102. ....  |              |                            |  |                             |
| 1103. ....  |              |                            |  |                             |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   |              |                            |  |                             |
| 1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....  |              |                            |  |                             |
| 2501. OTHER RECEIVABLES .....   | 11,033       | 2,136                      | 8,897                                      | 9,418                       |
| 2502. PREPAID EXPENSES .....  | 77,225       | 77,225                     |  |                             |
| 2503. ....  |              |                            |  |                             |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |              |                            |  |                             |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 88,259       | 79,362                     | 8,897                                      | 9,418                       |

## LIABILITIES, CAPITAL AND SURPLUS

|  | Current Year |                |            | Prior Year |
|--|--------------|----------------|------------|------------|
|  | 1<br>Covered | 2<br>Uncovered | 3<br>Total | 4<br>Total |
| 1. Claims unpaid (less \$.....335,000 reinsurance ceded) .....   | 335,000      |                | 335,000    | 325,000    |
| 2. Accrued medical incentive pool and bonus amounts .....  |              |                |            |            |
| 3. Unpaid claims adjustment expenses .....   |              |                |            |            |
| 4. Aggregate health policy reserves, including the liability of \$.....0 for medical loss ratio<br>rebate per the Public Health Service Act .....            |              |                |            |            |
| 5. Aggregate life policy reserves .....  |              |                |            |            |
| 6. Property/casualty unearned premium reserves .....   |              |                |            |            |
| 7. Aggregate health claim reserves .....   |              |                |            |            |
| 8. Premiums received in advance .....  | 83,368       |                | 83,368     | 19,876     |
| 9. General expenses due or accrued .....   | 1,094,296    |                | 1,094,296  | 1,327,968  |
| 10.1 Current federal and foreign income tax payable and interest thereon (including \$.....0<br>on realized capital gains (losses)) .....                    |              |                |            |            |
| 10.2 Net deferred tax liability .....  |              |                |            |            |
| 11. Ceded reinsurance premiums payable .....   | 2,383,394    |                | 2,383,394  | 2,839,458  |
| 12. Amounts withheld or retained for the account of others .....   | 19           |                | 19         | 96         |
| 13. Remittances and items not allocated .....  |              |                |            |            |
| 14. Borrowed money (including \$.....0 current) and interest thereon \$.....0<br>(including \$.....0 current) .....  |              |                |            |            |
| 15. Amounts due to parent, subsidiaries and affiliates .....   | 62,827       |                | 62,827     | 64,152     |
| 16. Derivatives .....  |              |                |            |            |
| 17. Payable for securities .....   |              |                |            |            |
| 18. Payable for securities lending .....   |              |                |            |            |
| 19. Funds held under reinsurance treaties (with \$.....0 authorized reinsurers,<br>\$.....0 unauthorized reinsurers and \$.....0 certified reinsurers) ..... |              |                |            |            |
| 20. Reinsurance in unauthorized and certified (\$.....0) companies .....   |              |                |            |            |
| 21. Net adjustments in assets and liabilities due to foreign exchange rates .....  |              |                |            |            |
| 22. Liability for amounts held under uninsured plans .....   | 2,319,566    |                | 2,319,566  | 2,282,695  |
| 23. Aggregate write-ins for other liabilities (including \$.....0 current) .....   |              |                |            |            |
| 24. TOTAL Liabilities (Lines 1 to 23) .....  | 6,278,469    |                | 6,278,469  | 6,859,245  |
| 25. Aggregate write-ins for special surplus funds .....  | X X X        | X X X          |            |            |
| 26. Common capital stock .....   | X X X        | X X X          | 8,000,000  | 8,000,000  |
| 27. Preferred capital stock .....  | X X X        | X X X          |            |            |
| 28. Gross paid in and contributed surplus .....  | X X X        | X X X          | 9,019,528  | 9,018,560  |
| 29. Surplus notes .....  | X X X        | X X X          |            |            |
| 30. Aggregate write-ins for other than special surplus funds .....   | X X X        | X X X          |            |            |
| 31. Unassigned funds (surplus) .....   | X X X        | X X X          | 3,243,873  | 2,121,419  |
| 32. Less treasury stock, at cost:  |              |                |            |            |
| 32.1 .....0 shares common (value included in Line 26 \$.....0) .....   | X X X        | X X X          | 18,160     | 16,000     |
| 32.2 .....0 shares preferred (value included in Line 27 \$.....0) .....  | X X X        | X X X          |            |            |
| 33. TOTAL Capital and Surplus (Lines 25 to 31 minus Line 32) .....   | X X X        | X X X          | 20,245,241 | 19,123,979 |
| 34. TOTAL Liabilities, Capital and Surplus (Lines 24 and 33) .....   | X X X        | X X X          | 26,523,710 | 25,983,224 |
| <b>DETAILS OF WRITE-INS</b>  |              |                |            |            |
| 2301. ....   |              |                |            |            |
| 2302. ....   |              |                |            |            |
| 2303. ....   |              |                |            |            |
| 2398. Summary of remaining write-ins for Line 23 from overflow page .....  |              |                |            |            |
| 2399. TOTALS (Lines 2301 through 2303 plus 2398) (Line 23 above) .....   |              |                |            |            |
| 2501. ....   | X X X        | X X X          |            |            |
| 2502. ....   | X X X        | X X X          |            |            |
| 2503. ....   | X X X        | X X X          |            |            |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  | X X X        | X X X          |            |            |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   | X X X        | X X X          |            |            |
| 3001. ....   | X X X        | X X X          |            |            |
| 3002. ....   | X X X        | X X X          |            |            |
| 3003. ....   | X X X        | X X X          |            |            |
| 3098. Summary of remaining write-ins for Line 30 from overflow page .....  | X X X        | X X X          |            |            |
| 3099. TOTALS (Lines 3001 through 3003 plus 3098) (Line 30 above) .....   | X X X        | X X X          |            |            |

## STATEMENT OF REVENUE AND EXPENSES

|   | Current Year   |            | Prior Year  |
|---|----------------|------------|-------------|
|   | 1<br>Uncovered | 2<br>Total | 3<br>Total  |
| 1. Member Months .....  | X X X          | 6,433,026  | 5,519,921   |
| 2. Net premium income (including \$.....0 non-health premium income) .....  | X X X          | 10,004,720 | 9,855,257   |
| 3. Change in unearned premium reserves and reserve for rate credits .....   | X X X          |            |             |
| 4. Fee-for-service (net of \$.....0 medical expenses) .....   | X X X          |            |             |
| 5. Risk revenue .....   | X X X          |            |             |
| 6. Aggregate write-ins for other health care related revenues .....   | X X X          |            |             |
| 7. Aggregate write-ins for other non-health revenues .....  | X X X          |            |             |
| 8. TOTAL Revenues (Lines 2 to 7) .....  | X X X          | 10,004,720 | 9,855,257   |
| <b>Hospital and Medical:</b>  |                |            |             |
| 9. Hospital/medical benefits .....  |                | 10,492,901 | 10,619,756  |
| 10. Other professional services .....   |                |            |             |
| 11. Outside referrals .....   |                |            |             |
| 12. Emergency room and out-of-area .....  |                |            |             |
| 13. Prescription drugs .....  |                |            |             |
| 14. Aggregate write-ins for other hospital and medical .....  |                |            |             |
| 15. Incentive pool, withhold adjustments and bonus amounts .....  |                |            |             |
| 16. Subtotal (Lines 9 to 15) .....  |                | 10,492,901 | 10,619,756  |
| <b>Less:</b>  |                |            |             |
| 17. Net reinsurance recoveries .....  |                | 5,242,403  | 5,322,474   |
| 18. TOTAL Hospital and Medical (Lines 16 minus 17) .....  |                | 5,250,498  | 5,297,282   |
| 19. Non-health claims (net) .....   |                |            |             |
| 20. Claims adjustment expenses, including \$.....0 cost containment expenses .....  |                | 696,484    | 407,279     |
| 21. General administrative expenses .....   |                | 3,615,943  | 4,057,963   |
| 22. Increase in reserves for life and accident and health contracts (including \$.....0 increase in reserves for life only) .....     |                |            |             |
| 23. TOTAL Underwriting Deductions (Lines 18 through 22) .....   |                | 9,562,925  | 9,762,524   |
| 24. Net underwriting gain or (loss) (Lines 8 minus 23) .....  | X X X          | 441,795    | 92,733      |
| 25. Net investment income earned (Exhibit of Net Investment Income, Line 17) .....  |                | 260,831    | 338,023     |
| 26. Net realized capital gains (losses) less capital gains tax of \$.....0 .....  |                | (229,506)  | (1,263,020) |
| 27. Net investment gains (losses) (Lines 25 plus 26) .....  |                | 31,324     | (924,997)   |
| 28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$.....0) (amount charged off \$.....0)] ..... |                |            |             |
| 29. Aggregate write-ins for other income or expenses .....  |                | 1,354,583  | 1,244,363   |
| 30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29) .....   | X X X          | 1,827,703  | 412,099     |
| 31. Federal and foreign income taxes incurred .....   | X X X          | 813,641    | 397,259     |
| 32. Net income (loss) (Lines 30 minus 31) .....   | X X X          | 1,014,062  | 14,840      |
| <b>DETAILS OF WRITE-INS</b>   |                |            |             |
| 0601. ....  | X X X          |            |             |
| 0602. ....  | X X X          |            |             |
| 0603. ....  | X X X          |            |             |
| 0698. Summary of remaining write-ins for Line 6 from overflow page .....  | X X X          |            |             |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....   | X X X          |            |             |
| 0701. ....  | X X X          |            |             |
| 0702. ....  | X X X          |            |             |
| 0703. ....  | X X X          |            |             |
| 0798. Summary of remaining write-ins for Line 7 from overflow page .....  | X X X          |            |             |
| 0799. TOTALS (Line 0701 through 0703 plus 0798) (Line 7 above) .....  | X X X          |            |             |
| 1401. ....  |                |            |             |
| 1402. ....  |                |            |             |
| 1403. ....  |                |            |             |
| 1498. Summary of remaining write-ins for Line 14 from overflow page .....   |                |            |             |
| 1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above) .....  |                |            |             |
| 2901. MISC / OTHER INCOME .....   |                | 194,734    | 112,396     |
| 2902. NET ADMINISTRATIVE FEES .....   |                | 1,159,849  | 1,131,967   |
| 2903. ....  |                |            |             |
| 2998. Summary of remaining write-ins for Line 29 from overflow page .....   |                |            |             |
| 2999. TOTALS (Line 2901 through 2903 plus 2998) (Line 29 above) .....   |                | 1,354,583  | 1,244,363   |

**STATEMENT OF REVENUE AND EXPENSES (Continued)**

|                                      |  | 1            | 2          |
|--------------------------------------|--|--------------|------------|
|                                      |  | Current Year | Prior Year |
| <b>CAPITAL &amp; SURPLUS ACCOUNT</b> |  |              |            |
| 33.                                  | Capital and surplus prior reporting year .....   | 19,123,979   | 18,927,103 |
| 34.                                  | Net income or (loss) from Line 32 .....  | 1,014,062    | 14,840     |
| 35.                                  | Change in valuation basis of aggregate policy and claim reserves .....                   |              |            |
| 36.                                  | Change in net unrealized capital gains (losses) less capital gains tax of \$.....0 ..... | 211,118      | 222,826    |
| 37.                                  | Change in net unrealized foreign exchange capital gain or (loss) .....                   |              |            |
| 38.                                  | Change in net deferred income tax .....  |              |            |
| 39.                                  | Change in nonadmitted assets .....   | (112,726)    | (37,790)   |
| 40.                                  | Change in unauthorized and certified reinsurance .....                                   |              |            |
| 41.                                  | Change in treasury stock .....   | (2,160)      | (3,000)    |
| 42.                                  | Change in surplus notes .....  |              |            |
| 43.                                  | Cumulative effect of changes in accounting principles .....                              |              |            |
| 44.                                  | Capital Changes:   |              |            |
| 44.1                                 | Paid in .....  |              |            |
| 44.2                                 | Transferred from surplus (Stock Dividend) .....  |              |            |
| 44.3                                 | Transferred to surplus .....   |              |            |
| 45.                                  | Surplus adjustments:   |              |            |
| 45.1                                 | Paid in .....  | 968          |            |
| 45.2                                 | Transferred to capital (Stock Dividend) .....  |              |            |
| 45.3                                 | Transferred from capital .....   |              |            |
| 46.                                  | Dividends to stockholders .....  |              |            |
| 47.                                  | Aggregate write-ins for gains or (losses) in surplus .....                               | 10,000       |            |
| 48.                                  | Net change in capital and surplus (Lines 34 to 47) .....                                 | 1,121,262    | 196,876    |
| 49.                                  | Capital and surplus end of reporting year (Line 33 plus 48) .....                        | 20,245,241   | 19,123,979 |
| <b>DETAILS OF WRITE-INS</b>          |  |              |            |
| 4701.                                | RECLASS TO OTHER INCOME .....  |              |            |
| 4702.                                | RECLASS UNNAMED ADDITIONAL PAID IN CAPITAL .....   |              |            |
| 4703.                                | CHANGE IN ALLOWANCE OF BAD DEBT .....  | 10,000       |            |
| 4798.                                | Summary of remaining write-ins for Line 47 from overflow page .....                      |              |            |
| 4799.                                | TOTALS (Lines 4701 through 4703 plus 4798) (Line 47 above) .....                         | 10,000       |            |

**CASH FLOW**

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| <b>Cash from Operations</b>   |                   |                 |
| 1. Premiums collected net of reinsurance .....  | 9,671,285         | 11,504,819      |
| 2. Net investment income .....  | 222,823           | 351,295         |
| 3. Miscellaneous income .....   |                   |                 |
| 4. TOTAL (Lines 1 through 3) .....  | 9,894,108         | 11,856,114      |
| 5. Benefit and loss related payments .....  | 4,709,454         | 6,800,544       |
| 6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                    |                   |                 |
| 7. Commissions, expenses paid and aggregate write-ins for deductions .....                                      | 2,741,814         | 2,181,658       |
| 8. Dividends paid to policyholders .....  |                   |                 |
| 9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....        | 813,641           | 569,046         |
| 10. TOTAL (Lines 5 through 9) .....   | 8,264,909         | 9,551,248       |
| 11. Net cash from operations (Line 4 minus Line 10) .....   | 1,629,199         | 2,304,867       |
| <b>Cash from Investments</b>  |                   |                 |
| 12. Proceeds from investments sold, matured or repaid:  |                   |                 |
| 12.1 Bonds .....  | 1,623,333         | 302,140         |
| 12.2 Stocks .....   | 7,241,424         | 1,615,329       |
| 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 .....   | 273,952           | 1,085,593       |
| 12.8 TOTAL Investment proceeds (Lines 12.1 to 12.7) .....   | 9,138,710         | 3,003,062       |
| 13. Cost of investments acquired (long-term only):  |                   |                 |
| 13.1 Bonds .....  | 3,681,180         |                 |
| 13.2 Stocks .....   | 5,410,294         | 1,641,431       |
| 13.3 Mortgage loans .....   |                   |                 |
| 13.4 Real estate .....  |                   |                 |
| 13.5 Other invested assets .....  |                   |                 |
| 13.6 Miscellaneous applications .....   | 285,353           | 1,094,664       |
| 13.7 TOTAL Investments acquired (Lines 13.1 to 13.6) .....  | 9,376,826         | 2,736,095       |
| 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) .....                                   | (238,117)         | 266,967         |
| <b>Cash from Financing and Miscellaneous Sources</b>  |                   |                 |
| 16. Cash provided (applied):  |                   |                 |
| 16.1 Surplus notes, capital notes .....   |                   |                 |
| 16.2 Capital and paid in surplus, less treasury stock .....   | (1,192)           | (3,000)         |
| 16.3 Borrowed funds .....   |                   |                 |
| 16.4 Net deposits on deposit-type contracts and other insurance liabilities .....                               |                   |                 |
| 16.5 Dividends to stockholders .....  |                   |                 |
| 16.6 Other cash provided (applied) .....  | 76,163            | (168,859)       |
| 17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) ..... | 74,971            | (171,859)       |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>                                      |                   |                 |
| 18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....       | 1,466,054         | 2,399,975       |
| 19. Cash, cash equivalents and short-term investments:  |                   |                 |
| 19.1 Beginning of year .....  | 12,212,587        | 9,812,612       |
| 19.2 End of year (Line 18 plus Line 19.1) .....   | 13,678,641        | 12,212,587      |

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

|         |  |  |  |
|---------|--|--|--|
| 20.0001 |  |  |  |
| 20.0002 |  |  |  |

## ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

|  | 1          | 2   | 3                      | 4              | 5              | 6   | 7                          | 8                        | 9               | 10                  |
|--|------------|---|------------------------|----------------|----------------|---|----------------------------|--------------------------|-----------------|---------------------|
|  | Total      | Comprehensive<br>(Hospital<br>&<br>Medical) | Medicare<br>Supplement | Dental<br>Only | Vision<br>Only | Federal<br>Employees<br>Health<br>Benefits Plan | Title<br>XVIII<br>Medicare | Title<br>XIX<br>Medicaid | Other<br>Health | Other<br>Non-Health |
| 1. Net premium income .....  | 10,004,720 |   |                        | 10,004,720     |                |   |                            |                          |                 |                     |
| 2. Change in unearned premium reserves and reserve for rate credit .....             |            |   |                        |                |                |   |                            |                          |                 |                     |
| 3. Fee-for-service (net of \$.....0 medical expenses) .....                          |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 4. Risk revenue .....  |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 5. Aggregate write-ins for other health care related revenues .....                  |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 6. Aggregate write-ins for other non-health care related revenues .....              |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 7. TOTAL Revenues (Lines 1 to 6) .....   | 10,004,720 |   |                        | 10,004,720     |                |   |                            |                          |                 |                     |
| 8. Hospital/medical benefits .....   | 10,492,901 |   |                        | 10,492,901     |                |   |                            |                          |                 | X X X               |
| 9. Other professional services .....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 10. Outside referrals .....  |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 11. Emergency room and out-of-area .....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 12. Prescription drugs .....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 13. Aggregate write-ins for other hospital and medical .....                         |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 14. Incentive pool, withhold adjustments and bonus amounts .....                     |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 15. Subtotal (Lines 8 to 14) .....   | 10,492,901 |   |                        | 10,492,901     |                |   |                            |                          |                 | X X X               |
| 16. Net reinsurance recoveries .....   | 5,242,403  |   |                        | 5,242,403      |                |   |                            |                          |                 | X X X               |
| 17. TOTAL Hospital and Medical (Lines 15 minus 16) .....                             | 5,250,498  |   |                        | 5,250,498      |                |   |                            |                          |                 | X X X               |
| 18. Non-health claims (net) .....  |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 19. Claims adjustment expenses including \$.....0 cost<br>containment expenses ..... | 696,484    |   |                        | 696,484        |                |   |                            |                          |                 |                     |
| 20. General administrative expenses .....  | 3,615,943  |   |                        | 3,615,943      |                |   |                            |                          |                 |                     |
| 21. Increase in reserves for accident and health contracts .....                     |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 22. Increase in reserves for life contracts .....                                    |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 23. TOTAL Underwriting Deductions (Lines 17 to 22) .....                             | 9,562,925  |   |                        | 9,562,925      |                |   |                            |                          |                 |                     |
| 24. Net underwriting gain or (loss) (Line 7 minus Line 23) .....                     | 441,795    |   |                        | 441,795        |                |   |                            |                          |                 |                     |
| <b>DETAILS OF WRITE-INS</b>  |            |   |                        |                |                |   |                            |                          |                 |                     |
| 0501. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 0502. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 0503. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 0598. Summary of remaining write-ins for Line 5 from overflow page .....             |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above) .....                |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 0601. ....   |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 0602. ....   |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 0603. ....   |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 0698. Summary of remaining write-ins for Line 6 from overflow page .....             |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....                |            | X X X                                       | X X X                  | X X X          | X X X          | X X X   | X X X                      | X X X                    | X X X           |                     |
| 1301. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 1302. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 1303. ....   |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 1398. Summary of remaining write-ins for Line 13 from overflow page .....            |            |   |                        |                |                |   |                            |                          |                 | X X X               |
| 1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....               |            |   |                        |                |                |   |                            |                          |                 | X X X               |

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 1 - PREMIUMS

|   | 1                  | 2                      | 3                    | 4   |
|---|--------------------|------------------------|----------------------|---|
| Line of Business                                | Direct<br>Business | Reinsurance<br>Assumed | Reinsurance<br>Ceded | Net Premium<br>Income<br>(Columns<br>1 + 2 - 3) |
| 1. Comprehensive (hospital and medical) .....   |                    |                        |                      |   |
| 2. Medicare Supplement .....                    |                    |                        |                      |   |
| 3. Dental only .....                            | 16,006,653         |                        | 6,001,933            | 10,004,720                                      |
| 4. Vision only .....                            |                    |                        |                      |   |
| 5. Federal Employees Health Benefits Plan ..... |                    |                        |                      |   |
| 6. Title XVIII - Medicare .....                 |                    |                        |                      |   |
| 7. Title XIX - Medicaid .....                   |                    |                        |                      |   |
| 8. Other health .....                           |                    |                        |                      |   |
| 9. Health subtotal (Lines 1 through 8) .....    | 16,006,653         |                        | 6,001,933            | 10,004,720                                      |
| 10. Life .....                                  |                    |                        |                      |   |
| 11. Property/casualty .....                     |                    |                        |                      |   |
| 12. TOTALS (Lines 9 to 11) .....                | 16,006,653         |                        | 6,001,933            | 10,004,720                                      |

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 - CLAIMS INCURRED DURING THE YEAR

|  | 1          | 2  | 3                      | 4              | 5              | 6   | 7                          | 8                        | 9               | 10                  |
|--|------------|--|------------------------|----------------|----------------|---|----------------------------|--------------------------|-----------------|---------------------|
|  | Total      | Comprehensive<br>(Hospital<br>& Medical) | Medicare<br>Supplement | Dental<br>Only | Vision<br>Only | Federal<br>Employees<br>Health<br>Benefits Plan | Title<br>XVIII<br>Medicare | Title<br>XIX<br>Medicaid | Other<br>Health | Other<br>Non-Health |
| 1. Payments during the year:   |            |  |                        |                |                |   |                            |                          |                 |                     |
| 1.1 Direct .....   | 10,472,901 |  |                        | 10,472,901     |                |   |                            |                          |                 |                     |
| 1.2 Reinsurance assumed .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 1.3 Reinsurance ceded .....  | 5,252,403  |  |                        | 5,252,403      |                |   |                            |                          |                 |                     |
| 1.4 Net .....  | 5,220,498  |  |                        | 5,220,498      |                |   |                            |                          |                 |                     |
| 2. Paid medical incentive pools and bonuses .....                      |            |  |                        |                |                |   |                            |                          |                 |                     |
| 3. Claim liability December 31, current year from Part 2A:             |            |  |                        |                |                |   |                            |                          |                 |                     |
| 3.1 Direct .....   | 670,000    |  |                        | 670,000        |                |   |                            |                          |                 |                     |
| 3.2 Reinsurance assumed .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 3.3 Reinsurance ceded .....  | 335,000    |  |                        | 335,000        |                |   |                            |                          |                 |                     |
| 3.4 Net .....  | 335,000    |  |                        | 335,000        |                |   |                            |                          |                 |                     |
| 4. Claim reserve December 31, current year from Part 2D:               |            |  |                        |                |                |   |                            |                          |                 |                     |
| 4.1 Direct .....   |            |  |                        |                |                |   |                            |                          |                 |                     |
| 4.2 Reinsurance assumed .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 4.3 Reinsurance ceded .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 4.4 Net .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 5. Accrued medical incentive pools and bonuses, current year .....     |            |  |                        |                |                |   |                            |                          |                 |                     |
| 6. Net healthcare receivables (a) .....                                |            |  |                        |                |                |   |                            |                          |                 |                     |
| 7. Amounts recoverable from reinsurers December 31, current year ..... |            |  |                        |                |                |   |                            |                          |                 |                     |
| 8. Claim liability December 31, prior year from Part 2A:               |            |  |                        |                |                |   |                            |                          |                 |                     |
| 8.1 Direct .....   | 650,000    |  |                        | 650,000        |                |   |                            |                          |                 |                     |
| 8.2 Reinsurance assumed .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 8.3 Reinsurance ceded .....  | 325,000    |  |                        | 325,000        |                |   |                            |                          |                 |                     |
| 8.4 Net .....  | 325,000    |  |                        | 325,000        |                |   |                            |                          |                 |                     |
| 9. Claim reserve December 31, prior year from Part 2D:                 |            |  |                        |                |                |   |                            |                          |                 |                     |
| 9.1 Direct .....   |            |  |                        |                |                |   |                            |                          |                 |                     |
| 9.2 Reinsurance assumed .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 9.3 Reinsurance ceded .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 9.4 Net .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 10. Accrued medical incentive pools and bonuses, prior year .....      |            |  |                        |                |                |   |                            |                          |                 |                     |
| 11. Amounts recoverable from reinsurers December 31, prior year .....  |            |  |                        |                |                |   |                            |                          |                 |                     |
| 12. Incurred benefits:   |            |  |                        |                |                |   |                            |                          |                 |                     |
| 12.1 Direct .....  | 10,492,901 |  |                        | 10,492,901     |                |   |                            |                          |                 |                     |
| 12.2 Reinsurance assumed .....   |            |  |                        |                |                |   |                            |                          |                 |                     |
| 12.3 Reinsurance ceded .....   | 5,262,403  |  |                        | 5,262,403      |                |   |                            |                          |                 |                     |
| 12.4 Net .....   | 5,230,498  |  |                        | 5,230,498      |                |   |                            |                          |                 |                     |
| 13. Incurred medical incentive pools and bonuses .....                 |            |  |                        |                |                |   |                            |                          |                 |                     |

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

|   | 1       | 2   | 3                      | 4              | 5              | 6   | 7                          | 8                        | 9               | 10                  |
|---|---------|---|------------------------|----------------|----------------|---|----------------------------|--------------------------|-----------------|---------------------|
|   | Total   | Compre-<br>hensive<br>(Hospital<br>& Medical) | Medicare<br>Supplement | Dental<br>Only | Vision<br>Only | Federal<br>Employees<br>Health<br>Benefits Plan | Title<br>XVIII<br>Medicare | Title<br>XIX<br>Medicaid | Other<br>Health | Other<br>Non-Health |
| 1. Reported in Process of Adjustment:                 |         |   |                        |                |                |   |                            |                          |                 |                     |
| 1.1 Direct .....                                      |         |   |                        |                |                |   |                            |                          |                 |                     |
| 1.2 Reinsurance assumed .....                         |         |   |                        |                |                |   |                            |                          |                 |                     |
| 1.3 Reinsurance ceded .....                           |         |   |                        |                |                |   |                            |                          |                 |                     |
| 1.4 Net .....   |         |   |                        |                |                |   |                            |                          |                 |                     |
| 2. Incurred but Unreported:                           |         |   |                        |                |                |   |                            |                          |                 |                     |
| 2.1 Direct .....                                      | 670,000 |   |                        | 670,000        |                |   |                            |                          |                 |                     |
| 2.2 Reinsurance assumed .....                         |         |   |                        |                |                |   |                            |                          |                 |                     |
| 2.3 Reinsurance ceded .....                           | 335,000 |   |                        | 335,000        |                |   |                            |                          |                 |                     |
| 2.4 Net .....   | 335,000 |   |                        | 335,000        |                |   |                            |                          |                 |                     |
| 3. Amounts Withheld from Paid Claims and Capitations: |         |   |                        |                |                |   |                            |                          |                 |                     |
| 3.1 Direct .....                                      |         |   |                        |                |                |   |                            |                          |                 |                     |
| 3.2 Reinsurance assumed .....                         |         |   |                        |                |                |   |                            |                          |                 |                     |
| 3.3 Reinsurance ceded .....                           |         |   |                        |                |                |   |                            |                          |                 |                     |
| 3.4 Net .....   |         |   |                        |                |                |   |                            |                          |                 |                     |
| 4. TOTALS   |         |   |                        |                |                |   |                            |                          |                 |                     |
| 4.1 Direct .....                                      | 670,000 |   |                        | 670,000        |                |   |                            |                          |                 |                     |
| 4.2 Reinsurance assumed .....                         |         |   |                        |                |                |   |                            |                          |                 |                     |
| 4.3 Reinsurance ceded .....                           | 335,000 |   |                        | 335,000        |                |   |                            |                          |                 |                     |
| 4.4 Net .....   | 335,000 |   |                        | 335,000        |                |   |                            |                          |                 |                     |

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2B - ANALYSIS OF CLAIMS UNPAID-PRIOR YEAR-NET OF REINSURANCE

|  | Claims Paid During the Year   |  | Claim Reserve and Claim Liability December 31 of Current Year |  | 5  | 6   |
|--|---|--|---|--|--|---|
|  | 1<br>On<br>Claims Incurred<br>Prior to January 1<br>of Current Year | 2<br>On<br>Claims Incurred<br>During the<br>Year | 3<br>On Claims Unpaid<br>December 31 of<br>Prior Year         | 4<br>On<br>Claims Incurred<br>During the<br>Year | Claims Incurred<br>in Prior Years<br>(Columns 1 + 3) | Estimated Claim<br>Reserve and<br>Claim Liability<br>December 31 of<br>Prior Year |
| Line<br>of<br>Business                             |   |  |   |  |  |   |
| 1. Comprehensive (hospital and medical) .....      |   |  |   |  |  |   |
| 2. Medicare Supplement .....                       |   |  |   |  |  |   |
| 3. Dental only .....                               | 283,670   | 4,956,828  | 18,162  | 316,838  | 301,832  | 325,000   |
| 4. Vision only .....                               |   |  |   |  |  |   |
| 5. Federal Employees Health Benefits Plan .....    |   |  |   |  |  |   |
| 6. Title XVIII - Medicare .....                    |   |  |   |  |  |   |
| 7. Title XIX - Medicaid .....                      |   |  |   |  |  |   |
| 8. Other health .....                              |   |  |   |  |  |   |
| 9. Health subtotal (Lines 1 to 8) .....            | 283,670   | 4,956,828  | 18,162  | 316,838  | 301,832  | 325,000   |
| 10. Healthcare receivables (a) .....               |   |  |   |  |  |   |
| 11. Other non-health .....                         |   |  |   |  |  |   |
| 12. Medical incentive pool and bonus amounts ..... |   |  |   |  |  |   |
| 13. TOTALS (Lines 9 - 10 + 11 + 12) .....          | 283,670   | 4,956,828  | 18,162  | 316,838  | 301,832  | 325,000   |

(a) Excludes \$.....0 loans or advances to providers not yet expensed.

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)**

**Grand Total**

**Section A - Paid Health Claims**

| Year in Which Losses<br>Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|---------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                       | 1<br>2012                   | 2<br>2013 | 3<br>2014 | 4<br>2015 | 5<br>2016 |
| 1. Prior .....                        |                             |           |           |           |           |
| 2. 2012 .....                         |                             |           | 4,481     | 4,730     | 4,730     |
| 3. 2013 .....                         | X X X                       |           | 4,137     | 4,396     | 4,396     |
| 4. 2014 .....                         | X X X                       | X X X     | 4,366     | 4,608     | 4,608     |
| 5. 2015 .....                         | X X X                       | X X X     | X X X     | 5,035     | 5,035     |
| 6. 2016 .....                         | X X X                       | X X X     | X X X     | X X X     | 4,956     |

**Section B - Incurred Health Claims**

| Year in Which Losses<br>Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool<br>and Bonuses Outstanding at End of Year |           |           |           |           |
|---------------------------------------|---|-----------|-----------|-----------|-----------|
|                                       | 1<br>2012   | 2<br>2013 | 3<br>2014 | 4<br>2015 | 5<br>2016 |
| 1. Prior .....                        |   |           |           |           |           |
| 2. 2012 .....                         |   |           |           | 4,730     | 4,730     |
| 3. 2013 .....                         | X X X   |           |           | 4,396     | 4,396     |
| 4. 2014 .....                         | X X X   | X X X     |           | 4,628     | 4,608     |
| 5. 2015 .....                         | X X X   | X X X     | X X X     | 5,340     | 5,035     |
| 6. 2016 .....                         | X X X   | X X X     | X X X     | X X X     | 4,956     |

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

| Years in Which<br>Premiums were<br>Earned and Claims<br>were Incurred | 1<br>Premiums<br>Earned | 2<br>Claims<br>Payments | 3<br>Claim<br>Adjustment<br>Expense<br>Payments | 4<br>(Col. 3/2)<br>Percent | 5<br>Claim and<br>Claim Adjustment<br>Expense<br>Payments<br>(Col. 2 + 3) | 6<br>(Col. 5/1)<br>Percent | 7<br>Claims<br>Unpaid | 8<br>Unpaid Claims<br>Adjustment<br>Expenses | 9<br>Total Claims<br>and Claims<br>Adjustment<br>Expense Incurred<br>(Col. 5 + 7 + 8) | 10<br>(Col. 9/1)<br>Percent |
|---|-------------------------|-------------------------|---|----------------------------|---|----------------------------|-----------------------|--|---|-----------------------------|
| 1. 2012 .....   | 9,703                   | 4,730                   | 411   | 8.684                      | 5,141   | 52.981                     |                       |  | 5,141   | 52.981                      |
| 2. 2013 .....   | 9,308                   | 4,396                   | 515   | 11.721                     | 4,911   | 52.764                     |                       |  | 4,911   | 52.764                      |
| 3. 2014 .....   | 9,210                   | 4,608                   | 427   | 9.263                      | 5,035   | 54.667                     |                       |  | 5,035   | 54.667                      |
| 4. 2015 .....   | 9,855                   | 5,035                   | 579   | 11.502                     | 5,614   | 56.967                     | 10                    |  | 5,624   | 57.069                      |
| 5. 2016 .....   | 10,004                  | 4,956                   | (9)   | (0.182)                    | 4,947   | 49.450                     | 325                   |  | 5,272   | 52.699                      |

12 Total

**12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Hospital and Medical . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Hospital and Medical . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Hospital and Medical . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Medicare Supplement . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Medicare Supplement . . . NONE**

**12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Medicare Supplement . . . NONE**

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS (000 Omitted)**

**Dental Only**

**Section A - Paid Health Claims**

| Year in Which Losses<br>Were Incurred | Cumulative Net Amounts Paid |           |           |           |           |
|---------------------------------------|-----------------------------|-----------|-----------|-----------|-----------|
|                                       | 1<br>2012                   | 2<br>2013 | 3<br>2014 | 4<br>2015 | 5<br>2016 |
| 1. Prior .....                        |                             |           |           |           |           |
| 2. 2012 .....                         |                             |           | 4,481     | 4,730     | 4,730     |
| 3. 2013 .....                         | X X X                       |           | 4,137     | 4,396     | 4,396     |
| 4. 2014 .....                         | X X X                       | X X X     | 4,366     | 4,608     | 4,608     |
| 5. 2015 .....                         | X X X                       | X X X     | X X X     | 5,035     | 5,035     |
| 6. 2016 .....                         | X X X                       | X X X     | X X X     | X X X     | 4,956     |

**Section B - Incurred Health Claims**

| Year in Which Losses<br>Were Incurred | Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool<br>and Bonuses Outstanding at End of Year |           |           |           |           |
|---------------------------------------|---|-----------|-----------|-----------|-----------|
|                                       | 1<br>2012   | 2<br>2013 | 3<br>2014 | 4<br>2015 | 5<br>2016 |
| 1. Prior .....                        |   |           |           |           |           |
| 2. 2012 .....                         |   |           |           | 4,730     | 4,730     |
| 3. 2013 .....                         | X X X   |           |           | 4,396     | 4,396     |
| 4. 2014 .....                         | X X X   | X X X     |           | 4,628     | 4,608     |
| 5. 2015 .....                         | X X X   | X X X     | X X X     | 5,340     | 5,035     |
| 6. 2016 .....                         | X X X   | X X X     | X X X     | X X X     | 4,956     |

**Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio**

| Years in Which<br>Premiums were<br>Earned and Claims<br>were Incurred | 1<br>Premiums<br>Earned | 2<br>Claims<br>Payments | 3<br>Claim<br>Adjustment<br>Expense<br>Payments | 4<br>(Col. 3/2)<br>Percent | 5<br>Claim and<br>Claim Adjustment<br>Expense<br>Payments<br>(Col. 2 + 3) | 6<br>(Col. 5/1)<br>Percent | 7<br>Claims<br>Unpaid | 8<br>Unpaid Claims<br>Adjustment<br>Expenses | 9<br>Total Claims<br>and Claims<br>Adjustment<br>Expense Incurred<br>(Col. 5 + 7 + 8) | 10<br>(Col. 9/1)<br>Percent |
|---|-------------------------|-------------------------|---|----------------------------|---|----------------------------|-----------------------|--|---|-----------------------------|
| 1. 2012 .....   | 9,703                   | 4,730                   | 411   | 8.684                      | 5,141   | 52.981                     |                       |  | 5,141   | 52.981                      |
| 2. 2013 .....   | 9,308                   | 4,396                   | 515   | 11.721                     | 4,911   | 52.764                     |                       |  | 4,911   | 52.764                      |
| 3. 2014 .....   | 9,210                   | 4,608                   | 427   | 9.263                      | 5,035   | 54.667                     |                       |  | 5,035   | 54.667                      |
| 4. 2015 .....   | 9,855                   | 5,035                   | 579   | 11.502                     | 5,614   | 56.967                     |                       |  | 5,614   | 56.967                      |
| 5. 2016 .....   | 10,004                  | 4,956                   | (9)   | (0.182)                    | 4,947   | 49.450                     |                       |  | 4,947   | 49.450                      |

12 Dental Only

- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Vision Only ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Vision Only ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Vision Only ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Fed Emp HBPP ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Fed Emp HBPP ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Fed Emp HBPP ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XVIII-Medicare ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XVIII-Medicare ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XVIII-Medicare ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Title XIX-Medicaid ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur. Claims - Title XIX-Medicaid ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Title XIX-Medicaid ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn A - Paid Claims - Other ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn B - Incur Claims - Other ..... NONE
  
- 12 Underwriting Invest Exh Pt 2C Sn C - Expns Ratios - Other ..... NONE
  
- 13 Underwriting Invest Exh Pt 2D - A & H Reserve ..... NONE

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - ANALYSIS OF EXPENSES

|  | Claim Adjustment Expenses            |  | 3<br>General<br>Administrative<br>Expenses | 4<br>Investment<br>Expenses | 5<br>Total    |
|--|--------------------------------------|--|--|-----------------------------|---------------|
|  | 1<br>Cost<br>Containment<br>Expenses | 2<br>Other Claim<br>Adjustment<br>Expenses |  |                             |               |
| 1. Rent (\$.....0 for occupancy of own building) .....                     |                                      |  | 230,719                                    |                             | 230,719       |
| 2. Salaries, wages and other benefits .....                                |                                      |  | 1,837,723                                  |                             | 1,837,723     |
| 3. Commissions (less \$.....0 ceded plus \$.....0 assumed) .....           |                                      |  | 710,743                                    |                             | 710,743       |
| 4. Legal fees and expenses .....   |                                      |  | 41,065                                     |                             | 41,065        |
| 5. Certifications and accreditation fees .....                             |                                      |  |  |                             |               |
| 6. Auditing, actuarial and other consulting services .....                 |                                      | 205,942                                    | 39,356                                     |                             | 245,299       |
| 7. Traveling expenses .....  |                                      |  | 13,357                                     |                             | 13,357        |
| 8. Marketing and advertising .....   |                                      |  | 97,111                                     |                             | 97,111        |
| 9. Postage, express and telephone .....                                    |                                      |  | 146,703                                    |                             | 146,703       |
| 10. Printing and office supplies .....                                     |                                      |  | 35,121                                     |                             | 35,121        |
| 11. Occupancy, depreciation and amortization .....                         |                                      |  | 6,394                                      |                             | 6,394         |
| 12. Equipment .....  |                                      |  | 50,456                                     |                             | 50,456        |
| 13. Cost or depreciation of EDP equipment and software .....               |                                      |  |  |                             |               |
| 14. Outsourced services including EDP, claims, and other services .....    |                                      |  |  |                             |               |
| 15. Boards, bureaus and association fees .....                             |                                      |  | 62,697                                     |                             | 62,697        |
| 16. Insurance, except on real estate .....                                 |                                      |  | 34,020                                     |                             | 34,020        |
| 17. Collection and bank service charges .....                              |                                      |  | 11,830                                     |                             | 11,830        |
| 18. Group service and administration fees .....                            |                                      | 490,541                                    |  |                             | 490,541       |
| 19. Reimbursements by uninsured plans .....                                |                                      |  |  |                             |               |
| 20. Reimbursements from fiscal intermediaries .....                        |                                      |  |  |                             |               |
| 21. Real estate expenses .....   |                                      |  |  |                             |               |
| 22. Real estate taxes .....  |                                      |  |  |                             |               |
| 23. Taxes, licenses and fees:  |                                      |  |  |                             |               |
| 23.1 State and local insurance taxes .....                                 |                                      |  |  |                             |               |
| 23.2 State premium taxes .....   |                                      |  | 69,217                                     |                             | 69,217        |
| 23.3 Regulatory authority licenses and fees .....                          |                                      |  | 20,350                                     |                             | 20,350        |
| 23.4 Payroll taxes .....   |                                      |  | 104,946                                    |                             | 104,946       |
| 23.5 Other (excluding federal income and real estate taxes) .....          |                                      |  | 10,341                                     |                             | 10,341        |
| 24. Investment expenses not included elsewhere .....                       |                                      |  |  | 9,021                       | 9,021         |
| 25. Aggregate write-ins for expenses .....                                 |                                      |  | 93,792                                     |                             | 93,792        |
| 26. TOTAL Expenses Incurred (Lines 1 to 25) .....                          |                                      | 696,484                                    | 3,615,943                                  | 9,021                       | (a) 4,321,447 |
| 27. Less expenses unpaid December 31, current year .....                   |                                      |  | 1,094,296                                  |                             | 1,094,296     |
| 28. Add expenses unpaid December 31, prior year .....                      |                                      |  | 1,327,968                                  |                             | 1,327,968     |
| 29. Amounts receivable relating to uninsured plans, prior year .....       |                                      |  |  |                             |               |
| 30. Amounts receivable relating to uninsured plans, current year .....     |                                      |  |  |                             |               |
| 31. TOTAL Expenses Paid (Lines 26 minus 27 plus 28 minus 29 plus 30) ..... |                                      | 696,484                                    | 3,849,615                                  | 9,021                       | 4,555,119     |
| <b>DETAILS OF WRITE-INS</b>  |                                      |  |  |                             |               |
| 2501. SOFTWARE & HARDWARE , EQUIPMENT .....                                |                                      |  | 4,767                                      |                             | 4,767         |
| 2502. SEMINARS, CONVENTIONS, OFFICE EXPENSES & DONATIONS .....             |                                      |  | 79,420                                     |                             | 79,420        |
| 2503. REPAIRS & MAINTENANCE AND OTHER EXPENSES .....                       |                                      |  | 9,605                                      |                             | 9,605         |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |                                      |  |  |                             |               |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....     |                                      |  | 93,792                                     |                             | 93,792        |

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

## EXHIBIT OF NET INVESTMENT INCOME

|   | 1<br>Collected<br>During Year | 2<br>Earned<br>During Year |
|---|-------------------------------|----------------------------|
| 1. U.S. Government bonds  | (a)                           |                            |
| 1.1 Bonds exempt from U.S. tax  | (a)                           |                            |
| 1.2 Other bonds (unaffiliated)  | 217,386                       | 235,321                    |
| 1.3 Bonds of affiliates   | (a)                           |                            |
| 2.1 Preferred stocks (unaffiliated)                                     | (b)                           |                            |
| 2.11 Preferred stocks of affiliates                                     | (b)                           |                            |
| 2.2 Common stocks (unaffiliated)  | 34,530                        | 34,530                     |
| 2.21 Common stocks of affiliates  |                               |                            |
| 3. Mortgage loans   | (c)                           |                            |
| 4. Real estate  | (d)                           |                            |
| 5. Contract loans   |                               |                            |
| 6. Cash, cash equivalents and short-term investments                    | (e)                           |                            |
| 7. Derivative instruments   | (f)                           |                            |
| 8. Other invested assets  |                               |                            |
| 9. Aggregate write-ins for investment income                            |                               | (41,052)                   |
| 10. TOTAL Gross investment income                                       | 251,916                       | 228,799                    |
| 11. Investment expenses   |                               | (g) 9,021                  |
| 12. Investment taxes, licenses and fees, excluding federal income taxes |                               | (g)                        |
| 13. Interest expense  |                               | (h)                        |
| 14. Depreciation on real estate and other invested assets               |                               | (i)                        |
| 15. Aggregate write-ins for deductions from investment income           |                               | (41,052)                   |
| 16. TOTAL Deductions (Lines 11 through 15)                              |                               | (32,031)                   |
| 17. Net Investment income (Line 10 minus Line 16)                       |                               | 260,831                    |
| <b>DETAILS OF WRITE-INS</b>   |                               |                            |
| 0901. Other Investment Income   |                               | (41,052)                   |
| 0902.   |                               |                            |
| 0903.   |                               |                            |
| 0998. Summary of remaining write-ins for Line 9 from overflow page      |                               |                            |
| 0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)         |                               | (41,052)                   |
| 1501. AMORTIZATION PREMIUM/DISCOUNT                                     |                               | (41,052)                   |
| 1502.   |                               |                            |
| 1503.   |                               |                            |
| 1598. Summary of remaining write-ins for Line 15 from overflow page     |                               |                            |
| 1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)        |                               | (41,052)                   |

(a) Includes \$ 43,734 accrual of discount less \$ 23,662 amortization of premium and less \$ 30,281 paid for accrued interest on purchases.  
 (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.  
 (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.  
 (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.  
 (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.  
 (g) Includes \$ 0 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.  
 (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.  
 (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

|  | 1<br>Realized Gain<br>(Loss) on Sales<br>or Maturity | 2<br>Other Realized<br>Adjustments | 3<br>Total Realized<br>Capital Gain<br>(Loss)<br>(Columns 1 + 2) | 4<br>Change in<br>Unrealized Capital<br>Gain (Loss) | 5<br>Change in<br>Unrealized Foreign<br>Exchange Capital<br>Gain (Loss) |
|--|--|------------------------------------|--|---|---|
| 1. U.S. Government bonds   |  |                                    |  |   |   |
| 1.1 Bonds exempt from U.S. tax                                     |  |                                    |  |   |   |
| 1.2 Other bonds (unaffiliated)                                     | 55,847   | (285,353)                          | (229,506)  | 211,118   |   |
| 1.3 Bonds of affiliates  |  |                                    |  |   |   |
| 2.1 Preferred stocks (unaffiliated)                                |  |                                    |  |   |   |
| 2.11 Preferred stocks of affiliates                                |  |                                    |  |   |   |
| 2.2 Common stocks (unaffiliated)                                   |  |                                    |  |   |   |
| 2.21 Common stocks of affiliates                                   |  |                                    |  |   |   |
| 3. Mortgage loans  |  |                                    |  |   |   |
| 4. Real estate   |  |                                    |  |   |   |
| 5. Contract loans  |  |                                    |  |   |   |
| 6. Cash, cash equivalents and short-term investments               |  |                                    |  |   |   |
| 7. Derivative instruments  |  |                                    |  |   |   |
| 8. Other invested assets   |  |                                    |  |   |   |
| 9. Aggregate write-ins for capital gains (losses)                  |  |                                    |  |   |   |
| 10. TOTAL Capital gains (losses)                                   | 55,847   | (285,353)                          | (229,506)  | 211,118   |   |
| <b>DETAILS OF WRITE-INS</b>  |  |                                    |  |   |   |
| 0901.  |  |                                    |  |   |   |
| 0902.  |  |                                    |  |   |   |
| 0903.  |  |                                    |  |   |   |
| 0998. Summary of remaining write-ins for Line 9 from overflow page |  |                                    |  |   |   |
| 0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)    |  |                                    |  |   |   |

**EXHIBIT OF NONADMITTED ASSETS**

|   | 1  | 2                                      | 3  |
|---|--|--|--|
|   | Current Year Total<br>Nonadmitted Assets | Prior Year Total<br>Nonadmitted Assets | Change in Total<br>Nonadmitted Assets<br>(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<br>investments (Schedule DA) .....     |  |  |  |
| 6. Contract loans .....   |  |  |  |
| 7. Derivatives (Schedule DB) .....  |  |  |  |
| 8. Other invested assets (Schedule BA) .....  |  |  |  |
| 9. Receivables for securities .....   |  |  |  |
| 10. Securities lending reinvested collateral assets (Schedule DL) .....   |  |  |  |
| 11. Aggregate write-ins for invested assets .....   |  |  |  |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....   |  |  |  |
| 13. Title plants (for Title insurers only) .....  |  |  |  |
| 14. Invested income due and accrued .....   |  |  |  |
| 15. Premium and considerations:   |  |  |  |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....  | 30,425                                   | 86,569                                 | 56,145   |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and<br>not yet due .....                  |  |  |  |
| 15.3 Accrued retrospective premiums and contracts subject to redetermination .....                                      |  |  |  |
| 16. Reinsurance:  |  |  |  |
| 16.1 Amounts recoverable from reinsurers .....  |  |  |  |
| 16.2 Funds held by or deposited with reinsured companies .....  |  |  |  |
| 16.3 Other amounts receivable under reinsurance contracts .....   |  |  |  |
| 17. Amounts receivable relating to uninsured plans .....  | (4,178)                                  | 17,165                                 | 21,343   |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....                                      |  |  |  |
| 18.2 Net deferred tax asset .....   | 278,504                                  | 106,717                                | (171,787)  |
| 19. Guaranty funds receivable or on deposit .....   |  |  |  |
| 20. Electronic data processing equipment and software .....   |  |  |  |
| 21. Furniture and equipment, including health care delivery assets .....  | 107,496                                  | 92,592                                 | (14,904)   |
| 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 .....  | 79,362                                   | 75,839                                 | (3,523)  |
| 26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell<br>Accounts (Lines 12 to 25) ..... | 491,608                                  | 378,882                                | (112,726)  |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                       |  |  |  |
| 28. TOTAL (Lines 26 and 27) .....   | 491,608                                  | 378,882                                | (112,726)  |
| <b>DETAILS OF WRITE-INS</b>   |  |  |  |
| 1101. ....  |  |  |  |
| 1102. ....  |  |  |  |
| 1103. ....  |  |  |  |
| 1198. Summary of remaining write-ins for Line 11 from overflow page .....   |  |  |  |
| 1199. TOTALS (Lines 1101 through 1103 plus 1198) (Line 11 above) .....  |  |  |  |
| 2501. OTHER RECEIVABLE .....  | 2,136                                    | 367                                    | (1,769)  |
| 2502. PREPAID EXPENSES .....  | 77,225                                   | 75,472                                 | (1,753)  |
| 2503. ....  |  |  |  |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....   |  |  |  |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....  | 79,362                                   | 75,839                                 | (3,523)  |

## EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

| Source of Enrollment   | Total Members at End of |                       |                        |                       |                      | 6<br>Current Year<br>Member<br>Months |
|--|-------------------------|-----------------------|------------------------|-----------------------|----------------------|---------------------------------------|
|  | 1<br>Prior<br>Year      | 2<br>First<br>Quarter | 3<br>Second<br>Quarter | 4<br>Third<br>Quarter | 5<br>Current<br>Year |                                       |
| 1. Health Maintenance Organizations .....                                |                         |                       |                        |                       |                      |                                       |
| 2. Provider Service Organizations .....                                  |                         |                       |                        |                       |                      |                                       |
| 3. Preferred Provider Organizations .....                                | 531,438                 | 539,736               | 534,399                | 530,870               | 529,523              | 6,433,026                             |
| 4. Point of Service .....  |                         |                       |                        |                       |                      |                                       |
| 5. Indemnity Only .....  |                         |                       |                        |                       |                      |                                       |
| 6. Aggregate write-ins for other lines of business .....                 |                         |                       |                        |                       |                      |                                       |
| 7. TOTAL .....   | 531,438                 | 539,736               | 534,399                | 530,870               | 529,523              | 6,433,026                             |
| <b>DETAILS OF WRITE-INS</b>  |                         |                       |                        |                       |                      |                                       |
| 0601. ....   |                         |                       |                        |                       |                      |                                       |
| 0602. ....   |                         |                       |                        |                       |                      |                                       |
| 0603. ....   |                         |                       |                        |                       |                      |                                       |
| 0698. Summary of remaining write-ins for Line 6 from overflow page ..... |                         |                       |                        |                       |                      |                                       |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....    |                         |                       |                        |                       |                      |                                       |

## EXHIBIT 2 - ACCIDENT AND HEALTH PREMIUMS DUE AND UNPAID

| 1<br>Name of Debtor  | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>Over 90 Days | 6<br>Nonadmitted | 7<br>Admitted |
|--|------------------|-------------------|-------------------|-------------------|------------------|---------------|
| 0199999 TOTAL Individuals .....  |                  |                   |                   |                   |                  |               |
| <b>Group Subscribers:</b>  |                  |                   |                   |                   |                  |               |
| .....  | (2,923)          | 130,103           | 24,782            | 30,425            | 30,425           | 151,962       |
| 0299997 Subtotal - Group Subscribers: .....                              | (2,923)          | 130,103           | 24,782            | 30,425            | 30,425           | 151,962       |
| 0299998 Premiums due and unpaid not individually listed .....            |                  |                   |                   |                   |                  |               |
| 0299999 TOTAL Group .....  | (2,923)          | 130,103           | 24,782            | 30,425            | 30,425           | 151,962       |
| 0399999 Premiums due and unpaid from Medicare entities .....             |                  |                   |                   |                   |                  |               |
| 0499999 Premiums due and unpaid from Medicaid entities .....             |                  |                   |                   |                   |                  |               |
| 0599999 Accident and health premiums due and unpaid (Page 2, Line 15) .. | (2,923)          | 130,103           | 24,782            | 30,425            | 30,425           | 151,962       |

19 Exhibit 3 - Health Care Receivables ..... NONE

20 Exhibit 3A - Analysis of Health Care Receivables Collected and Accrued . . . . NONE

## EXHIBIT 4 - CLAIMS UNPAID AND INCENTIVE POOL, WITHHOLD AND BONUS (Reported and Unreported)

### Aging Analysis of Unpaid Claims

| 1<br>Account   | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>91 - 120 Days | 6<br>Over 120 Days | 7<br>Total |
|--|------------------|-------------------|-------------------|--------------------|--------------------|------------|
| 0299999 Aggregate Accounts Not Individually Listed - Uncovered ..... | .....            | .....             | .....             | .....              | .....              | .....      |
| 0399999 Aggregate Accounts Not Individually Listed - Covered .....   | .....            | .....             | .....             | .....              | .....              | .....      |
| 0499999 Subtotals .....  | .....            | .....             | .....             | .....              | .....              | .....      |
| 0599999 Unreported claims and other claim reserves .....             |                  |                   |                   |                    |                    | 670,000    |
| 0699999 TOTAL Amounts Withheld .....                                 |                  |                   |                   |                    |                    | .....      |
| 0799999 TOTAL Claims Unpaid .....                                    |                  |                   |                   |                    |                    | 670,000    |
| 0899999 Accrued Medical Incentive Pool and Bonus Amounts .....       |                  |                   |                   |                    |                    | .....      |

## EXHIBIT 5 - AMOUNTS DUE FROM PARENT, SUBSIDIARIES AND AFFILIATES

| 1<br>Name of Affiliate                                | 2<br>1 - 30 Days | 3<br>31 - 60 Days | 4<br>61 - 90 Days | 5<br>Over 90 Days | 6<br>Nonadmitted | Admitted     |                  |
|---|------------------|-------------------|-------------------|-------------------|------------------|--------------|------------------|
|   |                  |                   |                   |                   |                  | 7<br>Current | 8<br>Non-Current |
| <b>Individually listed receivables</b>                |                  |                   |                   |                   |                  |              |                  |
| Delta Dental of California .....                      | 163,615          |                   |                   |                   |                  | 163,615      |                  |
| 0199999 Total - Individually listed receivables ..... | 163,615          |                   |                   |                   |                  | 163,615      |                  |
| 0299999 Receivables not individually listed .....     |                  |                   |                   |                   |                  |              |                  |
| 0399999 TOTAL Gross Amounts Receivable .....          | 163,615          |                   |                   |                   |                  | 163,615      |                  |

## EXHIBIT 6 - AMOUNTS DUE TO PARENT, SUBSIDIARIES AND AFFILIATES

| 1<br>Affiliate                                     | 2<br>Description                 | 3<br>Amount | 4<br>Current | 5<br>Non-Current |
|--|----------------------------------|-------------|--------------|------------------|
| <b>Individually Listed Payables</b>                |                                  |             |              |                  |
| Delta Dental of California .....                   | Computer Support Agreement ..... | 62,827      | 62,827       |                  |
| 0199999 Total - Individually Listed Payables ..... | X X X .....                      | 62,827      | 62,827       |                  |
| 0299999 Payables not Individually Listed .....     | X X X .....                      |             |              |                  |
| 0399999 TOTAL Gross Payables .....                 | X X X .....                      | 62,827      | 62,827       |                  |

### EXHIBIT 7 - PART 1 - SUMMARY OF TRANSACTIONS WITH PROVIDERS

| Payment Method  | 1<br>Direct Medical Expense Payment | 2<br>Column 1 as a % of Total Payments | 3<br>Total Members Covered | 4<br>Column 3 as a % of Total Members | 5<br>Column 1 Expenses Paid to Affiliated Providers | 6<br>Column 1 Expenses Paid to Non-Affiliated Providers |
|---|-------------------------------------|--|----------------------------|---------------------------------------|---|---|
| <b>Capitation Payments:</b>                                     |                                     |  |                            |                                       |   |   |
| 1. Medical groups .....   |                                     |  |                            |                                       |   |   |
| 2. Intermediaries .....   |                                     |  |                            |                                       |   |   |
| 3. All other providers .....                                    |                                     |  |                            |                                       |   |   |
| 4. TOTAL Capitation Payments .....                              |                                     |  |                            |                                       |   |   |
| <b>Other Payments:</b>  |                                     |  |                            |                                       |   |   |
| 5. Fee-for-service .....  | 10,472,901                          | 100.000                                | X X X                      | X X X                                 | 10,472,901  |   |
| 6. Contractual fee payments .....                               |                                     |  | X X X                      | X X X                                 |   |   |
| 7. Bonus/withhold arrangements - fee-for-service .....          |                                     |  | X X X                      | X X X                                 |   |   |
| 8. Bonus/withhold arrangements - contractual fee payments ..... |                                     |  | X X X                      | X X X                                 |   |   |
| 9. Non-contingent salaries .....                                |                                     |  | X X X                      | X X X                                 |   |   |
| 10. Aggregate cost arrangements .....                           |                                     |  | X X X                      | X X X                                 |   |   |
| 11. All other payments .....                                    |                                     |  | X X X                      | X X X                                 |   |   |
| 12. TOTAL Other Payments .....                                  | 10,472,901                          | 100.000                                | X X X                      | X X X                                 | 10,472,901  |   |
| 13. TOTAL (Line 4 plus Line 12) .....                           | 10,472,901                          | 100.000                                | X X X                      | X X X                                 | 10,472,901  |   |

### EXHIBIT 7 - PART 2 - SUMMARY OF TRANSACTIONS WITH INTERMEDIARIES

| 1<br>NAIC Code | 2<br>Name of Intermediary | 3<br>Capitation Paid | 4<br>Average Monthly Capitation | 5<br>Intermediary's Total Adjusted Capital | 6<br>Intermediary's Authorized Control Level RBC |
|----------------|---------------------------|----------------------|---------------------------------|--|--|
| <b>NONE</b>    |                           |                      |                                 |  |  |
| 9999999        | TOTALS .....              |                      | X X X                           | X X X                                      | X X X  |

## EXHIBIT 8 - FURNITURE, EQUIPMENT AND SUPPLIES OWNED

|    |   | 1              | 2             | 3                           | 4                                  | 5                         | 6                         |
|----|---|----------------|---------------|-----------------------------|------------------------------------|---------------------------|---------------------------|
|    | Description                                     | Cost           | Improvements  | Accumulated<br>Depreciation | Book Value<br>Less<br>Encumbrances | Assets<br>Not<br>Admitted | Net<br>Admitted<br>Assets |
| 1. | Administrative furniture and equipment .....    | 448,714        | 48,412        | (389,631)                   |                                    | 107,496                   |                           |
| 2. | Medical furniture, equipment and fixtures ..... |                |               |                             |                                    |                           |                           |
| 3. | Pharmaceuticals and surgical supplies .....     |                |               |                             |                                    |                           |                           |
| 4. | Durable medical equipment .....                 |                |               |                             |                                    |                           |                           |
| 5. | Other property and equipment .....              |                |               |                             |                                    |                           |                           |
| 6. | <b>TOTAL</b> .....                              | <b>448,714</b> | <b>48,412</b> | <b>(389,631)</b>            |                                    | <b>107,496</b>            |                           |

# Notes to Financial Statements

## Summary of Operation

### Note 1 - Summary of Significant Accounting Policies

#### A. Accounting Practices

The accompanying financial statements of the Company have been prepared in conformity with the NAIC Annual Statement Instructions and Accounting Practices and Procedures Manual except to the extent that state law may differ.

|   | <u>State of<br/>Domicile</u> | 2016          | 2015          |
|---|------------------------------|---------------|---------------|
| <u>NET INCOME</u>   |                              |               |               |
| (1) Delta Dental of Puerto Rico state basis (Page 4, Line 32, Columns 2 & 3)  | Puerto Rico                  | 1,014,062     | 14,840        |
|   |                              | \$ _____      | \$ _____      |
| (2) State Prescribed Practices that increase/(decrease) NAIC SAP:<br>e.g., Depreciation of fixed assets             | Puerto Rico                  | 0             | 0             |
|   |                              | _____         | _____         |
| (3) State Permitted Practices that increase/(decrease) NAIC SAP:<br>e.g., Depreciation, home office property        | Puerto Rico                  | 0             | 0             |
|   |                              | _____         | _____         |
| (4) NAIC SAP (1-2-3=4)  | Puerto Rico                  | \$ 1,014,062  | \$ 14,480     |
|   |                              | _____         | _____         |
| <u>SURPLUS</u>  |                              |               |               |
| (5) Delta Dental of Puerto Rico state basis (Page 3, Line 33, Columns 3 & 4)  | Puerto Rico                  | \$ 20,245,241 | \$ 19,123,979 |
|   |                              | _____         | _____         |
| (6) State Prescribed Practices that increase/(decrease) NAIC SAP:<br>e.g., Goodwill, net<br>e.g., Fixed Assets, net | Puerto Rico                  | 0             | 0             |
|   |                              | _____         | _____         |
| (7) State Permitted Practices that increase/(decrease) NAIC SAP:<br>e.g., Home Office Property                      | Puerto Rico                  | 0             | 0             |
|   |                              | _____         | _____         |
| (8) NAIC SAP (5-6-7=8)  | Puerto Rico                  | \$ 20,245,241 | \$ 19,123,979 |
|   |                              | _____         | _____         |

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

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

#### C. Accounting Policies

- For the purposes of reporting cash flows, cash and cash equivalents include cash in bank and temporary and short-term funds. Cash and cash equivalents include investments with maturities of three months or less and short-term funds, which when purchased, are due to mature within one year. Short-term investments are stated at amortized cost. Cash and cash equivalents as of December 31, 2016 consist of \$13,678,641.
- Bonds and stocks are valued in accordance with valuations prescribed by the NAIC. Generally, bonds are carried at cost, adjusted where appropriate for amortization of premium or accrual of discount computed using the scientific (constant yield) interest method.
- Common stocks and mutual funds are carried at market values with the net unrealized gain or loss included in unassigned funds. Realized investment gains and losses are reported in the statutory statements of operations, based upon the specific identification of securities sold.
- The Company does not currently own preferred stocks.
- The Company does not issue mortgage loans on real estate.
- Loan-backed securities are stated at their amortized cost. The retrospective adjustment method is used on this security.
- The Company has no investment in subsidiaries, controlled or affiliated entities.
- The Company has no investment in joint ventures, partnerships and limited liability companies.

## Notes to Financial Statements

9. The company has no investment in derivatives.
10. The Company has no premium deficiency reserve.
11. The liability for claims is for services rendered which have been reported to the Company and are unpaid at statement date as well as provisions for claims incurred but not reported at the statement date. The liability for reported claims is based on approved and preauthorized claims unpaid at period-end. The liability for claims incurred but not reported is calculated in accordance with formulas established by management and certified at year-end by an enrolled actuary. Management believes that the liabilities for unpaid claims and claims adjustment expenses are adequate to cover the ultimate net costs of claims to date, but the liability is necessarily based on estimates, and the amount ultimately paid may be more or less than such estimates. These liabilities are subject to continuing review by management and changes in estimates are reflected in current earnings.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company does not have a pharmaceutical rebate receivable.

**Note 2 - Accounting Changes and Correction of Error**

The Company has made no correction of errors or experienced accounting changes in the period of this report.

**Note 3 - Business Combinations and Goodwill**

The Company has not experienced any business combinations or goodwill transactions during the period of this report.

**Note 4 - Discontinued Operations**

This is not applicable to the Company.

**Note 5 - Investment**

- A. The Company has not invested in mortgage loans.
- B. The Company has not invested in debt restructuring.
- C. The Company has not been involved in reverse mortgages.
- D. Loan Backed Securities
  1. Prepayment assumptions for mortgage-backed securities were obtained from broker-dealer survey values.
  2. The Company does not have any loaned back securities with Other-Than-Temporary Impairment
  3. The Company does not have any loaned back securities with Other-Than-Temporary Impairment
  4. The Company does not have any loaned back securities with Other-Than-Temporary Impairment
  5. The Company does not have any loaned back securities with Other-Than-Temporary Impairment
- E. The Company has not been involved in repurchase agreements/or securities lending transactions.
- F. The Company has not invested in real estate.
- G. The Company has not invested in low-income housing tax credits (LHITC).
- H. Restricted Assets
  1. Including Pledged Assets

|   | 1  | 2                                      | 3                                | 4                                      | 5   | 6   |
|---|--|--|----------------------------------|--|---|---|
| Restricted Asset Category   | Total Gross Restricted from Current Year | Total Gross Restricted From Prior Year | Increase/ (Decrease) (1 minus 2) | Total Current Year Admitted Restricted | Percentage Gross Restricted to Total Assets | Percentage Admitted Restricted to Total Admitted Assets |
| a. Subject to contractual obligation for which liability is not shown | \$ .....                                 | \$ .....                               | \$ .....                         | \$ .....                               | ..... %                                     | .....%  |

## Notes to Financial Statements

|    |   |           |           |          |           |       |       |
|----|---|-----------|-----------|----------|-----------|-------|-------|
| b. | Collateral held under security lending agreements                               | .....     | .....     | .....    | .....     | ..... | ..... |
| c. | Subject to repurchase agreements  | .....     | .....     | .....    | .....     | ..... | ..... |
| d. | Subject to reverse repurchase agreements  | .....     | .....     | .....    | .....     | ..... | ..... |
| e. | Subject to dollar repurchase agreements   | .....     | .....     | .....    | .....     | ..... | ..... |
| f. | Subject to dollar reverse repurchase agreements                                 | .....     | .....     | .....    | .....     | ..... | ..... |
| g. | Placed under option contracts   | .....     | .....     | .....    | .....     | ..... | ..... |
| h. | Letter stock or securities restricted as to sale – excluding FHLB capital stock | .....     | .....     | .....    | .....     | ..... | ..... |
| i. | FHLB capital stock  | .....     | .....     | .....    | .....     | ..... | ..... |
| j. | On deposit with states  | .....     | .....     | .....    | .....     | ..... | ..... |
| k. | On deposit with other regulatory bodies   | .....     | .....     | .....    | .....     | ..... | ..... |
| l. | Pledged as collateral to FHLB (including assets backing funding agreements )    | .....     | .....     | .....    | .....     | ..... | ..... |
| m. | Pledged as collateral not captured in other categories                          | .....     | .....     | .....    | .....     | ..... | ..... |
| n. | Other restricted  | \$670,000 | \$650,000 | \$20,000 | \$335,000 | 2.48% | 1.26% |

## Notes to Financial Statements

|  |             |             |            |           |       |       |
|--|-------------|-------------|------------|-----------|-------|-------|
| assets<br>Reserve                                    |             |             |            |           |       |       |
| n. Other<br>restricted<br>assets<br>Pledge to<br>DOI | \$500,000   | \$500,000   | \$(-)      | \$500,000 | 1.85% | 1.89% |
| o. Total<br>Restricted<br>Assets                     | \$1,170,000 | \$1,150,000 | \$(20,000) | \$835,000 | 4.33% | 3.15% |

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

|                       | 1  | 2                                      | 3                                | 4                                      | 5   | 6   |
|-----------------------|--|--|----------------------------------|--|---|---|
| Description of Assets | Total Gross Restricted from Current Year | Total Gross Restricted From Prior Year | Increase/ (Decrease) (1 minus 2) | Total Current Year Admitted Restricted | Percentage Gross Restricted to Total Assets | Percentage Admitted Restricted to Total Admitted Assets |
| .....                 | \$ .....                                 | \$ .....                               | \$ .....                         | \$ .....                               | ..... %                                     | .....%  |
| .....                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |
| .....                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |
| Total                 | \$ .....                                 | \$ .....                               | \$ .....                         | \$ .....                               | ..... %                                     | .....%  |

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

|                       | 1  | 2                                      | 3                                | 4                                      | 5   | 6   |
|-----------------------|--|--|----------------------------------|--|---|---|
| Description of Assets | Total Gross Restricted from Current Year | Total Gross Restricted From Prior Year | Increase/ (Decrease) (1 minus 2) | Total Current Year Admitted Restricted | Percentage Gross Restricted to Total Assets | Percentage Admitted Restricted to Total Admitted Assets |
| .....                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |
| .....                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |
| .....                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |
| Total                 | .....                                    | .....                                  | .....                            | .....                                  | .....                                       | .....   |

- I. Working Capital Finance Investments
  - 1. This is not applicable to the company
- J. Offsetting and Netting of Assets and Liabilities
  - 1. This is not applicable to the company
- K. Structured Notes

| CUSIP Identification | Actual Cost | Fair Value | Book/Adjusted Carrying Value | Mortgage-Referenced Security (YES/NO) |
|----------------------|-------------|------------|------------------------------|---------------------------------------|
|                      | \$0         | \$0        | \$0                          | No                                    |
| Total                | \$0         | \$0        | \$0                          | XXX                                   |

## Notes to Financial Statements

### Note 6 - Joint Ventures, Partnerships, and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that have a net book value exceeding 10% of its admitted assets.

B. The Company did not recognize any impairment write down for its investments in Joint Ventures, Partnerships and Limited Liability Companies during the statement periods.

### Note 7 – Investment Income

No due and accrued investment income was excluded from investment income.

### Note 8 - Derivative Instruments

The Company has not invested in derivative investments.

### Note 9 - Income Taxes

A. The components of the net deferred tax asset/(liability) at December 31, 2016 and December 31, 2015, are as follows

1.

| Description   | 12/31/2016    |              |                            | 12/31/2015    |              |                            | Change                        |                              |                            |
|---|---------------|--------------|----------------------------|---------------|--------------|----------------------------|-------------------------------|------------------------------|----------------------------|
|   | 1<br>Ordinary | 2<br>Capital | 3<br>(Col. 1 +<br>2) Total | 4<br>Ordinary | 5<br>Capital | 6<br>(Col. 4 + 5)<br>Total | 7<br>(Col. 1 – 4)<br>Ordinary | 8<br>(Col. 2 – 5)<br>Capital | 9<br>(Col. 7 + 8)<br>Total |
| a. Gross Deferred Tax Assets  | 278,504       | -            | 278,504                    | 278,504       | -            | 278,504                    | -                             | -                            | -                          |
| b. Statutory Valuation Allowance Adjustments                              | -             | -            | -                          | -             | -            | -                          | -                             | -                            | -                          |
| c. Adjusted Gross Deferred Tax Assets (1a – 1b)                           | 278,504       | -            | 278,504                    | 278,504       | -            | 278,504                    | -                             | -                            | -                          |
| d. Deferred Tax Assets Non-admitted                                       | -             | -            | -                          | -             | -            | -                          | -                             | -                            | -                          |
| e. Subtotal Net Admitted Deferred Tax Asset (1c – 1d)                     | -             | -            | -                          | -             | -            | -                          | -                             | -                            | -                          |
| f. Deferred Tax Liabilities   | -             | -            | -                          | -             | -            | -                          | -                             | -                            | -                          |
| g. Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e – 1f) | -             | -            | -                          | -             | -            | -                          | -                             | -                            | -                          |
|   |               |              |                            |               |              |                            | 2016                          | 2015                         |                            |

Total of all deferred tax assets (admitted and non-admitted) \$278,504    \$278,504

Total of all deferred tax liabilities \$-                    \$-

Total deferred tax assets non admitted per SAP 10 \$(278,504)    \$(278,504)

Increase (decrease) in deferred tax assets non-admitted \$-                    \$-

2.

| Description   | 12/31/2016    |              |                            | 12/31/2015    |              |                            | Change                        |                              |                            |
|---|---------------|--------------|----------------------------|---------------|--------------|----------------------------|-------------------------------|------------------------------|----------------------------|
|   | 1<br>Ordinary | 2<br>Capital | 3<br>(Col. 1 +<br>2) Total | 4<br>Ordinary | 5<br>Capital | 6<br>(Col. 4 +<br>5) Total | 7<br>(Col. 1 – 4)<br>Ordinary | 8<br>(Col. 2 – 5)<br>Capital | 9<br>(Col. 7 +<br>8) Total |
| a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks   |               |              |                            |               |              |                            |                               |                              |                            |
| b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2a Above) After Application of the Threshold Limitation (The Lesser of 2b1 and 2b2 below) |               |              |                            |               |              |                            |                               |                              |                            |
| b1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date   |               |              |                            |               |              |                            |                               |                              |                            |
| b2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold   |               |              |                            |               |              |                            |                               |                              |                            |
| c. Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2a and 2b Above) Offset by Gross Deferred Tax Liabilities   |               |              |                            |               |              |                            |                               |                              |                            |
| d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2a + 2b – 2c)   |               |              |                            |               |              |                            |                               |                              |                            |

3.

## Notes to Financial Statements

|    | Description  | 2016 | 2015 |
|----|--|------|------|
| a. | Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount                               |      |      |
| b. | Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation in 2(b)2 Above |      |      |

4.

| Description                       | 12/31/2016   |                         |  | 12/31/2015               |                         |                                       | Change                                      |   |                                       |
|-----------------------------------|--|-------------------------|--|--------------------------|-------------------------|---------------------------------------|---|---|---------------------------------------|
|                                   | 1<br>Ordinary<br>Percent   | 2<br>Capital<br>Percent | 3<br>(Col. 1<br>+ 2)<br>Total<br>Percent | 4<br>Ordinary<br>Percent | 5<br>Capital<br>Percent | 6<br>(Col. 4 +<br>5) Total<br>Percent | 7<br>(Col. 1 -<br>4)<br>Ordinary<br>Percent | 8<br>(Col. 2 - 5)<br>Capital<br>Percent | 9<br>(Col. 7 +<br>8) Total<br>Percent |
| Impact of Tax Planning Strategies |  |                         |  |                          |                         |                                       |   |   |                                       |
| a.                                | Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)                           |                         |  |                          |                         |                                       |   |   |                                       |
| b.                                | Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs) |                         |  |                          |                         |                                       |   |   |                                       |

B. There was no deferred tax liabilities recognized in the current period.

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

|     | Description   | 1<br>12/31/16 | 2<br>12/31/2015 | 3<br>(Col. 1 - 2)<br>Change |
|-----|---|---------------|-----------------|-----------------------------|
| 1.  | Current Income Tax  |               |                 |                             |
| a.  | Federal   |               |                 |                             |
| b.  | Foreign   |               |                 |                             |
| c.  | Subtotal  |               |                 |                             |
| d.  | Federal income tax on net capital gains                   |               |                 |                             |
| e.  | Utilization of capital loss carry-forwards                |               |                 |                             |
| f.  | Other   |               |                 |                             |
| g.  | Federal and foreign income taxes incurred                 |               |                 |                             |
| 2.  | Deferred Tax Assets:                                      |               |                 |                             |
| a.  | Ordinary  |               |                 |                             |
| 1.  | Discounting of unpaid losses                              |               |                 |                             |
| 2.  | Unearned premium reserve                                  |               |                 |                             |
| 3.  | Policyholder reserves                                     |               |                 |                             |
| 4.  | Investments   |               |                 |                             |
| 5.  | Deferred acquisition costs                                |               |                 |                             |
| 6.  | Policyholder dividends accrual                            |               |                 |                             |
| 7.  | Fixed assets  |               |                 |                             |
| 8.  | Compensation and benefits accrual                         |               |                 |                             |
| 9.  | Pension accrual   |               |                 |                             |
| 10. | Receivables – nonadmitted                                 |               |                 |                             |
| 11. | Net operating loss carry-forward                          |               |                 |                             |
| 12. | Tax credit carry-forward                                  |               |                 |                             |
| 13. | Other (including items < 5% of total ordinary tax assets) |               |                 |                             |
| 99. | Subtotal  |               |                 |                             |
| b.  | Statutory valuation allowance adjustment                  |               |                 |                             |
| c.  | Nonadmitted   |               |                 |                             |
| d.  | Admitted ordinary deferred tax assets (2a99 - 2b - 2c)    |               |                 |                             |
| e.  | Capital:  |               |                 |                             |
| 1.  | Investments   |               |                 |                             |
| 2.  | Net capital loss carry-forward                            |               |                 |                             |
| 3.  | Real estate   |               |                 |                             |
| 4.  | Other (including items < 5% of total capital tax assets)  |               |                 |                             |
| 99. | Subtotal  |               |                 |                             |

## Notes to Financial Statements

|     |  |  |  |  |
|-----|--|--|--|--|
| f.  | Statutory valuation allowance adjustment                       |  |  |  |
| g.  | Nonadmitted  |  |  |  |
| h.  | Admitted capital deferred tax assets (2e99 – 2f – 2g)          |  |  |  |
| i.  | Admitted deferred tax assets (2d + 2h)                         |  |  |  |
| 3.  | Deferred Tax Liabilities:                                      |  |  |  |
| a.  | Ordinary   |  |  |  |
| 1.  | Investments  |  |  |  |
| 2.  | Fixed assets   |  |  |  |
| 3.  | Deferred and uncollected premium                               |  |  |  |
| 4.  | Policyholder reserves  |  |  |  |
| 5.  | Other (including items < 5% of total ordinary tax liabilities) |  |  |  |
| 99. | Subtotal   |  |  |  |
| b.  | Capital:   |  |  |  |
| 1.  | Investments  |  |  |  |
| 2.  | Real estate  |  |  |  |
| 3.  | Other (including items < 5% of total capital tax liabilities)  |  |  |  |
| 99. | Subtotal   |  |  |  |
| c.  | Deferred tax liabilities (3a99 + 3b99)                         |  |  |  |
| 4.  | Net deferred tax assets/liabilities (2i – 3c)                  |  |  |  |
|     |  |  |  |  |

The components of incurred income tax expense and the change in DTA's and DTL's at December 31, 2016 are as follows:

|  | 2016      | 2015        |
|--|-----------|-------------|
| Income Tax Expense                         | \$813,641 | \$569,045   |
| Change in DTA's                            | \$(-)     | \$(171,787) |
| Change in DTL's                            | \$-       | \$-         |
| Change in Deferred taxes (Page 5, Line 38) | \$-       | \$-         |

D. This is not applicable to this company.

E.

1. This is not applicable to this company
2. This is not applicable to this company
3. This is not applicable to this company

F.

1. This is not applicable to this company
2. This is not applicable to this company

G. This is not applicable to this company.

**Note 10 - Information Concerning Parent, Subsidiaries, and Affiliates**

- A. Delta Dental of California (DDC) own Dentegra Insurance Company, the Holding Company. The Company is a member of the holding company, Dentegra Group, Inc., where DDC owns 64% of DDPR common stock. Effective January 1, 1999 the company entered into a quota share agreement with DDC.
- B. Effective January 1, 2011, the Company entered into a Computer Support Agreement with Delta Dental of California ("DDC"), under which DDC will provide computer services and related support allowing the Company to process dental claims.
- C. The expenses incurred as part of this agreement as of December 31, 2016 were \$612,254.

## Notes to Financial Statements

- D. At December 31, 2016 the Company Reported \$62,827 as amount due to DDC. The Company also reported \$163,615 as receivable from DDC.
- E. The Company has no guarantees or contingencies for related parties.
- F. The Company is not involved in cost sharing arrangements.
- G. The Company's operations are not affected by the nature of relationships.
- H. The Company does not deduct any amounts for investments in an upstream company.
- I. The Company does not have any investments greater than 10% of admitted assets in affiliates.
- J. The Company has not impaired any investments.
- K. The Company does not own investment in subsidiary.
- L. The Company does not have investments in downstream company.

### **Note 11 - Debt**

This is not applicable to the Company. The company does not have Debt holding co. obligations.

### **Note 12 - Retirement Plans, Deferred Compensation and Postretirement Benefits and Compensated Absences and other Postretirement Benefits Plan**

The Company has a defined contribution benefits plan (1165E) covering substantially all employees. The plan covers all permanent employees who are at least 21 years old. For participants under such plan (effective since 2007) the company will make matching contributions equal to 50% of the employee contribution up to 10% of compensation. Company contribution expense as of December 31, 2016 amounted to \$46,961. The Company may also make profit-sharing contributions in its discretion which will be allocated among all eligible employees, whether or not they make contributions.

The Company does not maintain a postretirement benefit plan.

### **Note 13 - Capital and Surplus, Shareholders' Dividend Restrictions and Quasi- Reorganizations**

- (1) The Company has 800,000 issued shares where DDC has 511,351; the dentist has 20,514; the unnamed stockholders has 267,226 and 1 qualified share for the CEO of the Company as of December 30, 2016. The Company has 908 treasury stocks.
- (2) The Company has no shares of preferred stock.
- (3) The Company has no restriction on dividends.
- (4) The Company no declared any dividends as of December 31, 2016.
- (5) The portion of the reporting entity's profits that may be paid as ordinary dividends to stockholders is 10%
- (6) The Company has no restrictions on unassigned surplus.
- (7) The Company is not a mutual or similarly organized entity.
- (8) The Company holds no shares of stock.
- (9) The Company has no special surplus funds.
- (10) No portion of unassigned surplus that is represented or reduced by unrealized gain and losses.
- (11) The Company has no surplus debentures outstanding. The Company has had no quasi-reorganizations.

### **Note 14 - Contingencies**

- a. The Company has no material guarantees or contingencies with related parties.
- b. The Company has not been advised of any assessments.
- c. The Company has no gain contingency.
- d. The Company has no claims related to extra contractual obligation or bad faith losses stemming from lawsuits.
- e. The Company has no joint or several liability arrangement.

## Notes to Financial Statements

- f. The Company has no other contingencies.

### **Note 15 - Leases**

The Company leases its office facility under an operating lease agreement. Total rent expense under such lease amounted to \$162,906 at December 31, 2016. The future minimum lease payments under this operating lease are as follows:

| Year ended 2016 |               |
|-----------------|---------------|
| 2017            | \$ 181,188.00 |
| 2018            | 181,188.00    |
| 2019            | 181,188.00    |
| 2020            | 181,188.00    |
| 2021            | 75,495.00     |
|                 | \$ 800,247.00 |

### **Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk**

The Company does not have any financial instruments with off-balance sheet risk or concentrations of credit risk.

### **Note 17 - Sale, Transfer, and Servicing of Financial Assets and Extinguishments of Liabilities**

The Company has not sold, transferred, serviced financial assets, or extinguished liabilities.

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

A. This is not applicable to the Company.

B. The gain from operations from Administrative Services Contract (ASC) uninsured plans and the uninsured portion of partially insured plans for the period ended December 31, 2016 was as follows:

|   | ASC<br>Uninsured Plans | Uninsured Portion<br>of Partially<br>Insured Plans | Total<br>ASC    |
|---|------------------------|--|-----------------|
| a. Gross reimbursement for medical cost incurred                                | \$ 21,772,947          | \$ -   | \$ 21,772,947   |
| b. Gross Administrative fees accrued  | \$ 3,060,017           | \$ -   | \$ 3,060,017    |
| c. Other Income or expenses (including interest paid to or received from plans) | \$ -                   | \$ -   | \$ -            |
| d. Gross expenses incurred (claims and administrative)                          | \$ (23,243,113)        | \$ -   | \$ (23,243,113) |
| e. Total net gain or loss from operations                                       | \$ 1,589,851           | \$ -   | \$ 1,589,851    |

C. This is not applicable to the Company.

### **Note 19 - Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

The Company does not have a direct premium that is produced by managing agents or third party administrators.

### **Note 20 – Fair Value Measurements**

The following table reflects the major categories of assets measured at fair value on a recurring basis during the year ended December 31, 2016, using quoted prices in active markets for identical

## Notes to Financial Statements

assets (Level 1). The Company currently does not own assets measured using significant other observable inputs (Level 2) or significant unobservable inputs (Level 3).

### A. Fair Value Measurements at Reporting Date

| Description for each class of asset or liability | (Level 1)    | (Level 2) | (Level 3) | Total     |
|--|--------------|-----------|-----------|-----------|
| a. Assets at fair value                          |              |           |           |           |
| Perpetual Preferred stock                        |              |           |           |           |
| Industrial and Misc                              | \$           | \$        | \$        |           |
| Parent, Subsidiaries and Affiliates              |              |           |           |           |
| Total Perpetual Preferred Stocks                 | \$           | \$        | \$        |           |
| Bonds  |              |           |           |           |
| U.S. Governments                                 | \$           | \$        | \$        |           |
| Industrial and Misc                              |              |           |           |           |
| Hybrid Securities                                |              |           |           |           |
| Parent, Subsidiaries and Affiliates              |              |           |           |           |
| Total Bonds                                      | \$           | \$        | \$        |           |
| Common Stock                                     |              |           |           |           |
| Industrial and Misc                              | \$           | \$        | \$        |           |
| Parent, Subsidiaries and Affiliates              | 1,183,850    |           |           | 1,183,850 |
| Total Common Stocks                              | \$           | \$        | \$        |           |
| Derivative assets                                |              |           |           |           |
| Interest rate contracts                          | \$           | \$        | \$        |           |
| Foreign exchange contracts                       |              |           |           |           |
| Credit contracts                                 |              |           |           |           |
| Commodity futures contracts                      |              |           |           |           |
| Commodity forward contracts                      |              |           |           |           |
| Total Derivatives                                | \$           | \$        | \$        |           |
| .....  |              |           |           |           |
| Separate account assets                          | \$           | \$        | \$        |           |
| Total assets at fair value                       | \$ 1,183,850 | \$        | \$        | 1,183,850 |
| b. Liabilities at fair value                     |              |           |           |           |
| Derivative liabilities                           | \$           | \$        | \$        |           |
| .....  |              |           |           |           |
| Total liabilities at fair value                  | \$           | \$        | \$        |           |

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

The Company determines the fair value of its assets and liabilities measured on a recurring basis and segregates them between those assets and liabilities that are valued based on quoted prices (unadjusted) in active markets for identical assets or liabilities, which the reporting entity can access at the measurement date (Level 1), direct or indirect observable inputs other than Level 1 quoted prices (Level 2), or unobservable inputs to the extent that observable inputs are not available (Level 3).

The following is a description of the Company's categorization of the inputs used in the recurring fair value measurements of its financial assets included in its balance sheets as of December 31, 2016 and December 31, 2015:

#### Level 1

Represents financial assets whose fair value is determined based upon observable unadjusted quoted market prices for identical financial assets in active markets that the Company has the ability to access. The Company considers U.S. Treasuries and equity securities as Level 1 assets.

#### Level 2

Represents financial assets whose fair value is determined based upon: quoted market prices for similar assets in active markets; quoted market prices for identical assets in inactive markets; inputs other than quoted market prices that are observable for the asset such as interest rates or yield curves; or other inputs derived principally from or corroborated from other observable market information. The Company considers U.S. Government agencies, municipal bonds, mortgage-backed securities, collateralized mortgage obligations, asset-backed securities, corporate bonds, and convertible bonds as Level 2 assets. The Company currently does not own any assets measured as Level 2 assets.

#### Level 3

Represents financial assets whose fair value is determined based upon inputs that are unobservable, including the Company's own determinations of the assumptions that a market participant would use in pricing the asset. The Company currently does not own any assets measured as Level 3 assets.

The Company's investments in fixed income securities and equity securities are valued through the use of a nationally recognized pricing service. The Company believes the scope of work performed when using data from outside parties is sufficient to validate the prices such that it does not rely upon these independent pricing services as experts, nor would it seek indemnification from them in the event the prices provided were deemed inappropriate. Where independent pricing services provide fair values, the Company has obtained an understanding of the methods, models, and inputs used in pricing and have controls in place to validate that amounts provided represent current exit values. The Company's controls include, but are not limited to, initial and ongoing evaluation of methodologies used by outside parties as well as other techniques and assumptions to calculate fair value and comparing the fair value

## Notes to Financial Statements

estimates to the Company's knowledge of the current market. Fixed income securities include U.S. Treasuries, agencies backed by the U.S. Government, municipal bonds, mortgage-backed securities, collateralized mortgage obligations, asset-backed securities, and corporate bonds.

- A. This is not applicable to the Company.
- B. This is not applicable to the Company.
- C. This is not applicable to the Company.

### **Note 21 - Other Items**

- A. The Company has no extraordinary items to report.
- B. This is not applicable to the Company.
- C. Other disclosures and unusual items – The Company does not have a concentration of risk revenue during this period.
- D. This Company has not had any business interruption insurance recoveries.
- E. The Company has not been involved in state transferable tax credits.
- F. The Company has not had any subprime-mortgage related risk exposure.
- G. This is not applicable to the Company.

### **Note 22 - Events Subsequent**

There were no events occurring subsequent to December 31, 2016 that may have material effect on the financial condition of the Company.

### **Note 23 - Reinsurance**

The Company cedes insurance risk with one reinsurer. Under the agreement, the Company retains 50% quota share of incurred claims and cedes to the reinsurer 50% of the pure premium, as defined. Under this treaty, the amount of premiums ceded from the reinsurer for the Company amounted to \$5,859,920 in 2016. The agreement also provides for a reinsurance premiums of 1.75% of the gross premiums received from groups covered under the agreement to be paid to the reinsurer. Reinsurance premium amounted to \$279,375 as of December 31, 2016. Such amounts are included in premiums ceded. The experience rated refund under the reinsurance agreement amounted to \$0 for 2016. Amounts are presented as a reduction of premiums ceded. Ceded claim liabilities as of December 31, 2016 amounted to \$5,242,403.

In the normal course of business, the company seeks to limit its exposure to large unforeseen claims by ceding a level of risks with a reinsurer under a quota share reinsurance agreement. The company is not discharged of its primary liability to its contract holders, but reduces its maximum potential exposure in the event of a loss by obtaining the right to reimbursement from the reinsurer for the reinsured portion of the claim. Reinsurance receivables are recognized based on the percentage of risk ceded of the related claim liabilities. The amounts of earned premiums ceded are reported as a reduction of premiums earned and the claims recovery as a reduction of claims incurred.

The reinsurance agreements also provide for experience-rated refund, which allows the company to participate in the profits of the reinsured business. The experience-rated refund is determined by the company on based on a predetermined percentage of the reinsurance profit and recorded as an adjustment to premiums ceded.

- A. Ceded Reinsurance Report

#### Section 1 – General Interrogatories

- (1) Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company?

## Notes to Financial Statements

Yes ( ) No (X)

If yes, give full details.

(2) Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) that is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes ( ) No (X)

If yes, give full details.

### Section 2 – Ceded Reinsurance Report – Part A

(1) Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credit?

Yes ( ) No (X)

a. If yes, what is the estimated amount of the aggregate reduction in surplus of a unilateral cancellation by the reinsurer as of the date of this statement, for those agreements in which cancellation results in a net obligation of the reporting entity to the reinsurer, and for which such obligation is not presently accrued? Where necessary, the reporting entity may consider the current or anticipated experience of the business reinsured in making this estimate \$\_0

b. What is the total amount of reinsurance credits taken, whether as an asset or as a reduction of liability for these agreements in this statement? \$\_0.

(2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes ( ) No (X)

If yes, give full details.

### Section 3 – Ceded Reinsurance Report – Part B

(1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this

## Notes to Financial Statements

statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$ \_\_\_\_\_

(2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the company as of the effective date of the agreement?

Yes ( ) No (X)

If yes, what is the amount of reinsurance credits, whether an asset or a reduction of liability, taken for such new agreements or amendments? \$0

**B. Uncollectible Reinsurance**

This is not applicable to the Company.

**C. Commutation of Ceded Reinsurance**

This is not applicable to the Company.

**D. Certified Reinsurer Rating Downgraded or Status Subject to Revocation**

This is not applicable to the Company

**Note 24 - Retrospectively Rated Contracts**

This is not applicable to the Company.

**Note 25 - Changes in Incurred Claims and Claim Adjustment Expenses**

The activity in the claim liabilities during 2016 is as follows:

|   | <b>2016</b> |
|---|-------------|
| Claim liabilities, beginning of year          | 650,000     |
| Reinsurance recoverable on claims liabilities | 325,000     |
| Net claims liabilities, beginning of the year | 325,000     |
| Incurred claims:                              |             |
| Current period insured events                 | 5,291,828   |
| Prior period insured events                   | (41,330)    |
| Total incurred                                | 5,250,498   |
| Payment for claims:                           |             |
| Current period insured events                 | 4,956,828   |
| Prior period insured events                   | 283,670     |
| Total paid                                    | 5,240,498   |
| Claim liabilities, end of year                | 335,000     |
| Ceded liability for claims reserve            | 335,000     |
| Gross claims liabilities                      | 670,000     |

As a result of changes in estimates of insured events in prior years, the amounts included as incurred claims for prior periods insured events differ from anticipated claims incurred. The credits in the incurred claims for prior periods insured events are due to a favorable development of the claim liabilities attributed to better than expected utilization trends.

**Note 26 - Intercompany Pooling Arrangements**

This is not applicable to the Company.

## Notes to Financial Statements

### **Note 27 - Structured Settlements**

This is not applicable to the Company.

### **Note 28 - Health Care Receivables**

This is not applicable to the Company.

### **Note 29 - Participating Policies**

This is not applicable to the Company.

### **Note 30 - Premium Deficiency Reserve**

The Company does not have a premium deficiency reserve.

|   |   |
|---|---|
| 1. Liability carried for premium deficiency reserves              | \$ 0  |
| 2. Date of the most recent evaluation of this liability           | <u>12/31/2016</u>   |
| 3. Was anticipated investment income utilized in the calculation? | Yes <input type="radio"/> No <input checked="" type="radio"/> |

### **Note 31 - Anticipated Salvage and Subrogation**

The Company does not anticipate salvage and subrogation.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[X] No[ ] N/A[ ]
- 1.3 State Regulating? California
- 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[X] No[ ]
- 2.2 If yes, date of change: 11/09/2016
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2016
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2016
- 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). 12/31/2016
- 3.4 By what department or departments?  
Office of 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 the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

| 1<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
| .....               | .....                  | .....                  |

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

| 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
| .....            | .....               |

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
ARMANINO MCKENNA LLC, 12667 ALCOSTA BLVD SUITE 500, SAN RAMON CA 94583-4427
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is no or n/a please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
CBIZ BENEFITS & INSURANCE SERVICES INC 5450 FRANTZ ROAD SUITE 300 DUBLIN OH 43016

## GENERAL INTERROGATORIES (Continued)

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

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

### BOARD OF DIRECTORS

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

### FINANCIAL

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

### INVESTMENT

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

## GENERAL INTERROGATORIES (Continued)

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

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

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|----------------------------|------------------|-------------|
|                            |                  |             |

- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [ ] No [X]
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]  
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [ ] No [X]
- 27.2 If yes, state the amount thereof at December 31 of the current year. \$ ..... 0

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

| 1<br>Name of Custodian(s) | 2<br>Custodian's Address                                   |
|---------------------------|--|
| AGINCOURT .....           | 200 SOUTH 10TH STREET SUITE 800 RICHMOND, VA 23219 .....   |
| CITIGROUP .....           | PO BOX 70301 SAN JUAN, PR 00936-8301 .....                 |
| POPULAR SECURITIES .....  | 209 MUNOZ RIVERA AVE POPULAR CENTER 12TH FLOOR SJ PR 00918 |

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<br>Name(s) | 2<br>Location(s) | 3<br>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<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
|                    |                    |                     |             |

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

| 1<br>Name of Firm or Individual | 2<br>Affiliation |
|---------------------------------|------------------|
|                                 |                  |

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

## GENERAL INTERROGATORIES (Continued)

| 1<br>Central<br>Registration<br>Depository<br>Number | 2<br>Name of Firm or Individual | 3<br>Legal<br>Entity<br>Identifier<br>(LEI) | 4<br>Registered<br>With | 5<br>Investment<br>Management<br>Agreement<br>(IMA) Filed |
|--|---------------------------------|---|-------------------------|---|
|  |                                 |   |                         |   |

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<br>CUSIP #  | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted<br>Carrying Value |
|---------------|--------------------------|--------------------------------------|
| 29.2999 Total |                          |                                      |

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

| 1<br>Name of Mutual Fund<br>(from above table) | 2<br>Name of Significant Holding<br>of the Mutual Fund | 3<br>Amount of<br>Mutual Fund's<br>Book/Adjusted<br>Carrying Value<br>Attributable to<br>the Holding | 4<br>Date of<br>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<br>Statement<br>(Admitted) Value | 2<br>Fair<br>Value | 3<br>Excess of<br>Statement over<br>Fair Value (-),<br>or Fair Value over<br>Statement (+) |
|-----------------------|------------------------------------|--------------------|--|
| 30.1 Bonds            | 7,541,120                          | 7,525,450          | (15,670)   |
| 30.2 Preferred stocks |                                    |                    |  |
| 30.3 Totals           | 7,541,120                          | 7,525,450          | (15,670)   |

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

31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[ ]

31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes[X] No[ ]

32.2 If no, list exceptions:

### OTHER

33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$..... 66,069

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<br>Name                      | 2<br>Amount Paid |
|--------------------------------|------------------|
| DELTA DENTAL PLANS ASSOCIATION | 52,854           |

34.1 Amount of payments for legal expenses, if any? \$..... 59,160

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

| 1<br>Name                          | 2<br>Amount Paid |
|------------------------------------|------------------|
| FIDDLER, GONZALEZ & RODRIGUEZ, PSC | 30,439           |

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

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

## GENERAL INTERROGATORIES (Continued)

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| .....     | .....            |

# GENERAL INTERROGATORIES (Continued)

## PART 2 - HEALTH INTERROGATORIES

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

2. Health Test

|                                     | 1<br>Current Year | 2<br>Prior Year |
|-------------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator .....         | .....             | .....           |
| 2.2 Premium Denominator .....       | 10,004,720        | 9,855,257       |
| 2.3 Premium Ratio (2.1 / 2.2) ..... | .....             | .....           |
| 2.4 Reserve Numerator .....         | .....             | 325,000         |
| 2.5 Reserve Denominator .....       | 335,000           | 325,000         |
| 2.6 Reserve Ratio (2.4 / 2.5) ..... | .....             | 1.000           |

- 3.1 Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits? Yes  No
- 3.2 If yes, give particulars:
- 4.1 Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency? Yes  No
- 4.2 If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered? Yes  No  N/A
- 5.1 Does the reporting entity have stop-loss reinsurance? Yes  No
- 5.2 If no, explain:
- 5.3 Maximum retained risk (see instructions):
- 5.31 Comprehensive Medical \$ ..... 0
- 5.32 Medical Only \$ ..... 0
- 5.33 Medicare Supplement \$ ..... 0
- 5.34 Dental & Vision \$ ..... 0
- 5.35 Other Limited Benefit Plan \$ ..... 0
- 5.36 Other \$ ..... 0
- 6. Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
- 7.1 Does the reporting entity set up its claim liability for provider services on a service date basis? Yes  No
- 7.2 If no, give details:
- 8. Provide the following information regarding participating providers:
- 8.1 Number of providers at start of reporting year ..... 1,266
- 8.2 Number of providers at end of reporting year ..... 1,222
- 9.1 Does the reporting entity have business subject to premium rate guarantees? Yes  No
- 9.2 If yes, direct premium earned:
- 9.21 Business with rate guarantees between 15-36 months ..... 6,094,051
- 9.22 Business with rate guarantees over 36 months ..... 334,788
- 10.1 Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts? Yes  No
- 10.2 If yes:
- 10.21 Maximum amount payable bonuses \$ ..... 0
- 10.22 Amount actually paid for year bonuses \$ ..... 0
- 10.23 Maximum amount payable withholds \$ ..... 0
- 10.24 Amount actually paid for year withholds \$ ..... 0
- 11.1 Is the reporting entity organized as:
- 11.12 A Medical Group/Staff Model, Yes  No
- 11.13 An Individual Practice Association (IPA), or, Yes  No
- 11.14 A Mixed Model (combination of above)? Yes  No
- 11.2 Is the reporting entity subject to Statutory Minimum Capital and Surplus Requirements? Yes  No
- 11.3 If yes, show the name of the state requiring such minimum capital and surplus.
- 11.4 If yes, show the amount required. \$ ..... 0
- 11.5 Is this amount included as part of a contingency reserve in stockholder's equity? Yes  No
- 11.6 If the amount is calculated, show the calculation.
- 12. List service areas in which the reporting entity is licensed to operate:

| 1<br>Name of Service Area |
|---------------------------|
| PUERTO RICO .....         |

- 13.1 Do you act as a custodian for health savings accounts? Yes  No
- 13.2 If yes, please provide the amount of custodial funds held as of the reporting date: \$ ..... 0
- 13.3 Do you act as an administrator for health savings accounts? Yes  No
- 13.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ ..... 0
- 14.1 Are any of the captive affiliates reported on Schedule S, Part 3, as authorized reinsurers? Yes  No  N/A
- 14.2 If the answer to 14.1 is yes, please provide the following:

## GENERAL INTERROGATORIES (Continued)

| 1<br>Company Name | 2<br>NAIC<br>Company<br>Code | 3<br>Domiciliary<br>Jurisdiction | 4<br>Reserve<br>Credit | Assets Supporting Reserve Credit |                          |            |
|-------------------|------------------------------|----------------------------------|------------------------|----------------------------------|--------------------------|------------|
|                   |                              |                                  |                        | 5<br>Letters<br>of Credit        | 6<br>Trust<br>Agreements | 7<br>Other |
|                   |                              |                                  |                        |                                  |                          |            |

15. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)

|                              |    |   |
|------------------------------|----|---|
| 15.1 Direct Premium Written  | \$ | 0 |
| 15.2 Total incurred claims   | \$ | 0 |
| 15.2 Number of covered lives |    | 0 |

| *Ordinary Life Insurance Includes   |
|---|
| Term (whether full underwriting, limited underwriting, jet issue, "short form app")       |
| Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app") |
| Variable Life (with or without Secondary Guarantee)                                       |
| Universal Life (with or without Secondary Guarantee)                                      |
| Variable Universal Life (with or without Secondary Guarantee)                             |

## FIVE-YEAR HISTORICAL DATA

|  | 1<br>2016  | 2<br>2015  | 3<br>2014  | 4<br>2013  | 5<br>2012  |
|--|------------|------------|------------|------------|------------|
| <b>BALANCE SHEET (Pages 2 and 3)</b>   |            |            |            |            |            |
| 1. TOTAL Admitted Assets (Page 2, Line 28) .....   | 26,523,710 | 25,983,224 | 21,605,266 | 15,812,004 | 15,265,219 |
| 2. TOTAL Liabilities (Page 3, Line 24) .....   | 6,278,469  | 6,859,245  | 2,678,163  | 2,810,673  | 3,069,591  |
| 3. Statutory minimum capital and surplus requirement .....   |            |            |            |            |            |
| 4. TOTAL Capital and Surplus (Page 3, Line 33) .....   | 20,245,241 | 19,123,979 | 18,927,103 | 13,001,331 | 12,195,628 |
| <b>INCOME STATEMENT (Page 4)</b>   |            |            |            |            |            |
| 5. TOTAL Revenues (Line 8) .....   | 10,004,720 | 9,855,257  | 9,209,814  | 9,307,528  | 14,030,134 |
| 6. TOTAL Medical and Hospital Expenses (Line 18) .....   | 5,250,498  | 5,297,282  | 4,650,284  | 4,303,200  | 4,760,390  |
| 7. Claims adjustment expenses (Line 20) .....  | 696,484    | 407,279    | 426,456    | 515,202    | 411,285    |
| 8. TOTAL Administrative Expenses (Line 21) .....   | 3,615,943  | 4,057,963  | 4,705,940  | 4,441,430  | 8,484,310  |
| 9. Net underwriting gain (loss) (Line 24) .....  | 441,795    | 92,733     | (572,866)  | 47,696     | 374,150    |
| 10. Net investment gain (loss) (Line 27) .....   | 31,324     | (924,997)  | 415,395    | 380,400    | 272,878    |
| 11. TOTAL Other Income (Lines 28 plus 29) .....  | 1,354,583  | 1,244,363  | 470,093    | 654,230    | 168,728    |
| 12. Net income or (loss) (Line 32) .....   | 1,014,062  | 14,840     | 263,864    | 746,275    | 718,118    |
| <b>Cash Flow (Page 6)</b>  |            |            |            |            |            |
| 13. Net cash from operations (Line 11) .....   | 1,629,199  | 2,304,867  | 446,952    | 209,394    | 918,110    |
| <b>RISK-BASED CAPITAL ANALYSIS</b>   |            |            |            |            |            |
| 14. TOTAL Adjusted Capital .....   | 20,245,241 | 19,123,979 | 18,927,103 | 13,001,331 | 12,195,628 |
| 15. Authorized control level risk-based capital .....  | 395,024    | 392,836    | 497,997    | 399,184    | 554,991    |
| <b>ENROLLMENT (Exhibit 1)</b>  |            |            |            |            |            |
| 16. TOTAL Members at End of Period (Column 5, Line 7) .....  | 529,523    | 531,438    | 191,298    | 197,504    | 202,267    |
| 17. TOTAL Members Months (Column 6, Line 7) .....  | 6,433,026  | 5,519,921  | 2,335,470  | 2,397,798  | 2,593,541  |
| <b>OPERATING PERCENTAGE (Page 4)</b>   |            |            |            |            |            |
| (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0  |            |            |            |            |            |
| 18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5) .....                                  | 100.0      | 100.0      | 100.0      | 100.0      | 100.0      |
| 19. TOTAL Hospital and Medical plus other non-health (Lines 18 plus Line 19) .....                       | 52.5       | 53.8       | 50.5       | 46.2       | 49.1       |
| 20. Cost containment expenses .....  |            |            |            |            |            |
| 21. Other claims adjustment expenses .....   | 7.0        | 4.1        | 4.6        | 5.5        | 4.2        |
| 22. TOTAL Underwriting Deductions (Line 23) .....  | 95.6       | 99.1       | 106.2      | 99.5       | 140.7      |
| 23. TOTAL Underwriting Gain (Loss) (Line 24) .....   | 4.4        | 0.9        | (6.2)      | 0.5        | 3.9        |
| <b>UNPAID CLAIMS ANALYSIS</b>  |            |            |            |            |            |
| (U&I Exhibit, Part 2B)   |            |            |            |            |            |
| 24. TOTAL Claims Incurred for Prior Years (Line 13, Column 5) .....                                      | 301,832    | 261,596    | 277,485    | 265,040    | 272,329    |
| 25. Estimated liability of unpaid claims-[prior year (Line 13, Column 6)] .....                          | 325,000    | 305,000    | 280,000    | 362,500    | 350,000    |
| <b>INVESTMENTS IN PARENT, SUBSIDIARIES AND AFFILIATES</b>  |            |            |            |            |            |
| 26. Affiliated bonds (Sch. D Summary, Line 12, Column 1) .....   |            |            |            |            |            |
| 27. Affiliated preferred stocks (Sch. D Summary, Line 18, Column 1) .....                                |            |            |            |            |            |
| 28. Affiliated common stocks (Sch. D Summary, Line 24, Column 1) .....                                   |            |            |            |            |            |
| 29. Affiliated short-term investments (subtotal included in Sch. DA Verification, Col. 5, Line 10) ..... |            |            |            |            |            |
| 30. Affiliated mortgage loans on real estate .....   |            |            |            |            |            |
| 31. All other affiliated .....   |            |            |            |            |            |
| 32. TOTAL of Above Lines 26 to 31 .....  |            |            |            |            |            |
| 33. TOTAL Investment in Parent Included in Lines 26 to 31 above .....                                    |            |            |            |            |            |

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

If no, please explain::



## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 2479

BUSINESS IN THE STATE OF PUERTO RICO DURING THE YEAR

NAIC Company Code 47085

|   | 1<br>Total | Comprehensive (Hospital & Medical) |            | 4<br>Medicare Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal Employees Health Benefits Plan | 8<br>Title XVIII Medicare | 9<br>Title XIX Medicaid | 10<br>Other |
|---|------------|------------------------------------|------------|--------------------------|------------------|------------------|---|---------------------------|-------------------------|-------------|
|   |            | 2<br>Individual                    | 3<br>Group |                          |                  |                  |   |                           |                         |             |
| <b>TOTAL Members at end of:</b>                                 |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 1. Prior Year .....   | 531,438    |                                    |            |                          |                  | 531,438          |   |                           |                         |             |
| 2. First Quarter .....  | 539,736    |                                    |            |                          |                  | 539,736          |   |                           |                         |             |
| 3. Second Quarter .....   | 534,399    |                                    |            |                          |                  | 534,399          |   |                           |                         |             |
| 4. Third Quarter .....  | 530,870    |                                    |            |                          |                  | 530,870          |   |                           |                         |             |
| 5. Current Year .....   | 529,523    |                                    |            |                          |                  | 529,523          |   |                           |                         |             |
| 6. Current Year Member Months .....                             | 6,433,026  |                                    |            |                          |                  | 6,433,026        |   |                           |                         |             |
| <b>TOTAL Member Ambulatory Encounters for Year:</b>             |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 7. Physician .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 8. Non-Physician .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 9. TOTAL .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 10. Hospital Patient Days Incurred .....                        |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 11. Number of Inpatient Admissions .....                        |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 12. Health Premiums Written (b) .....                           | 10,004,720 |                                    |            |                          |                  | 10,004,720       |   |                           |                         |             |
| 13. Life Premiums Direct .....                                  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 14. Property/Casualty Premiums Written .....                    |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 15. Health Premiums Earned .....                                |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 16. Property/Casualty Premiums Earned .....                     |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 17. Amount Paid for Provision of Health Care Services .....     | 10,472,901 |                                    |            |                          |                  | 10,472,901       |   |                           |                         |             |
| 18. Amount Incurred for Provision of Health Care Services ..... | 10,492,901 |                                    |            |                          |                  | 10,492,901       |   |                           |                         |             |

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0



## EXHIBIT OF PREMIUMS, ENROLLMENT AND UTILIZATION (a)

REPORT FOR: 1. CORPORATION:      2. LOCATION:

NAIC Group Code 2479

BUSINESS IN THE STATE OF **GRAND TOTAL** DURING THE YEAR

NAIC Company Code 47085

|   | 1<br>Total | Comprehensive (Hospital & Medical) |            | 4<br>Medicare Supplement | 5<br>Vision Only | 6<br>Dental Only | 7<br>Federal Employees Health Benefits Plan | 8<br>Title XVIII Medicare | 9<br>Title XIX Medicaid | 10<br>Other |
|---|------------|------------------------------------|------------|--------------------------|------------------|------------------|---|---------------------------|-------------------------|-------------|
|   |            | 2<br>Individual                    | 3<br>Group |                          |                  |                  |   |                           |                         |             |
| <b>TOTAL Members at end of:</b>                                 |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 1. Prior Year .....   | 531,438    |                                    |            |                          |                  | 531,438          |   |                           |                         |             |
| 2. First Quarter .....  | 539,736    |                                    |            |                          |                  | 539,736          |   |                           |                         |             |
| 3. Second Quarter .....   | 534,399    |                                    |            |                          |                  | 534,399          |   |                           |                         |             |
| 4. Third Quarter .....  | 530,870    |                                    |            |                          |                  | 530,870          |   |                           |                         |             |
| 5. Current Year .....   | 529,523    |                                    |            |                          |                  | 529,523          |   |                           |                         |             |
| 6. Current Year Member Months .....                             | 6,433,026  |                                    |            |                          |                  | 6,433,026        |   |                           |                         |             |
| <b>TOTAL Member Ambulatory Encounters for Year:</b>             |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 7. Physician .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 8. Non-Physician .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 9. TOTAL .....  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 10. Hospital Patient Days Incurred .....                        |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 11. Number of Inpatient Admissions .....                        |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 12. Health Premiums Written (b) .....                           | 10,004,720 |                                    |            |                          |                  | 10,004,720       |   |                           |                         |             |
| 13. Life Premiums Direct .....                                  |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 14. Property/Casualty Premiums Written .....                    |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 15. Health Premiums Earned .....                                |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 16. Property/Casualty Premiums Earned .....                     |            |                                    |            |                          |                  |                  |   |                           |                         |             |
| 17. Amount Paid for Provision of Health Care Services .....     | 10,472,901 |                                    |            |                          |                  | 10,472,901       |   |                           |                         |             |
| 18. Amount Incurred for Provision of Health Care Services ..... | 10,492,901 |                                    |            |                          |                  | 10,492,901       |   |                           |                         |             |

(a) For health business: number of persons insured under PPO managed care products .....0 and number of persons insured under indemnity only products .....0.  
 (b) For health premiums written: amount of Medicare Title XVIII exempt from state taxes or fees \$.....0

30 Grand Total

## SCHEDULE S - PART 1 - SECTION 2

### Reinsurance Assumed Accident and Health Insurance Listed by Reinsured Company as of December 31, Current Year

| 1  | 2            | 3                 | 4                 | 5                           | 6                                 | 7        | 8                    | 9  | 10   | 11                                 | 12  |
|--|--------------|-------------------|-------------------|-----------------------------|-----------------------------------|----------|----------------------|--|--|------------------------------------|---|
| NAIC<br>Company<br>Code                          | ID<br>Number | Effective<br>Date | Name of Reinsured | Domiciliary<br>Jurisdiction | Type of<br>Reinsurance<br>Assumed | Premiums | Unearned<br>Premiums | Reserve<br>Liability<br>Other Than<br>for Unearned<br>Premiums | Reinsurance<br>Payable on<br>Paid and<br>Unpaid Losses | Modified<br>Coinsurance<br>Reserve | Funds<br>Withheld<br>Under<br>Coinsurance |
| <b>NONE</b>                                      |              |                   |                   |                             |                                   |          |                      |  |  |                                    |   |
| 9999999 Total (Sum of 0799999 and 1099999) ..... |              |                   |                   |                             |                                   |          |                      |  |  |                                    |   |

## SCHEDULE S - PART 2

### Reinsurance Recoverable on Paid and Unpaid Losses Listed by Reinsuring Company as of December 31, Current Year

| 1<br>NAIC<br>Company<br>Code   | 2<br>ID<br>Number | 3<br>Effective<br>Date | 4<br>Name of Company | 5<br>Domiciliary<br>Jurisdiction | 6<br>Paid Losses | 7<br>Unpaid Losses |
|--|-------------------|------------------------|----------------------|----------------------------------|------------------|--------------------|
| 1199999 Total - Life and Annuity .....                                       |                   |                        |                      |                                  |                  |                    |
| <b>Accident and Health - Affiliates - Non-U.S. - Other</b>                   |                   |                        |                      |                                  |                  |                    |
| 81396  | 94-2761537        | 01/01/1999             | DELTA DENTAL INS CO  | DE                               | 1,815,661        | 335,000            |
| 1699999 Subtotal - Accident and Health - Affiliates - Non-U.S. - Other ..... |                   |                        |                      |                                  | 1,815,661        | 335,000            |
| 1799999 Subtotal - Accident and Health - Affiliates - Non-U.S. - Total ..... |                   |                        |                      |                                  | 1,815,661        | 335,000            |
| 1899999 Total - Accident and Health - Affiliates .....                       |                   |                        |                      |                                  | 1,815,661        | 335,000            |
| 2299999 Total - Accident and Health .....                                    |                   |                        |                      |                                  | 1,815,661        | 335,000            |
| 2399999 Total U.S. (Sum of 0399999, 0899999, 1499999 and 1999999) .....      |                   |                        |                      |                                  |                  |                    |
| 2499999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999 and 2099999) .....  |                   |                        |                      |                                  | 1,815,661        | 335,000            |
| 9999999 Total (Sum of 1199999 and 2299999) .....                             |                   |                        |                      |                                  | 1,815,661        | 335,000            |

## SCHEDULE S - PART 3 - SECTION 2

### Reinsurance Ceded Accident and Health Insurance Listed by Reinsuring Company as of December 31, Current Year

| 1<br>NAIC<br>Company<br>Code  | 2<br>ID<br>Number | 3<br>Effective<br>Date | 4<br>Name of Company | 5<br>Domiciliary<br>Jurisdiction | 6<br>Type of<br>Reinsurance<br>Ceded | 7<br>Type of<br>Business<br>Ceded | 8<br>Premiums | 9<br>Unearned<br>Premiums<br>(Estimated) | 10<br>Reserve<br>Credit Taken<br>Other than for<br>Unearned<br>Premiums | Outstanding Surplus Relief |                     | 13<br>Modified<br>Coinsurance<br>Reserve | 14<br>Funds<br>Withheld<br>Under<br>Coinsurance |
|---|-------------------|------------------------|----------------------|----------------------------------|--------------------------------------|-----------------------------------|---------------|--|---|----------------------------|---------------------|--|---|
|   |                   |                        |                      |                                  |                                      |                                   |               |  |   | 11<br>Current<br>Year      | 12<br>Prior<br>Year |  |   |
| <b>General Account - Authorized - Affiliates - Non-U.S. - Other</b>   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 81396   | 94-2761537        | 01/01/1999             | DELTA DENTAL INS CO  | DE                               | OTH/A/G                              | 0                                 | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 0599999 Subtotal - General Account - Authorized - Affiliates - Non-U.S. - Other   |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 0699999 Subtotal - General Account - Authorized - Affiliates - Non-U.S. - Total   |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 0799999 Total - General Account - Authorized - Affiliates   |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 1199999 Total - General Account Authorized  |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 1799999 Subtotal - General Account - Unauthorized - Affiliates - Non-U.S. - Total   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 2299999 Total - General Account - Unauthorized  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 2899999 Subtotal - General Account - Certified - Affiliates - Non-U.S. - Total  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 3399999 Total - General Account - Certified   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 3499999 Total - General Account - Authorized, Unauthorized and Certified  |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 4099999 Subtotal - Separate Accounts - Authorized - Affiliates - Non-U.S. - Total   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 4599999 Total - Separate Accounts - Authorized  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 5199999 Subtotal - Separate Accounts - Unauthorized - Affiliates - Non-U.S. - Total   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 5599999 Total - Separate Accounts - Unauthorized - Non-Affiliates   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 5699999 Total - Separate Accounts - Unauthorized  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 5999999 Subtotal - Separate Accounts - Certified - Affiliates - U.S. - Total  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6299999 Subtotal - Separate Accounts - Certified - Affiliates - Non-U.S. - Total  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6399999 Total - Separate Accounts - Certified - Affiliates  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6699999 Total - Separate Accounts - Certified - Non-Affiliates  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6799999 Total - Separate Accounts - Certified   |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6899999 Total - Separate Accounts - Authorized, Unauthorized and Certified  |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 6999999 Total U.S. (Sum of 0399999, 0899999, 1499999, 1999999, 2599999, 3099999, 3799999, 4299999, 4899999, 5399999, 5999999 and 6499999)     |                   |                        |                      |                                  |                                      |                                   |               |  |   |                            |                     |  |   |
| 7099999 Total Non-U.S. (Sum of 0699999, 0999999, 1799999, 2099999, 2899999, 3199999, 4099999, 4399999, 5199999, 5499999, 6299999 and 6599999) |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |
| 9999999 Total (Sum of 3499999 and 6899999)  |                   |                        |                      |                                  |                                      |                                   | 6,001,933     |  | 335,000   |                            |                     |  |   |

34 Schedule S - Part 4 ..... NONE

35 Schedule S - Part 5 ..... NONE

**SCHEDULE S - PART 6**  
**Five-Year Exhibit of Reinsurance Ceded Business**  
**(000 Omitted)**

|  | 1<br>2016 | 2<br>2015 | 3<br>2014 | 4<br>2013 | 5<br>2012 |
|--|-----------|-----------|-----------|-----------|-----------|
| <b>A. OPERATIONS ITEMS</b>                                   |           |           |           |           |           |
| 1. Premiums .....  | 6,002     | 6,031     | 5,524     | 5,430     | 5,757     |
| 2. Title XVIII-Medicare .....                                |           |           |           |           |           |
| 3. Title XIX - Medicaid .....                                |           |           |           |           |           |
| 4. Commissions and reinsurance expense allowance .....       |           |           |           |           |           |
| 5. TOTAL Hospital and Medical Expenses .....                 |           |           |           |           |           |
| <b>B. BALANCE SHEET ITEMS</b>                                |           |           |           |           |           |
| 6. Premiums receivable .....                                 |           |           |           |           |           |
| 7. Claims payable .....                                      | 335       | 325       | 305       | 280       | 363       |
| 8. Reinsurance recoverable on paid losses .....              | 1,816     | 2,350     | 824       | 831       | 872       |
| 9. Experience rating refunds due or unpaid .....             |           |           |           |           |           |
| 10. Commissions and reinsurance expense allowances due ..... |           |           |           |           |           |
| 11. Unauthorized reinsurance offset .....                    |           |           |           |           |           |
| 12. Offset for reinsurance with Certified Reinsurers .....   |           |           |           |           |           |
| <b>C. UNAUTHORIZED REINSURANCE</b>                           |           |           |           |           |           |
| <b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>                 |           |           |           |           |           |
| 13. Funds deposited by and withheld from (F) .....           |           |           |           |           |           |
| 14. Letters of credit (L) .....                              |           |           |           |           |           |
| 15. Trust agreements (T) .....                               |           |           |           |           |           |
| 16. Other (O) .....  |           |           |           |           |           |
| <b>D. REINSURANCE WITH CERTIFIED REINSURERS</b>              |           |           |           |           |           |
| <b>(DEPOSITS BY AND FUNDS WITHHELD FROM)</b>                 |           |           |           |           |           |
| 17. Multiple Beneficiary Trust .....                         |           |           |           |           |           |
| 18. Funds deposited by and withheld from (F) .....           |           |           |           |           |           |
| 19. Letters of credit (L) .....                              |           |           |           |           |           |
| 20. Trust agreements (T) .....                               |           |           |           |           |           |
| 21. Other (O) .....  |           |           |           |           |           |

## SCHEDULE S - PART 7

### Restatement of Balance Sheet to Identify Net Credit For Ceded Reinsurance

|   | 1<br>As Reported<br>(net of ceded) | 2<br>Restatement<br>Adjustments | 3<br>Restated<br>(gross of ceded) |
|---|------------------------------------|---------------------------------|-----------------------------------|
| <b>ASSETS (Page 2, Col. 3)</b>  |                                    |                                 |                                   |
| 1. Cash and invested assets (Line 12) .....   | 22,403,611                         |                                 | 22,403,611                        |
| 2. Accident and health premiums due and unpaid (Line 15) .....  | 151,962                            |                                 | 151,962                           |
| 3. Amounts recoverable from reinsurers (Line 16.1) .....  | 1,815,661                          |                                 | 1,815,661                         |
| 4. Net credit for ceded reinsurance .....   | X X X                              | 418,368                         | 418,368                           |
| 5. All other admitted assets (Balance) .....  | 2,152,477                          |                                 | 2,152,477                         |
| 6. TOTAL Assets (Line 28) .....   | 26,523,710                         | 418,368                         | 26,942,077                        |
| <b>LIABILITIES, CAPITAL AND SURPLUS (Page 3)</b>  |                                    |                                 |                                   |
| 7. Claims unpaid (Line 1) .....   | 335,000                            |                                 | 335,000                           |
| 8. Accrued medical incentive pool and bonus payments (Line 2) .....   |                                    |                                 |                                   |
| 9. Premiums received in advance (Line 8) .....  | 83,368                             |                                 | 83,368                            |
| 10. Funds held under reinsurance treaties with authorized and unauthorized reinsurers<br>(Line 19, first inset amount plus second inset amount) ..... |                                    |                                 |                                   |
| 11. Reinsurance in unauthorized companies (Line 20 minus inset amount) .....  |                                    |                                 |                                   |
| 12. Reinsurance with Certified Reinsurers (Line 20 inset amount) .....  |                                    |                                 |                                   |
| 13. Funds held under reinsurance treaties with Certified Reinsurers (Line 19 third inset<br>amount) .....   |                                    |                                 |                                   |
| 14. All other liabilities (Balance) .....   | 5,860,101                          |                                 | 5,860,101                         |
| 15. TOTAL Liabilities (Line 24) .....   | 6,278,469                          |                                 | 6,278,469                         |
| 16. TOTAL Capital and Surplus (Line 33) .....   | 20,245,241                         | X X X                           | 20,245,241                        |
| 17. TOTAL Liabilities, Capital and Surplus (Line 34) .....  | 26,523,710                         |                                 | 26,523,710                        |
| <b>NET CREDIT FOR CEDED REINSURANCE</b>   |                                    |                                 |                                   |
| 18. Claims unpaid .....   | 335,000                            |                                 |                                   |
| 19. Accrued medical incentive pool .....  |                                    |                                 |                                   |
| 20. Premiums received in advance .....  | 83,368                             |                                 |                                   |
| 21. Reinsurance recoverable on paid losses .....  |                                    |                                 |                                   |
| 22. Other ceded reinsurance recoverables .....  |                                    |                                 |                                   |
| 23. TOTAL Ceded Reinsurance Recoverables .....  | 418,368                            |                                 |                                   |
| 24. Premiums receivable .....   |                                    |                                 |                                   |
| 25. Funds held under reinsurance treaties with authorized and unauthorized reinsurers .....   |                                    |                                 |                                   |
| 26. Unauthorized reinsurance .....  |                                    |                                 |                                   |
| 27. Reinsurance with Certified Reinsurers .....   |                                    |                                 |                                   |
| 28. Funds held under reinsurance treaties with Certified Reinsurers .....   |                                    |                                 |                                   |
| 29. Other ceded reinsurance payables/offsets .....  |                                    |                                 |                                   |
| 30. TOTAL Ceded Reinsurance Payables/Offsets .....  |                                    |                                 |                                   |
| 31. TOTAL Net Credit for Ceded Reinsurance .....  | 418,368                            |                                 |                                   |

# SCHEDULE T - PREMIUMS AND OTHER CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

| State, Etc.  | 1<br>Active Status | Direct Business Only            |                           |                         |  |   |                                 |                                |                               |
|--|--------------------|---------------------------------|---------------------------|-------------------------|--|---|---------------------------------|--------------------------------|-------------------------------|
|  |                    | 2<br>Accident & Health Premiums | 3<br>Medicare Title XVIII | 4<br>Medicaid Title XIX | 5<br>Federal Employees Health Benefits Plan Premiums | 6<br>Life & Annuity Premiums & Other Considerations | 7<br>Property/Casualty Premiums | 8<br>Total Columns 2 Through 7 | 9<br>Deposit - Type Contracts |
| 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. District of 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                  | 16,006,653                      |                           |                         |  |   | 16,006,653                      |                                |                               |
| 55. U.S. Virgin Islands (VI)   | N                  |                                 |                           |                         |  |   |                                 |                                |                               |
| 56. Northern Mariana Islands (MP)                                    | N                  |                                 |                           |                         |  |   |                                 |                                |                               |
| 57. Canada (CAN)   | N                  |                                 |                           |                         |  |   |                                 |                                |                               |
| 58. Aggregate other alien (OT)                                       | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 59. Subtotal   | X X X              | 16,006,653                      |                           |                         |  |   | 16,006,653                      |                                |                               |
| 60. Reporting entity contributions for Employee Benefit Plans        | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 61. TOTAL (Direct Business)  | (a) ... 1          | 16,006,653                      |                           |                         |  |   | 16,006,653                      |                                |                               |
| <b>DETAILS OF WRITE-INS</b>  |                    |                                 |                           |                         |  |   |                                 |                                |                               |
| 58001  | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 58002  | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 58003  | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 58998. Summary of remaining write-ins for Line 58 from overflow page | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |
| 58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above) | X X X              |                                 |                           |                         |  |   |                                 |                                |                               |

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

(a) Insert the number of L responses except for Canada and Other Alien.  
Explanation of basis of allocation by state, premiums by state, etc.:

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

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

**NONE**



# SCHEDULE Y

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

| 1          | 2                   | 3                 | 4         | 5            | 6   | 7  | 8   | 9                    | 10                               | 11   | 12   | 13   | 14   | 15                               | 16      |
|------------|---------------------|-------------------|-----------|--------------|-----|--|---|----------------------|----------------------------------|--|--|--|--|----------------------------------|---------|
| Group Code | Group Name          | NAIC Company Code | ID Number | FEDERAL RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies) / Person(s) | Is an SCA Filing Required? (Y/N) | *       |
| 2479       | DENTEGRA GROUP INC. | 0000              | 943386049 | 943386049    |     |  | DENTEGRA GROUP INC.                         | DE                   | OTH                              | DELTA DENTAL OF CALIFORNIA                       | Board of Directors, Management   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 941461312 | 941461312    |     |  | DELTA DENTAL OF CALIFORNIA                  | CA                   | UIP                              |  |  |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 54798             | 231667011 | 231667011    |     |  | DELTA DENTAL OF PENNSYLVANIA                | PA                   | RE                               | DENTEGRA GROUP INC.                              | Board of Directors   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 000000000 | 000000000    |     |  | DDC INSURANCE HOLDINGS                      | DE                   | UDP                              | DELTA DENTAL OF CALIFORNIA                       | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 371570764 | 371570764    |     |  | DELTA DENTAL COMMUNITY CARE FOUNDATION      | CA                   | NIA                              | DENTEGRA GROUP INC.                              | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 73474             | 751233841 | 751233841    |     |  | DENTEGRA INSURANCE COMPANY                  | DE                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 80.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 12210             | 300318743 | 300318743    |     |  | DENTEGRA INSURANCE COMPANY OF NEW ENGLAND   | MA                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 81396             | 942761537 | 942761537    |     |  | DELTA DENTAL INSURANCE COMPANY              | DE                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 91.1                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 47085             | 680652604 | 680652604    |     |  | DELTA DENTAL OF PUERTO RICO INC             | PR                   | IA                               | DELTA DENTAL OF CALIFORNIA                       | Ownership, Board of Directors  | 64.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                | 0000001 |
| 2479       | DENTEGRA GROUP INC. | 11132             | 510228088 | 510228088    |     |  | DELTA DENTAL OF DELAWARE                    | DE                   | IA                               | DELTA DENTAL OF CALIFORNIA                       | Board of Directors   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 521479587 | 521479587    |     |  | DELTA DENTAL OF DISTRICT OF COLUMBIA        | DC                   | IA                               | DELTA DENTAL OF CALIFORNIA                       | Board of Directors   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 12329             | 550523124 | 550523124    |     |  | DELTA DENTAL OF WEST VIRGINIA               | WV                   | IA                               | DELTA DENTAL OF CALIFORNIA                       | Board of Directors   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 205627794 | 205627794    |     |  | DENTEGRA INSURANCE HOLDINGS LLC             | DE                   | NIA                              | DENTEGRA INSURANCE COMPANY                       | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 95778             | 880244893 | 880244893    |     |  | ALPHA DENTAL OF NEVADA INC                  | NV                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 11174             | 860672505 | 860672505    |     |  | ALPHA DENTAL OF UTAH INC                    | UT                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 95163             | 742447512 | 742447512    |     |  | ALPHA DENTAL PROGRAMS INC.                  | TX                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 10765             | 630796079 | 630796079    |     |  | ALPHA DENTAL OF AL, INC.                    | AL                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 47092             | 330279230 | 330279230    |     |  | ALPHA DENTAL OF NM INC.                     | NM                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 95366             | 800175937 | 800175937    |     |  | ALPHA DENTAL OF AZ INC.                     | AZ                   | IA                               | DDC INSURANCE HOLDINGS INC.                      | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             |           |              |     |  | SERVICIOS DENTALES DENTEGRA S.A. DE C.V.    | MEX                  | NIA                              | DENTEGRA INSURANCE COMPANY                       | Ownership  | 98.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             |           |              |     |  | DENTEGRA SEGUROS DENTALES                   | MEX                  | IA                               | DENTEGRA INSURANCE COMPANY                       | Ownership  | 99.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 593410497 | 593410497    |     |  | CELEBRATION DENTAL SERVICES                 | FL                   | NIA                              | DELTA DENTAL OF CALIFORNIA                       | Ownership  | 100.0                                      | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 943277375 | 943277375    |     |  | PACA MANAGEMENT LLC                         | DE                   | NIA                              | DELTA DENTAL OF CALIFORNIA                       | Ownership  | 50.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 00000             | 980096711 | 980096711    |     |  | DELTA REINSURANCE CORPORATION               | BRB                  | IA                               | DELTA DENTAL OF PENNSYLVANIA                     | Ownership  | 87.1                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |
| 2479       | DENTEGRA GROUP INC. | 73474             | 751233841 | 751233841    |     |  | DENTEGRA INSURANCE COMPANY                  | DE                   | IA                               | DELTA DENTAL OF PENNSYLVANIA                     | Ownership  | 20.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |         |

## SCHEDULE Y

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

| 1          | 2                        | 3                 | 4         | 5            | 6   | 7  | 8   | 9                    | 10                               | 11   | 12   | 13   | 14   | 15                               | 16 |
|------------|--------------------------|-------------------|-----------|--------------|-----|--|---|----------------------|----------------------------------|--|--|--|--|----------------------------------|----|
| Group Code | Group Name               | NAIC Company Code | ID Number | FEDERAL RSSD | CIK | Name of Securities Exchange if Publicly Traded (U.S. or International) | Names of Parent, Subsidiaries or Affiliates | Domiciliary Location | Relationship to Reporting Entity | Directly Controlled by (Name of Entity / Person) | Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other) | If Control is Ownership Provide Percentage | Ultimate Controlling Entity(ies) / Person(s) | Is an SCA Filing Required? (Y/N) | *  |
| 2479       | DENEGRA GROUP INC. ....  | 81396             | 942761537 | 942761537    |     |  | DELTA DENTAL INSURANCE COMPANY              | DE                   | IA                               | DELTA DENTAL OF PENNSYLVANIA                     | Ownership  | 0.1  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             |           |              |     |  | SERVICIOS DENTALES                          |                      |                                  | DENEGRA INSURANCE HOLDINGS LLC                   | Ownership  | 2.0  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             |           |              |     |  | DENEGRA SEGUROS DENTALES S.A.               | MEX                  | NIA                              | DENEGRA INSURANCE HOLDINGS LLC                   | Ownership  | 1.0  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             | 943277375 | 943277375    |     |  | PACA MANAGEMENT LLC                         | DE                   | NIA                              | DELTA DENTAL OF PENNSYLVANIA                     | Ownership  | 50.0                                       | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             | 980096711 | 980096711    |     |  | DELTA REINSURANCE CORPORATION               | BRB                  | IA                               | DELTA DENTAL INSURANCE COMPANY                   | Ownership  | 6.2  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             | 980096711 | 980096711    |     |  | DELTA REINSURANCE CORPORATION               | BRB                  | IA                               | DELTA DENTAL OF WEST VIRGINIA                    | Ownership  | 6.2  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP INC. ....  | 00000             | 980096711 | 980096711    |     |  | DELTA REINSURANCE CORPORATION               | BRB                  | UIP                              | DELTA DENTAL OF CALIFORNIA                       | Ownership  | 0.4  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |
| 2479       | DENEGRA GROUP, INC. .... | 55263             | 111980218 | 111980218    |     |  | DELTA DENTAL OF NEW YORK                    | NY                   | IA                               | DELTA DENTAL OF CALIFORNIA                       | Board of Directors   |  | DELTA DENTAL OF CALIFORNIA                   | N                                |    |

41.1

| Asterisk | Explanation   |
|----------|---|
| 0000001  |   |
| 0000002  | 1. DELTA DENTAL OF CALIFORNIA ELECTS 4 OF THE 7 DIRECTORS |

## SCHEDULE Y

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

| 1                       | 2              | 3   | 4                        | 5                        | 6  | 7   | 8   | 9   | 10    | 11   | 12           | 13  |
|-------------------------|----------------|---|--------------------------|--------------------------|--|---|---|---|-------|--|--------------|---|
| NAIC<br>Company<br>Code | ID<br>Number   | Names of Insurers and Parent,<br>Subsidiaries or Affiliates | Shareholder<br>Dividends | Capital<br>Contributions | Purchases, Sales<br>or Exchanges of<br>Loans, Securities,<br>Real Estate,<br>Mortgage<br>Loans or Other<br>Investments | Income/(Disburse-<br>ments) Incurred in<br>Connection with<br>Guarantees or<br>Undertakings<br>for the Benefit<br>of any Affiliate(s) | Management<br>Agreements<br>and<br>Service<br>Contracts | Income/<br>(Disbursements)<br>Incurred Under<br>Reinsurance<br>Agreements | *     | Any Other<br>Material Activity<br>not in the<br>Ordinary<br>Course of<br>the Insurer's<br>Business | Totals       | Reinsurance<br>Recoverable/<br>(Payable)<br>on Losses<br>and/or Reserve<br>Credit Taken/<br>(Liability) |
| 10765                   | 63-0796079     | ALPHA DENTAL OF ALABAMA, INC                                |                          |                          |  |   |   |   |       |  |              |   |
| 95366                   | 80-0175937     | ALPHA DENTAL OF ARIZONA, INC                                |                          |                          |  |   |   |   |       |  |              |   |
| 95778                   | 88-0244893     | ALPHA DENTAL OF NV INC                                      |                          |                          |  |   |   |   |       |  |              |   |
| 47092                   | 33-0279230     | ALPHA DENTAL OF NEW MEXICO, INC                             |                          |                          |  |   |   |   |       |  |              |   |
| 11174                   | 86-0672505     | ALPHA DENTAL OF UTAH, INC                                   |                          |                          |  |   |   |   |       |  |              |   |
| 95163                   | 74-2447512     | ALPHA DENTAL PROGRAMS, INC                                  |                          |                          |  |   |   |   |       |  |              |   |
| 81396                   | 94-2761537     | DELTA DENTAL INSURANCE COMPANY                              |                          |                          |  |   |   | 814,178   |       |  | 814,178      | 335,000   |
| 00000                   | 94-1461312     | DELTA DENTAL OF CALIFORNIA                                  |                          |                          |  |   | 630,900   |   |       |  | 630,900      |   |
| 11132                   | 51-0228088     | DELTA DENTAL OF DELAWARE                                    |                          |                          |  |   |   |   |       |  |              |   |
| 54798                   | 23-1667011     | DELTA DENTAL OF PENNSYLVANIA                                |                          |                          |  |   |   |   |       |  |              |   |
| 47085                   | 68-0652604     | DELTA DENTAL PLAN OF PR INC                                 |                          |                          |  |   | (630,900)   | (814,178)   |       |  | (1,445,078)  | (335,000)   |
| 12329                   | 55-0523124     | DELTA DENTAL OF W VA  |                          |                          |  |   |   |   |       |  |              |   |
| 00000                   | 98-0096711     | DELTA REINSURANCE CORPORATION                               |                          |                          |  |   |   |   |       |  |              |   |
| 73474                   | 75-1233841     | DENTEGRA INS CO   |                          |                          |  |   |   |   |       |  |              |   |
| 12210                   | 30-0318743     | DENTEGRA INS CO OF NEW ENGLAND                              |                          |                          |  |   |   |   |       |  |              |   |
| 00000                   | 94-3277375     | PACA MANAGEMENT, LLC  |                          |                          |  |   |   |   |       |  |              |   |
| 55263                   | 11-1980218     | DELTA DENTAL OF NY  |                          |                          |  |   |   |   |       |  |              |   |
| 00000                   | 52-1479587     | DELTA DENTAL OF THE DISTRICT OF COLUMBIA                    |                          |                          |  |   |   |   |       |  |              |   |
| 10765                   | 63-0796079     | ALPHA DENTAL OF ALABAMA, INC                                |                          |                          |  |   | (16,312)  |   |       |  | (16,312)     |   |
| 95366                   | 80-0175937     | ALPHA DENTAL OF ARIZONA, INC                                |                          |                          |  |   | (198,210)   |   |       |  | (198,210)    |   |
| 95778                   | 88-0244893     | ALPHA DENTAL OF NV INC                                      |                          |                          |  |   | (218,134)   |   |       |  | (218,134)    | (4,745)   |
| 47092                   | 33-0279230     | ALPHA DENTAL OF NEW MEXICO, INC                             |                          |                          |  |   | (25,313)  |   |       |  | (25,313)     |   |
| 11174                   | 86-0672505     | ALPHA DENTAL OF UTAH, INC                                   |                          |                          |  |   | (101,692)   |   |       |  | (101,692)    |   |
| 95163                   | 74-2447512     | ALPHA DENTAL PROGRAMS, INC                                  |                          |                          |  |   | (4,115,210)   |   |       |  | (4,115,210)  |   |
| 81396                   | 94-2761537     | DELTA DENTAL INSURANCE COMPANY                              |                          |                          |  |   | (42,757,709)  |   |       |  | (42,757,709) | (10,693,006)  |
| 00000                   | 94-1461312     | DELTA DENTAL OF CALIFORNIA                                  |                          | (10,000,000)             |  |   | 107,687,012   |   |       |  | 97,687,012   | 35,244,332  |
| 11132                   | 51-0228088     | DELTA DENTAL OF DELAWARE                                    |                          |                          |  |   | (4,246,392)   |   |       |  | (4,246,392)  | 3,425,055   |
| 54798                   | 23-1667011     | DELTA DENTAL OF PENNSYLVANIA                                |                          |                          |  |   | 34,653,618  |   |       |  | 34,653,618   |   |
| 47085                   | 68-0652604     | DELTA DENTAL PLAN OF PR INC                                 |                          |                          |  |   | (630,900)   |   |       |  | (630,900)    | (335,000)   |
| 12329                   | 55-0523124     | DELTA DENTAL OF W VA  |                          |                          |  |   | (2,579,828)   |   |       |  | (2,579,828)  | 2,166,347   |
| 00000                   | 98-0096711     | DELTA REINSURANCE CORPORATION                               |                          |                          |  |   |   |   |       |  |              | (15,582,343)  |
| 73474                   | 75-1233841     | DENTEGRA INS CO   |                          | 10,000,000               |  |   | (55,559,651)  |   |       |  | (45,559,651) | (24,760,475)  |
| 12210                   | 30-0318743     | DENTEGRA INS CO OF NEW ENGLAND                              |                          |                          |  |   | (796,936)   |   |       |  | (796,936)    | (220,863)   |
| 00000                   | 94-3277375     | PACA MANAGEMENT, LLC  |                          |                          |  |   | (10,109,013)  |   |       |  | (10,109,013) |   |
| 55263                   | 11-1980218     | DELTA DENTAL OF NY  |                          |                          |  |   | (18,215,148)  |   |       |  | (18,215,148) | 10,760,698  |
| 00000                   | 52-1479587     | DELTA DENTAL OF THE DISTRICT OF COLUMBIA                    |                          |                          |  |   | (2,770,182)   |   |       |  | (2,770,182)  |   |
| 9999999                 | Control Totals |   |                          |                          |  |   |   |   | X X X |  |              |   |

Schedule Y Part 2 Explanation:



## SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES (continued)

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



Approval for Relief related to Require. for Audit Committees



LTC Supplemental Interrogatories



Health Life Supplement - LHA Guaranty Association Reconciliation



Health Property/Casualty Supplement - Insurance Expense Exhibit



Supplemental Health Care Exhibit



Supplemental Health Care Exhibit's Expense Allocation Report



Management's Report of Internal Control over Financial Reporting



OVERFLOW PAGE FOR WRITE-INS

**LIABILITIES, CAPITAL AND SURPLUS**

|  | Current Year |                |            | Prior Year |
|--|--------------|----------------|------------|------------|
|  | 1<br>Covered | 2<br>Uncovered | 3<br>Total | 4<br>Total |
| 2304. ....   |              |                |            |            |
| 2397. Summary of remaining write-ins for Line 23 (Lines 2304 through 2396) ..... |              |                |            |            |
| 2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) ..... | X X X        | X X X          |            |            |
| 3097. Summary of remaining write-ins for Line 30 (Lines 3004 through 3096) ..... | X X X        | X X X          |            |            |

**STATEMENT OF REVENUE AND EXPENSES**

|  | Current Year   |            | Prior Year |
|--|----------------|------------|------------|
|  | 1<br>Uncovered | 2<br>Total | 3<br>Total |
| 0697. Summary of remaining write-ins for Line 6 (Lines 0604 through 0696) .....  | X X X          |            |            |
| 0797. Summary of remaining write-ins for Line 7 (Lines 0704 through 0796) .....  | X X X          |            |            |
| 1497. Summary of remaining write-ins for Line 14 (Lines 1404 through 1496) ..... |                |            |            |
| 2904. ....   |                |            |            |
| 2997. Summary of remaining write-ins for Line 29 (Lines 2904 through 2996) ..... |                |            |            |

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 3 - ANALYSIS OF EXPENSES**

|  | Claim Adjustment Expenses            |  | 3                                     | 4                      | 5     |
|--|--------------------------------------|--|---------------------------------------|------------------------|-------|
|  | 1<br>Cost<br>Containment<br>Expenses | 2<br>Other Claim<br>Adjustment<br>Expenses | General<br>Administrative<br>Expenses | Investment<br>Expenses | Total |
| 2504. ....   |                                      |  |                                       |                        |       |
| 2505. ....   |                                      |  |                                       |                        |       |
| 2597. Summary of remaining write-ins for Line 25 (Lines 2504 through 2596) ..... |                                      |  |                                       |                        |       |

**SUMMARY INVESTMENT SCHEDULE**

| Investment Categories   | Gross Investment Holdings |                 | Admitted Assets as Reported in the Annual Statement |  |                                   |                 |
|---|---------------------------|-----------------|---|--|-----------------------------------|-----------------|
|   | 1<br>Amount               | 2<br>Percentage | 3<br>Amount   | 4<br>Securities Lending Reinvested Collateral Amount | 5<br>Total (Col. 3 + 4)<br>Amount | 6<br>Percentage |
| 1. Bonds:   |                           |                 |   |  |                                   |                 |
| 1.1 U.S. treasury securities .....  |                           |                 |   |  |                                   |                 |
| 1.2 U.S. government agency obligations (excluding mortgage-backed securities):  |                           |                 |   |  |                                   |                 |
| 1.21 Issued by U.S. government agencies .....   |                           |                 |   |  |                                   |                 |
| 1.22 Issued by U.S. government sponsored agencies .....   |                           |                 |   |  |                                   |                 |
| 1.3 Non-U.S. government (including Canada, excluding mortgage-backed securities) .....  | 154,477                   | 0.690           | 154,477   |  | 154,477                           | 0.690           |
| 1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S.:   |                           |                 |   |  |                                   |                 |
| 1.41 States, territories and possessions general obligations .....  | 381,884                   | 1.705           | 381,884   |  | 381,884                           | 1.705           |
| 1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations .....                                 | 599,647                   | 2.677           | 599,647   |  | 599,647                           | 2.677           |
| 1.43 Revenue and assessment obligations .....   | 797,348                   | 3.559           | 797,348   |  | 797,348                           | 3.559           |
| 1.44 Industrial development and similar obligations .....   | 35,541                    | 0.159           | 35,541  |  | 35,541                            | 0.159           |
| 1.5 Mortgage-backed securities (includes residential and commercial MBS):   |                           |                 |   |  |                                   |                 |
| 1.51 Pass-through securities:   |                           |                 |   |  |                                   |                 |
| 1.511 Issued or Guaranteed by GNMA .....  |                           |                 |   |  |                                   |                 |
| 1.512 Issued or Guaranteed by FNMA and FHLMC .....  |                           |                 |   |  |                                   |                 |
| 1.513 All other .....   |                           |                 |   |  |                                   |                 |
| 1.52 CMOs and REMICs:   |                           |                 |   |  |                                   |                 |
| 1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA .....   |                           |                 |   |  |                                   |                 |
| 1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521 ..... |                           |                 |   |  |                                   |                 |
| 1.523 All other .....   |                           |                 |   |  |                                   |                 |
| 2. Other debt and other fixed income securities (excluding short term):   |                           |                 |   |  |                                   |                 |
| 2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities) .....   | 4,673,177                 | 20.859          | 4,673,177   |  | 4,673,177                         | 20.859          |
| 2.2 Unaffiliated Non-U.S. securities (including Canada) .....   | 899,046                   | 4.013           | 899,046   |  | 899,046                           | 4.013           |
| 2.3 Affiliated securities .....   |                           |                 |   |  |                                   |                 |
| 3. Equity interests:  |                           |                 |   |  |                                   |                 |
| 3.1 Investments in mutual funds .....   | 1,183,850                 | 5.284           | 1,183,850   |  | 1,183,850                         | 5.284           |
| 3.2 Preferred stocks:   |                           |                 |   |  |                                   |                 |
| 3.21 Affiliated .....   |                           |                 |   |  |                                   |                 |
| 3.22 Unaffiliated .....   |                           |                 |   |  |                                   |                 |
| 3.3 Publicly traded equity securities (excluding preferred stocks):   |                           |                 |   |  |                                   |                 |
| 3.31 Affiliated .....   |                           |                 |   |  |                                   |                 |
| 3.32 Unaffiliated .....   |                           |                 |   |  |                                   |                 |
| 3.4 Other equity securities:  |                           |                 |   |  |                                   |                 |
| 3.41 Affiliated .....   |                           |                 |   |  |                                   |                 |
| 3.42 Unaffiliated .....   |                           |                 |   |  |                                   |                 |
| 3.5 Other equity interests including tangible personal property under lease:  |                           |                 |   |  |                                   |                 |
| 3.51 Affiliated .....   |                           |                 |   |  |                                   |                 |
| 3.52 Unaffiliated .....   |                           |                 |   |  |                                   |                 |
| 4. Mortgage loans:  |                           |                 |   |  |                                   |                 |
| 4.1 Construction and land development .....   |                           |                 |   |  |                                   |                 |
| 4.2 Agricultural .....  |                           |                 |   |  |                                   |                 |
| 4.3 Single family residential properties .....  |                           |                 |   |  |                                   |                 |
| 4.4 Multifamily residential properties .....  |                           |                 |   |  |                                   |                 |
| 4.5 Commercial loans .....  |                           |                 |   |  |                                   |                 |
| 4.6 Mezzanine real estate loans .....   |                           |                 |   |  |                                   |                 |
| 5. Real estate investments:   |                           |                 |   |  |                                   |                 |
| 5.1 Property occupied by company .....  |                           |                 |   |  |                                   |                 |
| 5.2 Property held for production of income (including \$.....0 of property acquired in satisfaction of debt) .....                                      |                           |                 |   |  |                                   |                 |
| 5.3 Property held for sale (including \$.....0 property acquired in satisfaction of debt) .....   |                           |                 |   |  |                                   |                 |
| 6. Contract loans .....   |                           |                 |   |  |                                   |                 |
| 7. Derivatives .....  |                           |                 |   |  |                                   |                 |
| 8. Receivables for securities .....   |                           |                 |   |  |                                   |                 |
| 9. Securities Lending (Line 10, Asset Page reinvested collateral) .....   |                           |                 |   | X X X  | X X X                             | X X X           |
| 10. Cash, cash equivalents and short-term investments .....   | 13,678,641                | 61.056          | 13,678,641  |  | 13,678,641                        | 61.056          |
| 11. Other invested assets .....   |                           |                 |   |  |                                   |                 |
| 12. TOTAL Invested assets .....   | 22,403,610                | 100.000         | 22,403,610  |  | 22,403,610                        | 100.000         |

## SCHEDULE A - VERIFICATION BETWEEN YEARS

### Real Estate

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

## SCHEDULE B - VERIFICATION BETWEEN YEARS

### Mortgage Loans

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

## SCHEDULE BA - VERIFICATION BETWEEN YEARS

### Other Long-Term Invested Assets

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

## SCHEDULE D - VERIFICATION BETWEEN YEARS

### Bonds and Stocks

|   |         |           |
|---|---------|-----------|
| 1. Book/adjusted carrying value, December 31 of prior year .....  |         | 8,485,169 |
| 2. Cost of bonds and stocks acquired, Part 3, Column 7 .....  |         | 9,091,474 |
| 3. Accrual of Discount .....  |         | 43,734    |
| 4. Unrealized valuation increase (decrease):  |         |           |
| 4.1 Part 1, Column 12 .....   | 171,409 |           |
| 4.2 Part 2, Section 1, Column 15 .....  |         |           |
| 4.3 Part 2, Section 2, Column 13 .....  | 251,410 |           |
| 4.4 Part 4, Column 11 .....   |         | 422,819   |
| 5. TOTAL gain (loss) on disposals, Part 4, Column 19 .....  |         | 55,847    |
| 6. Deduction consideration for bonds and stocks disposed of, Part 4, Column 7 .....                       |         | 8,864,758 |
| 7. Deduct amortization of premium .....   |         | 23,662    |
| 8. TOTAL foreign exchange change in book/adjusted carrying value:   |         |           |
| 8.1 Part 1, Column 15 .....   |         |           |
| 8.2 Part 2, Section 1, Column 19 .....  |         |           |
| 8.3 Part 2, Section 2, Column 16 .....  |         |           |
| 8.4 Part 4, Column 15 .....   |         |           |
| 9. Deduct current year's other-than-temporary impairment recognized:                                      |         |           |
| 9.1 Part 1, Column 14 .....   | 285,353 |           |
| 9.2 Part 2, Section 1, Column 17 .....  |         |           |
| 9.3 Part 2, Section 2, Column 14 .....  |         |           |
| 9.4 Part 4, Column 13 .....   | 200,300 | 485,653   |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) ..... |         | 8,724,970 |
| 11. Deduct total nonadmitted amounts .....  |         |           |
| 12. Statement value at end of current period (Line 10 minus Line 11) .....                                |         | 8,724,970 |

## SCHEDULE D - SUMMARY BY COUNTRY

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

| Description   |                                  | 1<br>Book/Adjusted<br>Carrying Value | 2<br>Fair Value | 3<br>Actual Cost | 4<br>Par Value of<br>Bonds |
|---|----------------------------------|--------------------------------------|-----------------|------------------|----------------------------|
| <b>BONDS</b>  |                                  |                                      |                 |                  |                            |
| Governments<br>(Including all obligations guaranteed<br>by governments)   | 1. United States .....           |                                      |                 |                  |                            |
|   | 2. Canada .....                  | 154,477                              | 157,451         | 154,815          | 125,000                    |
|   | 3. Other Countries .....         |                                      |                 |                  |                            |
|   | 4. TOTALS .....                  | 154,477                              | 157,451         | 154,815          | 125,000                    |
| U.S. States, Territories and Possessions (Direct and<br>guaranteed)   | 5. TOTALS .....                  | 381,884                              | 379,304         | 389,642          | 371,667                    |
| U.S. Political Subdivisions of States, Territories and<br>Possessions (Direct and guaranteed)   | 6. TOTALS .....                  | 599,647                              | 607,227         | 611,862          | 600,000                    |
| U.S. Special revenue and special assessment<br>obligations and all non-guaranteed obligations of<br>agencies and authorities of governments and their<br>political subdivisions | 7. TOTALS .....                  | 832,889                              | 863,007         | 854,677          | 1,985,000                  |
| Industrial and Miscellaneous,<br>SVO Identified Funds and<br>Hybrid Securities (unaffiliated)   | 8. United States .....           | 4,673,177                            | 4,634,553       | 4,694,349        | 4,450,000                  |
|   | 9. Canada .....                  |                                      |                 |                  |                            |
|   | 10. Other Countries .....        | 899,046                              | 883,909         | 904,829          | 850,000                    |
|   | 11. TOTALS .....                 | 5,572,222                            | 5,518,462       | 5,599,177        | 5,300,000                  |
| Parent, Subsidiaries and Affiliates   | 12. TOTALS .....                 |                                      |                 |                  |                            |
|   | 13. TOTAL Bonds .....            | 7,541,120                            | 7,525,450       | 7,610,173        | 8,381,667                  |
| <b>PREFERRED STOCKS</b>   |                                  |                                      |                 |                  |                            |
| Industrial and Miscellaneous (unaffiliated)   | 14. United States .....          |                                      |                 |                  |                            |
|   | 15. Canada .....                 |                                      |                 |                  |                            |
|   | 16. Other Countries .....        |                                      |                 |                  |                            |
|   | 17. TOTALS .....                 |                                      |                 |                  |                            |
| Parent, Subsidiaries and Affiliates   | 18. TOTALS .....                 |                                      |                 |                  |                            |
|   | 19. TOTAL Preferred Stocks ..... |                                      |                 |                  |                            |
| <b>COMMON STOCKS</b>  |                                  |                                      |                 |                  |                            |
| Industrial and Miscellaneous (unaffiliated)   | 20. United States .....          | 1,159,550                            | 1,159,550       | 1,090,515        |                            |
|   | 21. Canada .....                 |                                      |                 |                  |                            |
|   | 22. Other Countries .....        | 24,300                               | 24,300          | 24,800           |                            |
|   | 23. TOTALS .....                 | 1,183,850                            | 1,183,850       | 1,115,315        |                            |
| Parent, Subsidiaries and Affiliates   | 24. TOTALS .....                 |                                      |                 |                  |                            |
|   | 25. TOTAL Common Stocks .....    | 1,183,850                            | 1,183,850       | 1,115,315        |                            |
|   | 26. TOTAL Stocks .....           | 1,183,850                            | 1,183,850       | 1,115,315        |                            |
|   | 27. TOTAL Bonds and Stocks ..... | 8,724,970                            | 8,709,300       | 8,725,488        |                            |

## SCHEDULE D - PART 1A - SECTION 1

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

|  | 1<br>1 Year<br>or<br>Less | 2<br>Over 1 Year<br>Through<br>5 Years | 3<br>Over 5 Years<br>Through<br>10 Years | 4<br>Over 10 Years<br>Through<br>20 Years | 5<br>Over<br>20 Years | 6<br>No<br>Maturity<br>Date | 7<br>Total<br>Current Year | 8<br>Column 7<br>as a % of<br>Line 10.7 | 9<br>Total<br>From Column 6<br>Prior Year | 10<br>% From<br>Column 7<br>Prior Year | 11<br>Total<br>Publicly<br>Traded | 12<br>Total<br>Privately<br>Placed (a) |
|--|---------------------------|--|--|---|-----------------------|-----------------------------|----------------------------|---|---|--|-----------------------------------|--|
| NAIC Designation   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 1. U.S. Governments  |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 1.1 NAIC 1   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.2 NAIC 2   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.3 NAIC 3   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.4 NAIC 4   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.5 NAIC 5   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.6 NAIC 6   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 1.7 TOTALS   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2. All Other Governments   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 2.1 NAIC 1   |                           |  | 154,477                                  |   |                       | X X X                       | 154,477                    | 2.05                                    |   |  | 154,477                           |  |
| 2.2 NAIC 2   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2.3 NAIC 3   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2.4 NAIC 4   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2.5 NAIC 5   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2.6 NAIC 6   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 2.7 TOTALS   |                           |  | 154,477                                  |   |                       | X X X                       | 154,477                    | 2.05                                    |   |  | 154,477                           |  |
| 3. U.S. States, Territories and Possessions, etc.,<br>Guaranteed                   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 3.1 NAIC 1   |                           | 25,466                                 |  |   |                       | X X X                       | 25,466                     | 0.34                                    | 51,145                                    | 0.46                                   | 25,466                            |  |
| 3.2 NAIC 2   |                           | 148,554                                | 207,864                                  |   |                       | X X X                       | 356,418                    | 4.73                                    | 826,459                                   | 7.48                                   | 356,418                           |  |
| 3.3 NAIC 3   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 3.4 NAIC 4   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 3.5 NAIC 5   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 3.6 NAIC 6   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 3.7 TOTALS   |                           | 174,020                                | 207,864                                  |   |                       | X X X                       | 381,884                    | 5.06                                    | 877,604                                   | 7.95                                   | 381,884                           |  |
| 4. U.S. Political Subdivisions of States, Territories &<br>Possessions, Guaranteed |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 4.1 NAIC 1   | 500,000                   | 99,647                                 |  |   |                       | X X X                       | 599,647                    | 7.95                                    | 1,000,000                                 | 9.06                                   | 599,647                           |  |
| 4.2 NAIC 2   |                           |  |  |   |                       | X X X                       |                            |   | 199,109                                   | 1.80                                   |                                   |  |
| 4.3 NAIC 3   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 4.4 NAIC 4   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 4.5 NAIC 5   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 4.6 NAIC 6   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 4.7 TOTALS   | 500,000                   | 99,647                                 |  |   |                       | X X X                       | 599,647                    | 7.95                                    | 1,199,109                                 | 10.86                                  | 599,647                           |  |
| 5. U.S. Special Revenue & Special Assessment Obligations<br>etc., Non-Guaranteed   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 5.1 NAIC 1   |                           | 243,109                                | 171,856                                  |   |                       | X X X                       | 414,965                    | 5.50                                    | 3,859,252                                 | 34.95                                  | 414,965                           |  |
| 5.2 NAIC 2   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 5.3 NAIC 3   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 5.4 NAIC 4   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 5.5 NAIC 5   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |  |
| 5.6 NAIC 6   |                           | 138,925                                |  |   | 279,000               | X X X                       | 417,925                    | 5.54                                    | 988,168                                   | 8.95                                   | 417,925                           |  |
| 5.7 TOTALS   |                           | 382,033                                | 171,856                                  |   | 279,000               | X X X                       | 832,889                    | 11.04                                   | 4,847,420                                 | 43.90                                  | 832,889                           |  |

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

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

|  | 1                    | 2                                 | 3                                   | 4                                    | 5                | 6                      | 7                     | 8                                  | 9                                    | 10                               | 11                          | 12                               |
|--|----------------------|-----------------------------------|-------------------------------------|--------------------------------------|------------------|------------------------|-----------------------|------------------------------------|--------------------------------------|----------------------------------|-----------------------------|----------------------------------|
| NAIC Designation                               | 1 Year<br>or<br>Less | Over 1 Year<br>Through<br>5 Years | Over 5 Years<br>Through<br>10 Years | Over 10 Years<br>Through<br>20 Years | Over<br>20 Years | No<br>Maturity<br>Date | Total<br>Current Year | Column 7<br>as a % of<br>Line 10.7 | Total<br>From Column 6<br>Prior Year | % From<br>Column 7<br>Prior Year | Total<br>Publicly<br>Traded | Total<br>Privately<br>Placed (a) |
| 6. Industrial and Miscellaneous (unaffiliated) |                      |                                   |                                     |                                      |                  |                        |                       |                                    |                                      |                                  |                             |                                  |
| 6.1 NAIC 1                                     |                      | 1,042,417                         | 3,504,157                           |                                      |                  | X X X                  | 4,546,574             | 60.29                              | 3,721,581                            | 33.70                            | 4,546,574                   |                                  |
| 6.2 NAIC 2                                     |                      | 234,231                           | 791,418                             |                                      |                  | X X X                  | 1,025,648             | 13.60                              | 396,882                              | 3.59                             | 1,025,648                   |                                  |
| 6.3 NAIC 3                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 6.4 NAIC 4                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 6.5 NAIC 5                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 6.6 NAIC 6                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 6.7 TOTALS                                     |                      | 1,276,647                         | 4,295,575                           |                                      |                  | X X X                  | 5,572,222             | 73.89                              | 4,118,464                            | 37.30                            | 5,572,222                   |                                  |
| 7. Hybrid Securities                           |                      |                                   |                                     |                                      |                  |                        |                       |                                    |                                      |                                  |                             |                                  |
| 7.1 NAIC 1                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.2 NAIC 2                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.3 NAIC 3                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.4 NAIC 4                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.5 NAIC 5                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.6 NAIC 6                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 7.7 TOTALS                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8. Parent, Subsidiaries and Affiliates         |                      |                                   |                                     |                                      |                  |                        |                       |                                    |                                      |                                  |                             |                                  |
| 8.1 NAIC 1                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.2 NAIC 2                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.3 NAIC 3                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.4 NAIC 4                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.5 NAIC 5                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.6 NAIC 6                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 8.7 TOTALS                                     |                      |                                   |                                     |                                      |                  | X X X                  |                       |                                    |                                      |                                  |                             |                                  |
| 9. SVO Identified Funds                        |                      |                                   |                                     |                                      |                  |                        |                       |                                    |                                      |                                  |                             |                                  |
| 9.1 NAIC 1                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.2 NAIC 2                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.3 NAIC 3                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.4 NAIC 4                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.5 NAIC 5                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.6 NAIC 6                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |
| 9.7 TOTALS                                     | X X X                | X X X                             | X X X                               | X X X                                | X X X            |                        |                       |                                    | X X X                                | X X X                            |                             |                                  |

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

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

| NAIC Designation                                       | 1<br>1 Year<br>or<br>Less | 2<br>Over 1 Year<br>Through<br>5 Years | 3<br>Over 5 Years<br>Through<br>10 Years | 4<br>Over 10 Years<br>Through<br>20 Years | 5<br>Over<br>20 Years | 6<br>No<br>Maturity<br>Date | 7<br>Total<br>Current Year | 8<br>Column 7<br>as a % of<br>Line 10.7 | 9<br>Total<br>From Column 6<br>Prior Year | 10<br>% From<br>Column 7<br>Prior Year | 11<br>Total<br>Publicly<br>Traded | 12<br>Total<br>Privately<br>Placed (a) |
|--|---------------------------|--|--|---|-----------------------|-----------------------------|----------------------------|---|---|--|-----------------------------------|--|
| 10. Total Bonds Current Year                           |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 10.1 NAIC 1  | (d) 500,000               | 1,410,639                              | 3,830,490                                |   |                       |                             | 5,741,129                  | 76.13                                   | X X X                                     | X X X                                  | 5,741,129                         |  |
| 10.2 NAIC 2  | (d)                       | 382,785                                | 999,281                                  |   |                       |                             | 1,382,066                  | 18.33                                   | X X X                                     | X X X                                  | 1,382,066                         |  |
| 10.3 NAIC 3  | (d)                       |  |  |   |                       |                             |                            |   | X X X                                     | X X X                                  |                                   |  |
| 10.4 NAIC 4  | (d)                       |  |  |   |                       |                             |                            |   | X X X                                     | X X X                                  |                                   |  |
| 10.5 NAIC 5  | (d)                       |  |  |   |                       |                             | (c)                        |   | X X X                                     | X X X                                  |                                   |  |
| 10.6 NAIC 6  | (d)                       | 138,925                                |  |   | 279,000               |                             | (c) 417,925                | 5.54                                    | X X X                                     | X X X                                  | 417,925                           |  |
| 10.7 TOTALS  | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               |                             | (b) 7,541,120              | 100.00                                  | X X X                                     | X X X                                  | 7,541,120                         |  |
| 10.8 Line 10.7 as a % of Column 7                      | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            |  |
| 11. Total Bonds Prior Year                             |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 11.1 NAIC 1  | 1,000,000                 | 725,899                                | 4,202,159                                | 2,703,921                                 |                       | X X X                       | X X X                      | X X X                                   | 8,631,978                                 | 78.17                                  | 8,631,978                         |  |
| 11.2 NAIC 2  |                           | 607,750                                | 814,700                                  |   |                       | X X X                       | X X X                      | X X X                                   | 1,422,450                                 | 12.88                                  | 1,422,450                         |  |
| 11.3 NAIC 3  |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   |   |  |                                   |  |
| 11.4 NAIC 4  |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   |   |  |                                   |  |
| 11.5 NAIC 5  |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   | (c)                                       |  |                                   |  |
| 11.6 NAIC 6  |                           | 691,271                                | 296,897                                  |   |                       | X X X                       | X X X                      | X X X                                   | (c) 988,168                               | 8.95                                   | 988,168                           |  |
| 11.7 TOTALS  | 1,000,000                 | 2,024,920                              | 5,313,756                                | 2,703,921                                 |                       | X X X                       | X X X                      | X X X                                   | (b) 11,042,596                            | 100.00                                 | 11,042,596                        |  |
| 11.8 Line 11.7 as a % of Col. 9                        | 9.06                      | 18.34                                  | 48.12                                    | 24.49                                     |                       | X X X                       | X X X                      | X X X                                   | 100.00                                    | X X X                                  | 100.00                            |  |
| 12. Total Publicly Traded Bonds                        |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 12.1 NAIC 1  | 500,000                   | 1,410,639                              | 3,830,490                                |   |                       |                             | 5,741,129                  | 76.13                                   | 8,631,978                                 | 78.17                                  | 5,741,129                         | X X X                                  |
| 12.2 NAIC 2  |                           | 382,785                                | 999,281                                  |   |                       |                             | 1,382,066                  | 18.33                                   | 1,422,450                                 | 12.88                                  | 1,382,066                         | X X X                                  |
| 12.3 NAIC 3  |                           |  |  |   |                       |                             |                            |   |   |  |                                   | X X X                                  |
| 12.4 NAIC 4  |                           |  |  |   |                       |                             |                            |   |   |  |                                   | X X X                                  |
| 12.5 NAIC 5  |                           |  |  |   |                       |                             |                            |   |   |  |                                   | X X X                                  |
| 12.6 NAIC 6  |                           | 138,925                                |  |   | 279,000               |                             | 417,925                    | 5.54                                    | 988,168                                   | 8.95                                   | 417,925                           | X X X                                  |
| 12.7 TOTALS  | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               |                             | 7,541,120                  | 100.00                                  | 11,042,596                                | 100.00                                 | 7,541,120                         | X X X                                  |
| 12.8 Line 12.7 as a % of Col. 7                        | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            | X X X                                  |
| 12.9 Line 12.7 as a % of Line 10.7, Col. 7, Section 10 | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            | X X X                                  |
| 13. Total Privately Placed Bonds                       |                           |  |  |   |                       |                             |                            |   |   |  |                                   |  |
| 13.1 NAIC 1  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.2 NAIC 2  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.3 NAIC 3  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.4 NAIC 4  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.5 NAIC 5  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.6 NAIC 6  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.7 TOTALS  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |  |
| 13.8 Line 13.7 as a % of Col. 7                        |                           |  |  |   |                       |                             |                            | X X X                                   | X X X                                     | X X X                                  | X X X                             |  |
| 13.9 Line 13.7 as a % of Line 10.7, Col. 7, Section 10 |                           |  |  |   |                       |                             |                            | X X X                                   | X X X                                     | X X X                                  | X X X                             |  |

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

## SCHEDULE D - PART 1A - SECTION 2

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

|   | 1<br>1 Year<br>or<br>Less | 2<br>Over 1 Year<br>Through<br>5 Years | 3<br>Over 5 Years<br>Through<br>10 Years | 4<br>Over 10 Years<br>Through<br>20 Years | 5<br>Over<br>20 Years | 6<br>No<br>Maturity<br>Date | 7<br>Total<br>Current Year | 8<br>Column 7<br>as a % of<br>Line 10.6 | 9<br>Total<br>From Column 6<br>Prior Year | 10<br>% From<br>Column 7<br>Prior Year | 11<br>Total<br>Publicly<br>Traded | 12<br>Total<br>Privately<br>Placed |
|---|---------------------------|--|--|---|-----------------------|-----------------------------|----------------------------|---|---|--|-----------------------------------|------------------------------------|
| Distribution by Type  |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 1. U.S. Governments   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 1.1 Issuer Obligations  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 1.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 1.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 1.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 1.5 TOTALS  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 2. All Other Governments  |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 2.1 Issuer Obligations  |                           |  | 154,477                                  |   |                       | X X X                       | 154,477                    | 2.05                                    |   |  | 154,477                           |                                    |
| 2.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 2.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 2.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 2.5 TOTALS  |                           |  | 154,477                                  |   |                       | X X X                       | 154,477                    | 2.05                                    |   |  | 154,477                           |                                    |
| 3. U.S. States, Territories and Possessions, Guaranteed                           |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 3.1 Issuer Obligations  |                           | 174,020                                | 207,864                                  |   |                       | X X X                       | 381,884                    | 5.06                                    | 877,604                                   | 7.95                                   | 381,884                           |                                    |
| 3.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 3.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 3.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 3.5 TOTALS  |                           | 174,020                                | 207,864                                  |   |                       | X X X                       | 381,884                    | 5.06                                    | 877,604                                   | 7.95                                   | 381,884                           |                                    |
| 4. U.S. Political Subdivisions of States, Territories and Possessions, Guaranteed |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 4.1 Issuer Obligations  | 500,000                   | 99,647                                 |  |   |                       | X X X                       | 599,647                    | 7.95                                    | 1,199,109                                 | 10.86                                  | 599,647                           |                                    |
| 4.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 4.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 4.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 4.5 TOTALS  | 500,000                   | 99,647                                 |  |   |                       | X X X                       | 599,647                    | 7.95                                    | 1,199,109                                 | 10.86                                  | 599,647                           |                                    |
| 5. U.S. Special Revenue & Special Assessment Obligations, etc., Non-Guaranteed    |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 5.1 Issuer Obligations  |                           | 382,033                                | 171,856                                  |   | 279,000               | X X X                       | 832,889                    | 11.04                                   | 4,847,420                                 | 43.90                                  | 832,889                           |                                    |
| 5.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 5.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 5.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 5.5 TOTALS  |                           | 382,033                                | 171,856                                  |   | 279,000               | X X X                       | 832,889                    | 11.04                                   | 4,847,420                                 | 43.90                                  | 832,889                           |                                    |
| 6. Industrial and Miscellaneous   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 6.1 Issuer Obligations  |                           | 1,276,647                              | 4,295,575                                |   |                       | X X X                       | 5,572,222                  | 73.89                                   | 4,118,464                                 | 37.30                                  | 5,572,222                         |                                    |
| 6.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 6.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 6.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 6.5 TOTALS  |                           | 1,276,647                              | 4,295,575                                |   |                       | X X X                       | 5,572,222                  | 73.89                                   | 4,118,464                                 | 37.30                                  | 5,572,222                         |                                    |
| 7. Hybrid Securities  |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 7.1 Issuer Obligations  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 7.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 7.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 7.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 7.5 TOTALS  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 8. Parent, Subsidiaries and Affiliates  |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 8.1 Issuer Obligations  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 8.2 Residential Mortgage-Backed Securities  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 8.3 Commercial Mortgage-Backed Securities   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 8.4 Other Loan-Backed and Structured Securities                                   |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |
| 8.5 TOTALS  |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   |                                    |

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

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

|  | 1<br>1 Year<br>or<br>Less | 2<br>Over 1 Year<br>Through<br>5 Years | 3<br>Over 5 Years<br>Through<br>10 Years | 4<br>Over 10 Years<br>Through<br>20 Years | 5<br>Over<br>20 Years | 6<br>No<br>Maturity<br>Date | 7<br>Total<br>Current Year | 8<br>Column 7<br>as a % of<br>Line 10.6 | 9<br>Total<br>From Column 6<br>Prior Year | 10<br>% From<br>Column 7<br>Prior Year | 11<br>Total<br>Publicly<br>Traded | 12<br>Total<br>Privately<br>Placed |
|--|---------------------------|--|--|---|-----------------------|-----------------------------|----------------------------|---|---|--|-----------------------------------|------------------------------------|
| Distribution by Type                                   |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 9. SVO Identified Funds                                |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 9.1 Exchange Traded Funds - as Identified by the SVO   | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 9.2 Bond Mutual Funds - as Identified by the SVO       | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 9.3 TOTALS   | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 10. Total Bonds Current Year                           |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 10.1 Issuer Obligations                                | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               | X X X                       | 7,541,120                  | 100.00                                  | X X X                                     | X X X                                  | 7,541,120                         |                                    |
| 10.2 Residential Mortgage-Backed Securities            |                           |  |  |   |                       | X X X                       |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 10.3 Commercial Mortgage-Backed Securities             |                           |  |  |   |                       | X X X                       |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 10.4 Other Loan-Backed and Structured Securities       |                           |  |  |   |                       | X X X                       |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 10.5 SVO-Designated Securities                         | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  |                                   |                                    |
| 10.6 TOTALS  | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               |                             | 7,541,120                  | 100.00                                  | X X X                                     | X X X                                  | 7,541,120                         |                                    |
| 10.7 Line 10.6 as a % of Col. 7                        | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            |                                    |
| 11. Total Bonds Prior Year                             |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 11.1 Issuer Obligations                                | 1,000,000                 | 2,024,920                              | 5,313,756                                | 2,703,921                                 |                       | X X X                       | X X X                      | X X X                                   | 11,042,596                                | 100.00                                 | 11,042,596                        |                                    |
| 11.2 Residential Mortgage-Backed Securities            |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   |   |  |                                   |                                    |
| 11.3 Commercial Mortgage-Backed Securities             |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   |   |  |                                   |                                    |
| 11.4 Other Loan-Backed and Structured Securities       |                           |  |  |   |                       | X X X                       | X X X                      | X X X                                   |   |  |                                   |                                    |
| 11.5 SVO-Designated Securities                         | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 | X X X                       | X X X                      | X X X                                   | X X X                                     | X X X                                  | X X X                             | X X X                              |
| 11.6 TOTALS  | 1,000,000                 | 2,024,920                              | 5,313,756                                | 2,703,921                                 |                       | X X X                       | X X X                      | X X X                                   | 11,042,596                                | 100.00                                 | 11,042,596                        |                                    |
| 11.7 Line 11.6 as a % of Col. 9                        | 9.06                      | 18.34                                  | 48.12                                    | 24.49                                     |                       | X X X                       | X X X                      | X X X                                   | 100.00                                    | X X X                                  | 100.00                            |                                    |
| 12. Total Publicly Traded Bonds                        |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 12.1 Issuer Obligations                                | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               | X X X                       | 7,541,120                  | 100.00                                  | 11,042,596                                | 100.00                                 | 7,541,120                         | X X X                              |
| 12.2 Residential Mortgage-Backed Securities            |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   | X X X                              |
| 12.3 Commercial Mortgage-Backed Securities             |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   | X X X                              |
| 12.4 Other Loan-Backed and Structured Securities       |                           |  |  |   |                       | X X X                       |                            |   |   |  |                                   | X X X                              |
| 12.5 SVO-Designated Securities                         | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  |                                   | X X X                              |
| 12.6 TOTALS  | 500,000                   | 1,932,348                              | 4,829,771                                |   | 279,000               |                             | 7,541,120                  | 100.00                                  | 11,042,596                                | 100.00                                 | 7,541,120                         | X X X                              |
| 12.7 Line 12.6 as a % of Col. 7                        | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            | X X X                              |
| 12.8 Line 12.6 as a % of Line 10.6, Col. 7, Section 10 | 6.63                      | 25.62                                  | 64.05                                    |   | 3.70                  |                             | 100.00                     | X X X                                   | X X X                                     | X X X                                  | 100.00                            | X X X                              |
| 13. Total Privately Placed Bonds                       |                           |  |  |   |                       |                             |                            |   |   |  |                                   |                                    |
| 13.1 Issuer Obligations                                |                           |  |  |   |                       | X X X                       |                            |   |   |  | X X X                             |                                    |
| 13.2 Residential Mortgage-Backed Securities            |                           |  |  |   |                       | X X X                       |                            |   |   |  | X X X                             |                                    |
| 13.3 Commercial Mortgage-Backed Securities             |                           |  |  |   |                       | X X X                       |                            |   |   |  | X X X                             |                                    |
| 13.4 Other Loan-Backed and Structured Securities       |                           |  |  |   |                       | X X X                       |                            |   |   |  | X X X                             |                                    |
| 13.5 SVO-Designated Securities                         | X X X                     | X X X                                  | X X X                                    | X X X                                     | X X X                 |                             |                            |   | X X X                                     | X X X                                  | X X X                             |                                    |
| 13.6 TOTALS  |                           |  |  |   |                       |                             |                            |   |   |  | X X X                             |                                    |
| 13.7 Line 13.6 as a % of Col. 7                        |                           |  |  |   |                       |                             |                            | X X X                                   | X X X                                     | X X X                                  | X X X                             |                                    |
| 13.8 Line 13.6 as a % of Line 10.6, Col. 7, Section 10 |                           |  |  |   |                       |                             |                            | X X X                                   | X X X                                     | X X X                                  | X X X                             |                                    |

6015

**SI10 Schedule DA - Verification ..... NONE**

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

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

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

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

**SI14 Schedule DB Verification ..... NONE**

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

|   | 1<br>Total | 2<br>Bonds | 3<br>Other (a) |
|---|------------|------------|----------------|
| 1. Book/adjusted carrying value, December 31 of prior year .....  | .....      | .....      | .....          |
| 2. Cost of cash equivalents acquired .....  | .....      | .....      | .....          |
| 3. Accrual of discount .....  | .....      | .....      | .....          |
| 4. Unrealized valuation increase (decrease) .....   | .....      | .....      | .....          |
| 5. TOTAL gain (loss) on disposals .....   | .....      | .....      | .....          |
| 6. Deduct consideration received on disposals .....   | .....      | .....      | .....          |
| 7. Deduct amortization of premium .....   | .....      | .....      | .....          |
| 8. TOTAL foreign exchange change in book/adjusted carrying value .....                                    | .....      | .....      | .....          |
| 9. Deduct current year's other-than-temporary impairment recognized .....                                 | .....      | .....      | .....          |
| 10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9) ..... | .....      | .....      | .....          |
| 11. Deduct total nonadmitted amounts .....  | .....      | .....      | .....          |
| 12. Statement value at end of current period (Lines 10 minus 11) .....                                    | .....      | .....      | .....          |

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

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

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

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

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

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

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

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

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

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

# SCHEDULE D - PART 1

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

| 1  | 2  | Codes |               |           | 6                | 7           | Fair Value                     |            | 10        | 11                            | Change in Book Adjusted Carrying Value    |  |   |  |         | Interest                   |           |                                 |                             |            | Dates                            |  |
|--|--|-------|---------------|-----------|------------------|-------------|--------------------------------|------------|-----------|-------------------------------|---|--|---|--|---------|----------------------------|-----------|---------------------------------|-----------------------------|------------|----------------------------------|--|
|  |  | 3     | 4             | 5         |                  |             | 8                              | 9          |           |                               | 12  | 13                                       | 14  | 15   | 16      | 17                         | 18        | 19                              | 20                          | 21         | 22                               |  |
| CUSIP Identification   | Description                              | Code  | F O R E I G N | Bond CHAR | NAIC Designation | Actual Cost | Rate Used to Obtain Fair Value | Fair Value | Par Value | Book/ Adjusted Carrying Value | Unrealized Valuation Increase/ (Decrease) | Current Year's (Amortization)/ Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Foreign Exchange Change in B./A.C.V. | Rate of | Effective Rate of Interest | When Paid | Admitted Amount Due and Accrued | Amount Received During Year | Acquired   | Stated Contractual Maturity Date |  |
| <b>All Other Governments - Issuer Obligations</b>  |  |       |               |           |                  |             |                                |            |           |                               |   |  |   |  |         |                            |           |                                 |                             |            |                                  |  |
| 74815HBZ4  | QUEBEC, PROVINCE OF                      |       |               |           | 1FE              | 154,815     |                                | 125,961.0  | 125,000   | 154,477                       |   | (338)                                    |   |  | 6.350   | 3.320                      | JJ        | 3,329                           |                             | 11/14/2016 | 01/30/2026                       |  |
| 0699999 Subtotal - All Other Governments - Issuer Obligations  |  |       |               |           |                  | 154,815     | X X X                          | 157,451    | 125,000   | 154,477                       |   | (338)                                    |   |  | X X X   | X X X                      | X X X     | 3,329                           |                             | X X X      | X X X                            |  |
| 1099999 Subtotal - All Other Governments   |  |       |               |           |                  | 154,815     | X X X                          | 157,451    | 125,000   | 154,477                       |   | (338)                                    |   |  | X X X   | X X X                      | X X X     | 3,329                           |                             | X X X      | X X X                            |  |
| <b>U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations</b>                                       |  |       |               |           |                  |             |                                |            |           |                               |   |  |   |  |         |                            |           |                                 |                             |            |                                  |  |
| 373384K96  | GEORGIA ST                               |       |               | 1         | 1FE              | 25,811      |                                | 103,251.0  | 25,000    | 25,466                        |   | (106)                                    |   |  | 3.000   | 2.517                      | FA        | 313                             | 750                         | 07/03/2013 | 02/01/2021                       |  |
| 452151LD3  | ILLINOIS ST                              |       |               | 2         | 2FE              | 152,657     |                                | 101,241.0  | 146,667   | 148,554                       |   | (1,281)                                  |   |  | 4.350   | 3.410                      | JD        | 532                             | 6,380                       | 07/13/2012 | 06/01/2018                       |  |
| 452151LE1  | ILLINOIS ST                              |       |               | 2         | 2FE              | 211,174     |                                | 102,502.0  | 200,000   | 207,864                       |   | (1,045)                                  |   |  | 4.950   | 4.243                      | JD        | 825                             | 9,900                       | 07/16/2012 | 06/01/2023                       |  |
| 1199999 Subtotal - U.S. States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations                           |  |       |               |           |                  | 389,642     | X X X                          | 379,304    | 371,667   | 381,884                       |   | (2,432)                                  |   |  | X X X   | X X X                      | X X X     | 1,669                           | 17,030                      | X X X      | X X X                            |  |
| 1799999 Subtotal - U.S. States, Territories and Possessions (Direct and Guaranteed)  |  |       |               |           |                  | 389,642     | X X X                          | 379,304    | 371,667   | 381,884                       |   | (2,432)                                  |   |  | X X X   | X X X                      | X X X     | 1,669                           | 17,030                      | X X X      | X X X                            |  |
| <b>U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations</b>             |  |       |               |           |                  |             |                                |            |           |                               |   |  |   |  |         |                            |           |                                 |                             |            |                                  |  |
| 476576GN7  | JERSEY CITY N J                          |       |               | 1         | 1FE              | 99,352      |                                | 100,437.0  | 100,000   | 99,647                        |   | 93                                       |   |  | 2.723   | 2.825                      | MS        | 908                             | 2,723                       | 07/03/2013 | 09/01/2020                       |  |
| 745277NT6  | PUERTO RICO MUN FIN AGY                  |       |               | 2         | 1FE              | 512,510     |                                | 101,358.0  | 500,000   | 500,000                       |   |  |   |  | 5.250   | 4.911                      | FA        | 10,938                          | 26,250                      | 11/07/2008 | 08/01/2017                       |  |
| 1899999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed) - Issuer Obligations |  |       |               |           |                  | 611,862     | X X X                          | 607,227    | 600,000   | 599,647                       |   | 93                                       |   |  | X X X   | X X X                      | X X X     | 11,845                          | 28,973                      | X X X      | X X X                            |  |
| 2499999 Subtotal - U.S. Political Subdivisions of States, Territories and Possessions (Direct and Guaranteed)                      |  |       |               |           |                  | 611,862     | X X X                          | 607,227    | 600,000   | 599,647                       |   | 93                                       |   |  | X X X   | X X X                      | X X X     | 11,845                          | 28,973                      | X X X      | X X X                            |  |
| <b>U.S. Special Revenue, Special Assessment - Issuer Obligations</b>   |  |       |               |           |                  |             |                                |            |           |                               |   |  |   |  |         |                            |           |                                 |                             |            |                                  |  |
| 452227GC9  | ILLINOIS ST SALES TAX REV                |       |               | 1         | 1FE              | 144,933     |                                | 99,097.0   | 150,000   | 146,712                       |   | 550                                      |   |  | 2.450   | 2.887                      | JD        | 163                             | 3,675                       | 07/03/2013 | 06/15/2022                       |  |
| 4546247M3  | INDIANA BD BK REV                        |       |               | 1         | 1FE              | 25,220      |                                | 101,943.0  | 25,000    | 25,144                        |   | (23)                                     |   |  | 2.971   | 2.857                      | JJ        | 342                             | 743                         | 07/03/2013 | 07/15/2022                       |  |
| 745177ET8  | PUERTO RICO COMWLTH GOVT DEV BK          |       |               | 2         | 6FE              | 118,125     |                                | 22,500.0   | 500,000   | 112,500                       | (5,625)                                   | 18,490                                   | 39,260  |  | 5.400   |                            | MON       |                                 | 15,750                      | 08/24/2010 | 08/01/2019                       |  |
| 745177FB6  | PUERTO RICO COMWLTH GOVT DEV BK          |       |               | 2         | 6FE              | 56,700      |                                | 22,500.0   | 54,000    | 54,000                        | (2,700)                                   |  | 11,086  |  | 4.150   |                            | MON       |                                 | 5,810                       | 12/22/2011 | 08/01/2017                       |  |
| 745177FC4  | PUERTO RICO COMWLTH GOVT DEV BK          |       |               | 2         | 6FE              | 118,125     |                                | 22,500.0   | 500,000   | 112,500                       | (5,625)                                   | 19,232                                   | 40,062  |  | 4.500   |                            | MON       |                                 | 13,125                      | 12/22/2011 | 08/01/2019                       |  |
| 74529JKA2  | PUERTO RICO SALES TAX FING CORP SALES TA |       |               | 2         | 6FE              | 138,925     |                                | 47,000.0   | 335,000   | 138,925                       | 185,359                                   | 63                                       | 194,945   |  | 4.500   |                            | FA        | 6,281                           | 15,075                      | 08/28/2013 | 08/01/2021                       |  |
| 76443NCG7  | RICHMOND CALIF JT PWRS FING AUTH TAX ALL |       |               | 1         | 1FE              | 36,500      |                                | 103,295.0  | 35,000    | 35,541                        |   | (302)                                    |   |  | 5.860   | 4.880                      | MS        | 684                             | 2,051                       | 07/13/2012 | 09/01/2018                       |  |
| 786056BD2  | SACRAMENTO CALIF PENSION OBLIG           |       |               | 1         | 1FE              | 216,150     |                                | 108,136.0  | 200,000   | 207,567                       |   | (2,699)                                  |   |  | 5.850   | 4.287                      | FA        | 4,875                           | 11,700                      | 07/13/2012 | 08/01/2019                       |  |
| 2599999 Subtotal - U.S. Special Revenue, Special Assessment - Issuer Obligations   |  |       |               |           |                  | 854,677     | X X X                          | 863,007    | 1,985,000 | 832,889                       | 171,409                                   | 35,310                                   | 285,353   |  | X X X   | X X X                      | X X X     | 12,346                          | 67,929                      | X X X      | X X X                            |  |
| 3199999 Subtotal - U.S. Special Revenue, Special Assessment  |  |       |               |           |                  | 854,677     | X X X                          | 863,007    | 1,985,000 | 832,889                       | 171,409                                   | 35,310                                   | 285,353   |  | X X X   | X X X                      | X X X     | 12,346                          | 67,929                      | X X X      | X X X                            |  |
| <b>Industrial &amp; Miscellaneous (Unaffiliated) - Issuer Obligations</b>  |  |       |               |           |                  |             |                                |            |           |                               |   |  |   |  |         |                            |           |                                 |                             |            |                                  |  |
| 00206RAZ5  | AT&T INC                                 |       |               | 1         | 2FE              | 103,782     |                                | 103,465.0  | 100,000   | 102,440                       |   | (477)                                    |   |  | 3.875   | 3.301                      | FA        | 1,464                           | 3,875                       | 02/06/2014 | 08/15/2021                       |  |
| 00209TAB1  | COMCAST CABLE COMMUNICATIONS HOLDINGS IN |       |               |           | 1FE              | 174,211     |                                | 135,524.0  | 125,000   | 172,991                       |   | (1,220)                                  |   |  | 9.455   | 2.403                      | MN        | 1,510                           | 3,546                       | 11/09/2016 | 11/15/2022                       |  |
| 00440EAU1  | CHUBB INA HOLDINGS INC                   |       |               | 1,2       | 1FE              | 104,527     |                                | 100,051.0  | 100,000   | 104,396                       |   | (131)                                    |   |  | 2.875   | 2.050                      | MN        | 463                             | 1,438                       | 10/26/2016 | 11/03/2022                       |  |
| 02364WAV7  | AMERICA MOVIL SAB DE CV                  |       |               | 1         | 1FE              | 110,153     |                                | 106,737.0  | 100,000   | 109,637                       |   | (516)                                    |   |  | 5.000   | 1.920                      | MS        | 1,264                           |                             | 10/25/2016 | 03/30/2020                       |  |
| 026609AC1  | WYETH LLC                                |       |               | 1         | 1FE              | 30,939      |                                | 124,310.0  | 25,000    | 30,915                        |   | (24)                                     |   |  | 7.250   | 3.014                      | MS        | 604                             |                             | 12/19/2016 | 03/01/2023                       |  |
| 03076CAF3  | AMERIPRISE FINANCIAL INC                 |       |               | 1         | 1FE              | 161,806     |                                | 104,876.0  | 150,000   | 161,552                       |   | (253)                                    |   |  | 4.000   | 2.746                      | AO        | 1,267                           |                             | 11/21/2016 | 10/15/2023                       |  |
| 031162BV1  | AMGEN INC                                |       |               | 1,2       | 2FE              | 156,204     |                                | 101,531.0  | 150,000   | 156,107                       |   | (97)                                     |   |  | 3.625   | 2.988                      | MN        | 589                             | 2,719                       | 11/10/2016 | 05/22/2024                       |  |
| 03523TBB3  | ANHEUSER-BUSCH INBEV WORLDWIDE INC       |       |               | 1         | 2FE              | 110,784     |                                | 106,918.0  | 100,000   | 106,585                       |   | (1,488)                                  |   |  | 4.375   | 2.677                      | FA        | 1,653                           | 4,375                       | 02/06/2014 | 02/15/2021                       |  |
| 035242AL0  | ANHEUSER-BUSCH INBEV FINANCE INC         |       |               | 1,2       | 2FE              | 51,929      |                                | 101,589.0  | 50,000    | 51,892                        |   | (37)                                     |   |  | 3.300   | 2.606                      | FA        | 688                             |                             | 11/09/2016 | 02/01/2023                       |  |
| 055451AU2  | BHP BILLITON FINANCE (USA) LTD           |       |               | 1         | 1FE              | 108,758     |                                | 105,626.0  | 100,000   | 108,558                       |   | (200)                                    |   |  | 3.850   | 2.464                      | MS        | 973                             |                             | 11/14/2016 | 09/30/2023                       |  |
| 05565QBZ0  | BP CAPITAL MARKETS PLC                   |       |               | 1         | 1FE              | 99,634      |                                | 101,820.0  | 100,000   | 99,756                        |   | 43                                       |   |  | 3.245   | 3.295                      | MN        | 496                             | 3,245                       | 02/06/2014 | 05/06/2022                       |  |
| 06406FAD5  | BANK OF NEW YORK MELLON CORP             |       |               | 2         | 1FE              | 146,586     |                                | 95,251.0   | 150,000   | 146,647                       |   | 61                                       |   |  | 2.200   | 2.569                      | FA        | 1,238                           |                             | 11/09/2016 | 08/16/2023                       |  |
| 071813BF5  | BAXTER INTERNATIONAL INC                 |       |               | 1         | 2FE              | 94,408      |                                | 97,344.0   | 100,000   | 96,145                        |   | 620                                      |   |  | 2.400   | 3.154                      | FA        | 907                             | 2,400                       | 02/06/2014 | 08/15/2022                       |  |
| 09247XAJ0  | BLACKROCK INC                            |       |               | 1         | 1FE              | 25,527      |                                | 103,508.0  | 25,000    | 25,347                        |   | (58)                                     |   |  | 3.375   | 3.095                      | JD        | 70                              | 844                         | 07/03/2013 | 06/01/2022                       |  |
| 12189LAQ4  | BURLINGTON NORTHERN SANTA FE LLC         |       |               | 1,2       | 1FE              | 132,983     |                                | 106,064.0  | 125,000   | 132,869                       |   | (114)                                    |   |  | 3.850   | 2.772                      | MS        | 1,604                           |                             | 11/21/2016 | 09/01/2023                       |  |
| 14912L5F4  | CATERPILLAR FINANCIAL SERVICES CORP      |       |               | 1         | 1FE              | 98,539      |                                | 99,625.0   | 100,000   | 99,009                        |   | 166                                      |   |  | 2.850   | 3.050                      | JD        | 238                             | 2,850                       | 02/06/2014 | 06/01/2022                       |  |
| 244199BE4  | DEERE & CO                               |       |               | 2         | 1FE              | 97,024      |                                | 99,496.0   | 100,000   | 97,977                        |   | 338                                      |   |  | 2.600   | 3.006                      | JD        | 166                             | 2,600                       | 02/06/2014 | 06/08/2022                       |  |
| 25468PCT1  | WALT DISNEY CO                           |       |               | 1         | 1FE              | 97,496      |                                | 100,070.0  | 100,000   | 98,336                        |   | 300                                      |   |  | 2.550   | 2.902                      | FA        | 963                             | 2,550                       | 02/06/2014 | 02/15/2022                       |  |
| 278062AC8  | EATON CORP                               |       |               | 1         | 2FE              | 102,786     |                                | 98,483.0   | 100,000   | 102,708                       |   | (78)                                     |   |  | 2.750   | 2.252                      | MN        | 451                             | 1,375                       | 10/24/2016 | 11/02/2022                       |  |
| 30231GAG7  | EXXON MOBIL CORP                         |       |               | 1,2       | 1FE              | 111,796     |                                | 99,683.0   | 110,000   | 111,699                       |   | (97)                                     |   |  | 1.912   | 1.400                      | MS        | 672                             |                             | 10/24/2016 | 03/06/2020                       |  |
| 38141GGQ1  | GOLDMAN SACHS GROUP INC                  |       |               | 1         | 1FE              | 112,769     |                                | 109,706.0  | 100,000   | 112,322                       |   | (447)                                    |   |  | 5.250   | 2.388                      | JJ        | 2,246                           |                             | 10/25/2016 | 07/27/2021                       |  |
| 404280AK5  | HSBC HOLDINGS PLC                        |       |               | 1         | 1FE              | 55,146      |                                | 108,321.0  | 50,000    | 54,981                        |   | (165)                                    |   |  | 5.100   | 2.613                      | AO        | 609                             |                             | 11/08/2016 | 04/05/2021                       |  |
| 404280AL3  | HSBC HOLDINGS PLC                        |       |               | 1         | 1FE              | 110,426     |                                | 107,809.0  | 100,000   | 110,095                       |   | (331)                                    |   |  | 4.875   | 2.716                      | JJ        | 2,261                           |                             | 10/24/2016 | 01/14/2022                       |  |
| 438516BA3  | HONEYWELL INTERNATIONAL INC              |       |               | 1         | 1FE              | 110,396     |                                | 107,935.0  | 100,000   | 106,366                       |   | (1,429)                                  |   |  | 4.250   | 2.625                      | MS        | 1,417                           | 4,250                       | 02/06/2014 | 03/01/2021                       |  |
| 458140AJ9  | INTEL CORP                               |       |               | 1         | 1FE              | 25,626      |                                | 104,040.0  | 25,000    | 25,389                        |   | (75)                                     |   |  | 3.300   | 2.946                      | AO        | 206                             | 825                         | 07/03/2013 | 10/01/2021                       |  |
| 458140AM2  | INTEL CORP                               |       |               | 1         | 1FE              | 95,355      |                                | 100,246.0  | 100,000   | 96,731                        |   | 490                                      |   |  | 2.700   | 3.310                      | JD        | 120                             | 2,700                       | 02/06/2014 | 12/15/2022                       |  |
| 459200HP9  | INTERNATIONAL BUSINESS MACHINES CORP     |       |               | 1         | 1FE              | 211,426     |                                | 102,676.0  | 200,000   | 211,184                       |   | (242)                                    |   |  | 3.375   | 2.449                      | FA        | 2,813                           |                             | 11/14/2016 | 08/01/2023                       |  |
| 46625HJE1  | JPMORGAN CHASE & CO                      |       |               | 1         | 1FE              | 98,165      |                                | 101,278.0  | 100,000   | 98,727                        |   | 202                                      |   |  | 3.250   | 3.497                      | MS        | 885                             | 3,250                       | 02/06/2014 | 09/23/2022                       |  |

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## SCHEDULE D - PART 1

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

| 1<br>CUSIP<br>Identification | 2<br>Description  | Codes     |                                      |                   | 6<br>NAIC<br>Designation | 7<br>Actual<br>Cost | Fair Value                                      |                    | 10<br>Par<br>Value | 11<br>Book/<br>Adjusted<br>Carrying<br>Value | Change in Book Adjusted Carrying Value                   |   |   |  | Interest         |  |                    |  |  | Dates          |   |
|------------------------------|---|-----------|--------------------------------------|-------------------|--------------------------|---------------------|---|--------------------|--------------------|--|--|---|---|--|------------------|--|--------------------|--|--|----------------|---|
|                              |   | 3<br>Code | 4<br>F<br>O<br>R<br>E<br>I<br>G<br>N | 5<br>Bond<br>CHAR |                          |                     | 8<br>Rate<br>Used to<br>Obtain<br>Fair<br>Value | 9<br>Fair<br>Value |                    |  | 12<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 13<br>Current<br>Year's<br>(Amortization)/<br>Accretion | 14<br>Current<br>Year's<br>Other-<br>Than-<br>Temporary<br>Impairment<br>Recognized | 15<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. | 16<br>Rate<br>of | 17<br>Effective<br>Rate of<br>Interest | 18<br>When<br>Paid | 19<br>Admitted<br>Amount<br>Due and<br>Accrued | 20<br>Amount<br>Received<br>During<br>Year | 21<br>Acquired | 22<br>Stated<br>Contractual<br>Maturity<br>Date |
| 478160BT0                    | JOHNSON & JOHNSON   |           |                                      | 1,2               | 1FE                      | 211,555             | 97,0210   | 203,744            | 210,000            | 211,502                                      |  | (54)  |   | 2,050  | 1,920            | MS                                     | 1,435              |  | 11/21/2016                                 | 03/01/2023     |   |
| 494368BF9                    | KIMBERLY-CLARK CORP   |           |                                      | 1                 | 1FE                      | 107,541             | 105,9590  | 105,959            | 100,000            | 104,623                                      |  | (1,035)   |   | 3,875  | 2,693            | MS                                     | 1,292              | 3,875  | 02/06/2014                                 | 03/01/2021     |   |
| 589331AT4                    | MERCK & CO INC  |           |                                      | 1                 | 1FE                      | 47,586              | 98,9020   | 49,451             | 50,000             | 48,408                                       |  | 254   |   | 2,400  | 3,012            | MS                                     | 353                | 1,200  | 07/03/2013                                 | 09/15/2022     |   |
| 594918AL8                    | MICROSOFT CORP  |           |                                      | 1                 | 1FE                      | 80,736              | 106,9670  | 80,225             | 75,000             | 80,606                                       |  | (130)   |   | 4,000  | 2,089            | FA                                     | 1,192              |  | 11/21/2016                                 | 02/08/2021     |   |
| 594918BA1                    | MICROSOFT CORP  |           |                                      | 1,2               | 1FE                      | 164,264             | 99,3780   | 159,005            | 160,000            | 164,126                                      |  | (138)   |   | 2,375  | 1,836            | FA                                     | 1,467              |  | 10/24/2016                                 | 02/12/2022     |   |
| 670346AM7                    | NUCOR CORP  |           |                                      | 1,2               | 2FE                      | 107,541             | 104,9190  | 104,919            | 100,000            | 107,354                                      |  | (187)   |   | 4,000  | 2,728            | FA                                     | 1,667              |  | 10/24/2016                                 | 08/01/2023     |   |
| 674599BY0                    | OCCIDENTAL PETROLEUM CORP   |           |                                      | 1,2               | 1FE                      | 108,955             | 105,9470  | 105,947            | 100,000            | 105,304                                      |  | (1,294)   |   | 4,100  | 2,637            | FA                                     | 1,708              | 4,100  | 02/06/2014                                 | 02/01/2021     |   |
| 68389XAP0                    | ORACLE CORP   |           |                                      | 1                 | 1FE                      | 152,061             | 98,8000   | 148,200            | 150,000            | 152,003                                      |  | (58)  |   | 2,500  | 2,252            | AO                                     | 792                |  | 11/14/2016                                 | 10/15/2022     |   |
| 718172AT6                    | PHILIP MORRIS INTERNATIONAL INC   |           |                                      | 1                 | 1FE                      | 93,916              | 98,2620   | 98,262             | 100,000            | 95,792                                       |  | 671   |   | 2,500  | 3,324            | FA                                     | 896                | 2,500  | 02/06/2014                                 | 08/22/2022     |   |
| 74432QBP9                    | PRUDENTIAL FINANCIAL INC  |           |                                      | 1                 | 1FE                      | 109,858             | 106,9770  | 106,977            | 100,000            | 109,436                                      |  | (422)   |   | 4,500  | 1,956            | MN                                     | 575                | 2,250  | 10/24/2016                                 | 11/15/2020     |   |
| 808513AG0                    | CHARLES SCHWAB CORP   |           |                                      | 1                 | 1FE                      | 99,663              | 101,5020  | 101,502            | 100,000            | 99,771                                       |  | 40  |   | 3,225  | 3,270            | MS                                     | 1,075              | 3,225  | 02/06/2014                                 | 09/01/2022     |   |
| 871829AQ0                    | SYSCO CORP  |           |                                      | 1                 | 1FE                      | 95,587              | 99,0700   | 99,070             | 100,000            | 96,989                                       |  | 499   |   | 2,600  | 3,207            | JD                                     | 137                | 2,600  | 02/06/2014                                 | 06/12/2022     |   |
| 89233P5T9                    | TOYOTA MOTOR CREDIT CORPORATION   |           | C                                    | 1                 | 1FE                      | 50,686              | 103,0200  | 51,510             | 50,000             | 50,438                                       |  | (78)  |   | 3,300  | 3,110            | JJ                                     | 775                | 1,650  | 07/03/2013                                 | 01/12/2022     |   |
| 893939AE8                    | TRAVELERS/AETNA PROPERTY CASUALTY CORP.                                   |           |                                      | 1                 | 1FE                      | 133,402             | 130,4430  | 130,443            | 100,000            | 133,078                                      |  | (324)   |   | 7,750  | 3,539            | AO                                     | 1,636              |  | 11/18/2016                                 | 04/15/2026     |   |
| 907818DR6                    | UNION PACIFIC CORP  |           |                                      | 1,2               | 1FE                      | 131,315             | 104,2270  | 130,284            | 125,000            | 131,238                                      |  | (77)  |   | 3,646  | 2,866            | FA                                     | 1,722              |  | 11/21/2016                                 | 02/15/2024     |   |
| 911312AQ9                    | UNITED PARCEL SERVICE INC   |           |                                      | 1                 | 1FE                      | 24,153              | 99,7580   | 24,940             | 25,000             | 24,443                                       |  | 89  |   | 2,450  | 2,873            | AO                                     | 153                | 613  | 07/03/2013                                 | 10/01/2022     |   |
| 91159JAA4                    | U.S. BANCORP  |           |                                      | 2                 | 1FE                      | 96,160              | 100,5280  | 100,528            | 100,000            | 97,357                                       |  | 429   |   | 2,950  | 3,479            | JJ                                     | 1,360              | 2,950  | 02/06/2014                                 | 07/15/2022     |   |
| 913017AS8                    | UNITED TECHNOLOGIES CORPORATION   |           |                                      | 1                 | 1FE                      | 135,807             | 124,5280  | 124,528            | 100,000            | 122,053                                      |  | (4,898)   |   | 8,750  | 3,066            | MS                                     | 2,917              | 8,750  | 02/06/2014                                 | 03/01/2021     |   |
| 927804FJ8                    | VIRGINIA ELECTRIC AND POWER CO  |           |                                      | 1,2               | 2FE                      | 130,690             | 103,6300  | 129,538            | 125,000            | 128,692                                      |  | (619)   |   | 3,450  | 2,858            | MS                                     | 1,438              | 4,313  | 07/03/2013                                 | 09/01/2022     |   |
| 927804FK5                    | VIRGINIA ELECTRIC AND POWER CO  |           |                                      | 1,2               | 2FE                      | 25,328              | 101,2260  | 25,307             | 25,000             | 25,206                                       |  | (39)  |   | 2,950  | 2,765            | JJ                                     | 340                | 738  | 07/03/2013                                 | 01/15/2022     |   |
| 931142DH3                    | WAL MART STORES INC   |           |                                      | 2                 | 1FE                      | 103,379             | 99,1140   | 99,114             | 100,000            | 103,286                                      |  | (93)  |   | 2,550  | 1,969            | AO                                     | 567                |  | 10/24/2016                                 | 04/11/2023     |   |
| 94106LBD0                    | WASTE MANAGEMENT INC  |           |                                      | 1,2               | 2FE                      | 148,493             | 97,3920   | 146,088            | 150,000            | 148,520                                      |  | 27  |   | 2,400  | 2,569            | MN                                     | 460                |  | 11/10/2016                                 | 05/15/2023     |   |
| 94974BGA2                    | WELLS FARGO & CO  |           |                                      | 1                 | 1FE                      | 175,212             | 98,4920   | 167,436            | 170,000            | 175,115                                      |  | (96)  |   | 3,300  | 2,861            | MS                                     | 1,745              |  | 11/09/2016                                 | 09/09/2024     |   |
| 983024AF7                    | WYETH   |           |                                      | 1                 | 1FE                      | 126,106             | 121,4820  | 121,482            | 100,000            | 125,524                                      |  | (582)   |   | 6,450  | 2,496            | FA                                     | 2,688              |  | 10/24/2016                                 | 02/01/2024     |   |
| 3299999                      | Subtotal - Industrial & Miscellaneous (Unaffiliated) - Issuer Obligations |           |                                      |                   |                          | 5,599,177           | X X X   | 5,518,462          | 5,300,000          | 5,572,222                                    |  | (13,375)  |   | X X X  | X X X            | X X X                                  | 56,223             | 81,603   | X X X                                      | X X X          |   |
| 3899999                      | Subtotal - Industrial & Miscellaneous (Unaffiliated)                      |           |                                      |                   |                          | 5,599,177           | X X X   | 5,518,462          | 5,300,000          | 5,572,222                                    |  | (13,375)  |   | X X X  | X X X            | X X X                                  | 56,223             | 81,603   | X X X                                      | X X X          |   |
| 7799999                      | Subtotals - Issuer Obligations  |           |                                      |                   |                          | 7,610,173           | X X X   | 7,525,450          | 8,381,667          | 7,541,120                                    | 171,409  | 19,258  | 285,353   | X X X  | X X X            | X X X                                  | 85,413             | 195,535  | X X X                                      | X X X          |   |
| 8399999                      | Grand Total - Bonds   |           |                                      |                   |                          | 7,610,173           | X X X   | 7,525,450          | 8,381,667          | 7,541,120                                    | 171,409  | 19,258  | 285,353   | X X X  | X X X            | X X X                                  | 85,413             | 195,535  | X X X                                      | X X X          |   |

E10.1

## SCHEDULE D - PART 2 - SECTION 1

Showing all PREFERRED STOCKS Owned December 31 of Current Year

| 1<br>CUSIP<br>Identification         | 2<br>Description | Codes     |                   | 5<br>Number<br>of Shares | 6<br>Par Value<br>Per<br>Share | 7<br>Rate Per<br>Share | 8<br>Book/Adjusted<br>Carrying Value | Fair Value  |                  | 11<br>Actual<br>Cost | Dividends                    |   |  | Change in Book/Adjusted Carrying Value                   |  |  |  | 20<br>NAIC<br>Designation | 21<br>Date<br>Acquired |
|--------------------------------------|------------------|-----------|-------------------|--------------------------|--------------------------------|------------------------|--------------------------------------|---|------------------|----------------------|------------------------------|---|--|--|--|--|--|---------------------------|------------------------|
|                                      |                  | 3<br>Code | 4<br>For-<br>eign |                          |                                |                        |                                      | 9<br>Rate Per Share<br>Used to Obtain<br>Fair Value | 10<br>Fair Value |                      | 12<br>Declared but<br>Unpaid | 13<br>Amount<br>Received<br>During Year | 14<br>Nonadmitted<br>Declared<br>But<br>Unpaid | 15<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 16<br>Current<br>Year's<br>(Amortization)<br>Accretion | 17<br>Current Year's<br>Other-Than-<br>Temporary<br>Impairment<br>Recognized | 18<br>Total<br>Change<br>in<br>B./A.C.V.<br>(15+16-17) |                           |                        |
| 8999999 Total Preferred Stocks ..... |                  |           |                   |                          |                                |                        |                                      | X X X   |                  |                      |                              |   |  |  |  |  |  | X X X                     | X X X                  |

## SCHEDULE D - PART 2 - SECTION 2

### Showing All COMMON STOCKS Owned December 31 of Current Year

| 1<br>CUSIP<br>Identification                           | 2<br>Description                         | Codes     |                   | 5<br>Number<br>of Shares | 6<br>Book/Adjusted<br>Carrying Value | Fair Value   |                    | 9<br>Actual<br>Cost | Dividends                    |   |   | Change in Book/Adjusted Carrying Value                   |  |   |  | 17<br>NAIC<br>Market<br>Indicator<br>(a) | 18<br>Date<br>Acquired |   |
|--|--|-----------|-------------------|--------------------------|--------------------------------------|--|--------------------|---------------------|------------------------------|---|---|--|--|---|--|--|------------------------|---|
|  |  | 3<br>Code | 4<br>For-<br>eign |                          |                                      | 7<br>Rate per<br>Share Used<br>to Obtain<br>Fair Value | 8<br>Fair<br>Value |                     | 10<br>Declared<br>but Unpaid | 11<br>Amount<br>Received<br>During Year | 12<br>Nonadmitted<br>Declared<br>But Unpaid | 13<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 14<br>Current Year's<br>Other-Than-<br>Temporary<br>Impairment<br>Recognized | 15<br>Total<br>Change in<br>B./A.C.V.<br>(Col. 13-14) | 16<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. |  |                        |   |
| <b>Parent, Subsidiaries and Affiliates</b>             |  |           |                   |                          |                                      |  |                    |                     |                              |   |   |  |  |   |  |  |                        |   |
| 9199999 Subtotal - Parent, Subsidiaries and Affiliates |  |           |                   |                          |                                      | X  | X                  | X                   |                              |   |   |  |  |   |  | X  | X                      | X |
| <b>Mutual Funds</b>                                    |  |           |                   |                          |                                      |  |                    |                     |                              |   |   |  |  |   |  |  |                        |   |
| 33611N101  | FIRST PUERTO RICO TAX-EXEMPT TARGET MATU |           |                   | 50,000.000               | 109,500                              | 2.190  | 109,500            | 119,500             |                              | 17,670                                  |   | 156,500  |  |   | 156,500  | V  | 12/13/2004             |   |
| 33611Q104  | FIRST PUERTO RICO TAX-EXEMPT TARGET MATU |           | C                 | 10,000.000               | 24,300                               | 2.430  | 24,300             | 24,800              |                              | 3,310                                   |   | 33,300   |  |   | 33,300   | V  | 12/13/2004             |   |
| 921909784  | VANGUARD TOTAL INT STOCK CL INSTI MF     |           |                   | 923.664                  | 90,981                               | 98.500   | 90,981             | 101,474             |                              | 1,742                                   |   | 1,414  |  |   | 1,414  | L  | 12/19/2016             |   |
| 922042841  | VANGUARD EMR MRKTS STK INX CL ADM MF     |           |                   | 677.471                  | 20,175                               | 29.780   | 20,175             | 21,878              |                              | 323                                     |   | 1,426  |  |   | 1,426  | L  | 12/19/2016             |   |
| 922908694  | VANGUARD EXTENDED MRKT INX CL ADM MF     |           |                   | 1,092.915                | 79,477                               | 72.720   | 79,477             | 72,128              |                              | 775                                     |   | 8,700  |  |   | 8,700  | L  | 12/21/2016             |   |
| 922908710  | VANGUARD 500 INDEX FD CL ADM MF          |           |                   | 1,344.520                | 277,738                              | 206.570  | 277,738            | 237,837             |                              | 3,792                                   |   | 21,393   |  |   | 21,393   | L  | 12/21/2016             |   |
| 922908801  | VANGUARD TSM IDX;INST                    |           |                   | 6,177.144                | 346,476                              | 56.090   | 346,476            | 302,494             |                              | 4,506                                   |   | 28,677   |  |   | 28,677   | L  | 12/19/2016             |   |
| 9299999 Subtotal - Mutual Funds                        |  |           |                   |                          |                                      | X  | X                  | X                   |                              | 32,118                                  |   | 251,410  |  |   | 251,410  | X  | X                      | X |
| <b>Money Market Mutual Funds</b>                       |  |           |                   |                          |                                      |  |                    |                     |                              |   |   |  |  |   |  |  |                        |   |
| 000000000  | CITIBANK MONEY MARKET FUND               |           |                   | 22,001.420               | 22,001                               | 1.000  | 22,001             | 22,001              |                              |   |   |  |  |   |  | V  | 08/01/2016             |   |
| 31617H508  | FIDELITY:GOVT MNY MKT:CR                 |           |                   | 199,578.500              | 199,579                              | 1.000  | 199,579            | 199,579             |                              | 7                                       |   |  |  |   |  | L  | 12/30/2016             |   |
| 99TIME008  | BPPR TIME DEPOSIT OPEN ACCOUNT           |           |                   | 13,623.960               | 13,624                               | 1.000  | 13,624             | 13,624              |                              |   |   |  |  |   |  | V  | 12/15/2016             |   |
| 9399999 Subtotal - Money Market Mutual Funds           |  |           |                   |                          |                                      | X  | X                  | X                   |                              | 7                                       |   |  |  |   |  | X  | X                      | X |
| 9799999 Total Common Stocks                            |  |           |                   |                          |                                      | X  | X                  | X                   |                              | 32,125                                  |   | 251,410  |  |   | 251,410  | X  | X                      | X |
| 9899999 Total Preferred and Common Stocks              |  |           |                   |                          |                                      | X  | X                  | X                   |                              | 32,125                                  |   | 251,410  |  |   | 251,410  | X  | X                      | X |

(a) For all common stocks bearing the NAIC market indicator "U" provide: the number of such issues .....0, the total \$ value (included in Column 8) of all such issues \$.....0.

## SCHEDULE D - PART 3

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

| 1<br>CUSIP<br>Identification   | 2<br>Description                         | 3<br>Foreign | 4<br>Date<br>Acquired | 5<br>Name of Vendor             | 6<br>Number<br>of Shares<br>of Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for<br>Accrued Interest<br>and Dividends |
|--|--|--------------|-----------------------|---------------------------------|--------------------------------------|------------------|----------------|--|
| <b>Bonds - All Other Governments</b>                                   |  |              |                       |                                 |                                      |                  |                |  |
| 74815HBZ4  | QUEBEC, PROVINCE OF                      |              | 11/14/2016            | FIRST TENNESSEE SECURITIES CORP | X X X                                | 154,815          | 125,000        | 2,359  |
| 1099999 Subtotal - Bonds - All Other Governments                       |  |              |                       |                                 |                                      | 154,815          | 125,000        | 2,359  |
| <b>Bonds - Industrial and Miscellaneous (Unaffiliated)</b>             |  |              |                       |                                 |                                      |                  |                |  |
| 00209TAB1  | COMCAST CABLE COMMUNICATIONS HOLDINGS IN |              | 11/09/2016            | SUMRIDGE PARTNERS LLC           | X X X                                | 174,211          | 125,000        | 3,191  |
| 00440EAU1  | CHUBB INA HOLDINGS INC                   | C            | 10/26/2016            | MISCELLANEOUS BROKER            | X X X                                | 104,527          | 100,000        | 1,390  |
| 02364WAV7  | AMERICA MOVIL SAB DE CV                  | C            | 10/25/2016            | FIRST UNION CAPITAL             | X X X                                | 110,153          | 100,000        | 389  |
| 026609AC1  | WYETH LLC                                |              | 12/19/2016            | BNY CAPITAL MARKETS, INC.       | X X X                                | 30,939           | 25,000         | 559  |
| 03076CAF3  | AMERIPRISE FINANCIAL INC                 |              | 11/21/2016            | VARIOUS                         | X X X                                | 161,806          | 150,000        | 356  |
| 031162BV1  | AMGEN INC                                |              | 11/10/2016            | BAIRD, ROBERT W., & COMPANY IN  | X X X                                | 156,204          | 150,000        | 2,628  |
| 035242AL0  | ANHEUSER-BUSCH INBEV FINANCE INC         | C            | 11/09/2016            | MILLENNIUM ADVISORS LLC         | X X X                                | 51,929           | 50,000         | 477  |
| 055451AU2  | BHP BILLITON FINANCE (USA) LTD           | C            | 11/14/2016            | VARIOUS                         | X X X                                | 108,758          | 100,000        | 342  |
| 06406FAD5  | BANK OF NEW YORK MELLON CORP             |              | 11/09/2016            | BNY CAPITAL MARKETS, INC.       | X X X                                | 146,586          | 150,000        | 816  |
| 12189LAQ4  | BURLINGTON NORTHERN SANTA FE LLC         |              | 11/21/2016            | FIRST UNION CAPITAL             | X X X                                | 132,983          | 125,000        | 1,123  |
| 278062AC8  | EATON CORP                               | C            | 10/24/2016            | Barclays Capital, Inc.          | X X X                                | 102,786          | 100,000        | 1,337  |
| 30231GAG7  | EXXON MOBIL CORP                         |              | 10/24/2016            | MARKETAXESS CORPORATION         | X X X                                | 111,796          | 110,000        | 298  |
| 38141GGQ1  | GOLDMAN SACHS GROUP INC                  |              | 10/25/2016            | MERRILL LYNCH,PIERCE,FENNER &   | X X X                                | 112,769          | 100,000        | 1,327  |
| 404280AK5  | HSBC HOLDINGS PLC                        | C            | 11/08/2016            | MARKETAXESS CORPORATION         | X X X                                | 55,146           | 50,000         | 276  |
| 404280AL3  | HSBC HOLDINGS PLC                        | C            | 10/24/2016            | Barclays Capital, Inc.          | X X X                                | 110,426          | 100,000        | 1,395  |
| 459200HP9  | INTERNATIONAL BUSINESS MACHINES CORP     |              | 11/14/2016            | VARIOUS                         | X X X                                | 211,426          | 200,000        | 1,800  |
| 478160BT0  | JOHNSON & JOHNSON                        |              | 11/21/2016            | VARIOUS                         | X X X                                | 211,555          | 210,000        | 749  |
| 594918AL8  | MICROSOFT CORP                           |              | 11/21/2016            | CHASE SECURITIES INC            | X X X                                | 80,736           | 75,000         | 892  |
| 594918BA1  | MICROSOFT CORP                           |              | 10/24/2016            | MARKETAXESS CORPORATION         | X X X                                | 164,264          | 160,000        | 792  |
| 670346AM7  | NUCOR CORP                               |              | 10/24/2016            | SUMRIDGE PARTNERS LLC           | X X X                                | 107,541          | 100,000        | 956  |
| 68389XAP0  | ORACLE CORP                              |              | 11/14/2016            | VARIOUS                         | X X X                                | 152,061          | 150,000        | 194  |
| 74432QBP9  | PRUDENTIAL FINANCIAL INC                 |              | 10/24/2016            | SCOTT & STRINGFELLOW, INC       | X X X                                | 109,858          | 100,000        | 2,025  |
| 893939AE8  | TRAVELERS/AETNA PROPERTY CASUALTY CORP.  |              | 11/18/2016            | FIRST TENNESSEE SECURITIES CORP | X X X                                | 133,402          | 100,000        | 818  |
| 907818DR6  | UNION PACIFIC CORP                       |              | 11/21/2016            | FIRST TENNESSEE SECURITIES CORP | X X X                                | 131,315          | 125,000        | 1,266  |
| 931142DH3  | WAL MART STORES INC                      |              | 11/01/2016            | MILLENNIUM ADVISORS LLC         | X X X                                | 103,379          | 100,000        | 113  |
| 94106LBD0  | WASTE MANAGEMENT INC                     |              | 11/10/2016            | MARKETAXESS CORPORATION         | X X X                                | 148,493          | 150,000        | 10   |
| 94974BGA2  | WELLS FARGO & CO                         |              | 11/09/2016            | VARIOUS                         | X X X                                | 175,212          | 170,000        | 864  |
| 983024AF7  | WYETH                                    |              | 10/24/2016            | SUMRIDGE PARTNERS LLC           | X X X                                | 126,106          | 100,000        | 1,541  |
| 3899999 Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) |  |              |                       |                                 |                                      | 3,526,365        | 3,275,000      | 27,922   |
| 8399997 Subtotal - Bonds - Part 3                                      |  |              |                       |                                 |                                      | 3,681,180        | 3,400,000      | 30,281   |
| 8399998 Summary item from Part 5 for Bonds                             |  |              |                       |                                 |                                      |                  |                |  |
| 8399999 Subtotal - Bonds   |  |              |                       |                                 |                                      | 3,681,180        | 3,400,000      | 30,281   |
| 8999998 Summary Item from Part 5 for Preferred Stocks                  |  |              |                       |                                 |                                      |                  | X X X          |  |
| <b>Common Stocks - Mutual Funds</b>                                    |  |              |                       |                                 |                                      |                  |                |  |
| 921909784  | VANGUARD TOTAL INT STOCK CL INSTI MF     |              | 12/19/2016            | VARIOUS                         | 132.049                              | 12,828           | X X X          |  |
| 922042841  | VANGUARD EMR MRKTS STK INX CL ADM MF     |              | 12/19/2016            | VARIOUS                         | 94.769                               | 2,824            | X X X          |  |
| 922908694  | VANGUARD EXTENDED MKRT INX CL ADM MF     |              | 12/21/2016            | VARIOUS                         | 146.397                              | 10,597           | X X X          |  |
| 922908710  | VANGUARD 500 INDEX FD CL ADM MF          |              | 12/21/2016            | VARIOUS                         | 185.224                              | 37,840           | X X X          |  |
| 922908801  | Vanguard TSM Idx;Inst                    |              | 12/19/2016            | VARIOUS                         | 847.370                              | 47,047           | X X X          |  |
| 9299999 Subtotal - Common Stocks - Mutual Funds                        |  |              |                       |                                 |                                      | 111,136          | X X X          |  |
| <b>Common Stocks - Money Market Mutual Funds</b>                       |  |              |                       |                                 |                                      |                  |                |  |
| 000000000  | Citibank Money Market Fund               |              | 08/01/2016            | Direct                          | 24,850.480                           | 24,850           | X X X          |  |
| 31617H508  | Fidelity Govt Mny Mkt;CR                 |              | 12/30/2016            | Direct                          | 321,937.620                          | 321,938          | X X X          |  |
| 99TIME008  | BPPR TIME DEPOSIT OPEN ACCOUNT           |              | 12/15/2016            | Direct                          | 17,079.440                           | 17,079           | X X X          |  |

**SCHEDULE D - PART 3**  
**Showing All Long-Term Bonds and Stocks ACQUIRED During Current Year**

| 1                       | 2  | 3       | 4                | 5              | 6                               | 7           | 8         | 9   |
|-------------------------|--|---------|------------------|----------------|---------------------------------|-------------|-----------|---|
| CUSIP<br>Identification | Description  | Foreign | Date<br>Acquired | Name of Vendor | Number<br>of Shares<br>of Stock | Actual Cost | Par Value | Paid for<br>Accrued Interest<br>and Dividends |
| 9399999                 | Subtotal - Common Stocks - Money Market Mutual Funds |         |                  |                |                                 | 363,868     | X X X     |   |
| 9799997                 | Subtotal - Common Stocks - Part 3                    |         |                  |                |                                 | 475,003     | X X X     |   |
| 9799998                 | Summary Item from Part 5 for Common Stocks           |         |                  |                |                                 | 4,935,291   | X X X     |   |
| 9799999                 | Subtotal - Common Stocks                             |         |                  |                |                                 | 5,410,294   | X X X     |   |
| 9899999                 | Subtotal - Preferred and Common Stocks               |         |                  |                |                                 | 5,410,294   | X X X     |   |
| 9999999                 | Totals   |         |                  |                |                                 | 9,091,474   | X X X     | 30,281  |

# SCHEDULE D - PART 4

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

| 1<br>CUSIP<br>Identification  | 2<br>Description                         | 3<br>F<br>o<br>r<br>e<br>i<br>g<br>n | 4<br>Disposal<br>Date | 5<br>Name of<br>Purchaser | 6<br>Number<br>of Shares<br>of Stock | 7<br>Consideration | 8<br>Par<br>Value | 9<br>Actual<br>Cost | 10<br>Prior Year<br>Book/Adjusted<br>Carrying<br>Value | Change in Book/Adjusted Carrying Value                   |  |   |   |  | 16<br>Book/Adjusted<br>Value at<br>Disposal<br>Date | 17<br>Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | 18<br>Realized<br>Gain (Loss)<br>on Disposal | 19<br>Total<br>Gain (Loss)<br>on Disposal | 20<br>Bond<br>Interest/<br>Stock<br>Dividends<br>Received<br>During Year | 21<br>Stated<br>Contractual<br>Maturity<br>Date |
|---|--|--------------------------------------|-----------------------|---------------------------|--------------------------------------|--------------------|-------------------|---------------------|--|--|--|---|---|--|---|---|--|---|--|---|
|   |  |                                      |                       |                           |                                      |                    |                   |                     |  | 11<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 12<br>Current Year<br>(Amortization/<br>Accretion) | 13<br>Current<br>Year's<br>Other-Than-<br>Temporary<br>Impairment<br>Recognized | 14<br>Total<br>Change in<br>B./A.C.V.<br>(Cols. 11+12-13) | 15<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. |   |   |  |   |  |   |
| <b>Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed)</b>             |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  |   |
| 452151LD3   | ILLINOIS ST                              |                                      | 09/29/2016            | VARIOUS                   | X X X                                | 53,333             | 53,333            | 55,511              | 54,486   |  | (191)  |   | (191)   |  | 54,294  |   | (961)  | (961)                                     | 1,160  | 06/01/2018                                      |
| 1799999 Subtotal - Bonds - U.S. States, Territories and Possessions (Direct and Guaranteed) |  |                                      |                       |                           |                                      | 53,333             | 53,333            | 55,511              | 54,486   |  | (191)  |   | (191)   |  | 54,294  |   | (961)  | (961)                                     | 1,160  | X X X   |
| <b>Bonds - U.S. Special Revenue, Special Assessment</b>                                     |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  |   |
| 313381Q32   | FEDERAL HOME LOAN BANKS                  |                                      | 07/29/2016            | Redemption                | X X X                                | 300,000            | 300,000           | 300,000             | 300,000  |  |  |   |   |  | 300,000   |   |  |   | 6,450  | 01/28/2028                                      |
| 313381T62   | FEDERAL HOME LOAN BANKS                  |                                      | 04/18/2016            | Redemption                | X X X                                | 500,000            | 500,000           | 498,000             | 499,143  |  | 11   |   | 11  |  | 499,154   |   | 846  | 846                                       | 11,719   | 01/18/2033                                      |
| 313381XH3   | FEDERAL HOME LOAN BANKS                  |                                      | 02/16/2016            | Redemption                | X X X                                | 160,000            | 160,000           | 147,137             | 149,985  |  | 185  |   | 185   |  | 150,170   |   | 9,830  | 9,830                                     | 1,600  | 02/15/2022                                      |
| 313383EQ0   | FEDERAL HOME LOAN BANKS                  |                                      | 03/21/2016            | Redemption                | X X X                                | 300,000            | 300,000           | 273,605             | 276,870  |  | 321  |   | 321   |  | 277,191   |   | 22,809                                       | 22,809                                    | 2,250  | 06/20/2028                                      |
| 3133ECDW1   | FEDERAL FARM CREDIT BANKS FUNDING CORP   |                                      | 06/16/2016            | Redemption                | X X X                                | 300,000            | 300,000           | 273,305             | 275,947  |  | 545  |   | 545   |  | 276,492   |   | 23,508                                       | 23,508                                    | 8,295  | 01/30/2031                                      |
| 76443NCG7   | RICHMOND CALIF JT PWRS FING AUTH TAX ALL |                                      | 09/01/2016            | Redemption                | X X X                                | 10,000             | 10,000            | 10,429              | 10,241   |  | (57)   |   | (57)  |  | 10,185  |   | (185)  | (185)                                     | 586  | 09/01/2018                                      |
| 3199999 Subtotal - Bonds - U.S. Special Revenue, Special Assessment                         |  |                                      |                       |                           |                                      | 1,570,000          | 1,570,000         | 1,502,474           | 1,512,186  |  | 1,006  |   | 1,006   |  | 1,513,192   |   | 56,808                                       | 56,808                                    | 30,900   | X X X   |
| 8399997 Subtotal - Bonds - Part 4   |  |                                      |                       |                           |                                      | 1,623,333          | 1,623,333         | 1,557,986           | 1,566,672  |  | 815  |   | 815   |  | 1,567,487   |   | 55,847                                       | 55,847                                    | 32,060   | X X X   |
| 8399998 Summary Item from Part 5 for Bonds  |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  | X X X   |
| 8399999 Subtotal - Bonds  |  |                                      |                       |                           |                                      | 1,623,333          | 1,623,333         | 1,557,986           | 1,566,672  |  | 815  |   | 815   |  | 1,567,487   |   | 55,847                                       | 55,847                                    | 32,060   | X X X   |
| 8999998 Summary Item from Part 5 for Preferred Stocks                                       |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  | X X X   |
| <b>Common Stocks - Mutual Funds</b>   |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  |   |
| 33611N101   | First Puerto Rico Tax-Exempt Target Matu |                                      | 04/01/2016            | Adjustment                |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  | X X X   |
| 33611Q104   | First Puerto Rico Tax-Exempt Target Matu | C                                    | 04/01/2016            | Adjustment                |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  | X X X   |
| 9299999 Subtotal - Common Stocks - Mutual Funds   |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  | X X X   |
| <b>Common Stocks - Money Market Mutual Funds</b>  |  |                                      |                       |                           |                                      |                    |                   |                     |  |  |  |   |   |  |   |   |  |   |  |   |
| 000000000   | UBS Bank USA Business Account            |                                      | 10/01/2016            | Direct                    |                                      | 85,509.180         | 85,509            |                     | 85,509   |  |  |   |   |  | 85,509  |   |  |   | 1  | X X X   |
| 000000000   | UBS AG DEPOSIT                           |                                      | 10/01/2016            | Direct                    |                                      | 1,453,072.370      | 1,453,072         |                     | 1,453,072  |  |  |   |   |  | 1,453,072   |   |  |   | 62   | X X X   |
| 000000000   | UBS BANK USA BUSINESS ACCOUNT            |                                      | 10/01/2016            | Direct                    |                                      | 250,001.750        | 250,002           |                     | 250,002  |  |  |   |   |  | 250,002   |   |  |   | 11   | X X X   |
| 000000000   | Citibank Money Market Fund               |                                      | 11/30/2016            | Direct                    |                                      | 3,215.310          | 3,215             |                     | 3,215  |  |  |   |   |  | 3,215   |   |  |   |  | X X X   |
| 31617H508   | Fidelity:Govt Mny Mkt;CR                 |                                      | 11/30/2016            | Direct                    |                                      | 510,879.560        | 510,880           |                     | 510,880  |  |  |   |   |  | 510,880   |   |  |   | 27   | X X X   |
| 99TIME008   | BPPR TIME DEPOSIT OPEN ACCOUNT           |                                      | 12/22/2016            | Direct                    |                                      | 3,455.480          | 3,455             |                     | 3,455  |  |  |   |   |  | 3,455   |   |  |   |  | X X X   |
| 9399999 Subtotal - Common Stocks - Money Market Mutual Funds                                |  |                                      |                       |                           |                                      | 2,306,134          |                   |                     | 2,306,134  |  |  |   |   |  | 2,306,134   |   |  |   | 102  | X X X   |
| 9799997 Subtotal - Common Stocks - Part 4   |  |                                      |                       |                           |                                      | 2,306,134          |                   |                     | 2,306,134  |  |  |   |   |  | 2,306,134   |   |  |   | 102  | X X X   |
| 9799998 Summary Item from Part 5 for Common Stocks  |  |                                      |                       |                           |                                      | 4,935,291          |                   |                     | 4,935,291  |  |  |   |   |  | 4,935,291   |   |  |   | 2,304  | X X X   |
| 9799999 Subtotal - Common Stocks  |  |                                      |                       |                           |                                      | 7,241,424          |                   |                     | 7,241,424  |  |  | 200,300   | (200,300)   |  | 7,241,424   |   |  |   | 2,405  | X X X   |
| 9899999 Subtotal - Preferred and Common Stocks  |  |                                      |                       |                           |                                      | 7,241,424          |                   |                     | 7,241,424  |  |  | 200,300   | (200,300)   |  | 7,241,424   |   |  |   | 2,405  | X X X   |
| 9999999 Totals  |  |                                      |                       |                           |                                      | 8,864,758          |                   |                     | 8,799,410  |  |  | 815   | (199,486)   |  | 8,808,911   |   | 55,847                                       | 55,847                                    | 34,465   | X X X   |

E14

## SCHEDULE D - PART 5

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

| 1<br>CUSIP<br>Identifi-<br>cation                | 2<br>Description                                     | 3<br>F<br>O<br>R<br>E<br>I<br>G<br>N | 4<br>Date<br>Acquired | 5<br>Name of Vendor | 6<br>Disposal<br>Date | 7<br>Name of Purchaser | 8<br>Par Value<br>(Bonds) or<br>Number of<br>Shares<br>(Stock) | 9<br>Actual<br>Cost | 10<br>Consider-<br>ation | 11<br>Book/<br>Adjusted<br>Carrying<br>Value at<br>Disposal | Change in Book/Adjusted Carrying Value                   |  |   |  |  | 17<br>Foreign<br>Exchange<br>Gain (Loss)<br>on Disposal | 18<br>Realized<br>Gain (Loss)<br>on Disposal | 19<br>Total<br>Gain (Loss)<br>on Disposal | 20<br>Interest and<br>Dividends<br>Received<br>During Year | 21<br>Paid for<br>Accrued<br>Interest<br>and<br>Dividends |  |
|--|--|--------------------------------------|-----------------------|---------------------|-----------------------|------------------------|--|---------------------|--------------------------|---|--|--|---|--|--|---|--|---|--|---|--|
|  |  |                                      |                       |                     |                       |                        |  |                     |                          |   | 12<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 13<br>Current Year's<br>(Amortization)/<br>Accretion | 14<br>Current<br>Year's<br>Other-Than-<br>Temporary<br>Impairment<br>Recognized | 15<br>Total<br>Change in<br>B./A.C.V.<br>(Col. 12+<br>13-14) | 16<br>Total<br>Foreign<br>Exchange<br>Change in<br>B./A.C.V. |   |  |   |  |   |  |
| <b>Common Stocks - Money Market Mutual Funds</b> |  |                                      |                       |                     |                       |                        |  |                     |                          |   |  |  |   |  |  |   |  |   |  |   |  |
| 000000000  | UBS Bank USA Business Account                        |                                      | 03/16/2016            | Direct              | 04/05/2016            | Direct                 | 4.000  | 4                   | 4                        | 4   |  |  |   |  |  |   |  |   |  | 1   |  |
| 000000000  | UBS AG DEPOSIT                                       |                                      | 06/08/2016            | Direct              | 10/01/2016            | Direct                 | 131,150.290  | 131,150             | 131,150                  | 131,150   |  |  |   |  |  |   |  |   |  | 5   |  |
| 000000000  | UBS BANK USA BUSINESS<br>ACCOUNT                     |                                      | 06/16/2016            | Direct              | 06/22/2016            | Direct                 | 1,848.560  | 1,849               | 1,849                    | 1,849   |  |  |   |  |  |   |  |   |  | 0   |  |
| 31617H508  | Fidelity:Govt Mny Mkt;CR                             |                                      | 06/15/2016            | Direct              | 11/30/2016            | Direct                 | 1,089,140.440  | 1,089,140           | 1,089,140                | 1,089,140   |  |  |   |  |  |   |  |   |  | 47  |  |
| 99TIME008  | BPPR Time Deposit Open Account                       |                                      | 11/30/2016            | Direct              | 12/22/2016            | Direct                 | 3,713,147.290  | 3,713,147           | 3,713,147                | 3,713,147   |  |  |   |  |  |   |  |   |  | 2,251   |  |
| 9399999  | Subtotal - Common Stocks - Money Market Mutual Funds |                                      |                       |                     |                       |                        |  |                     |                          |   |  |  |   |  |  |   |  |   |  | 2,304   |  |
| 9799998  | Subtotal - Common Stocks                             |                                      |                       |                     |                       |                        |  |                     |                          |   |  |  |   |  |  |   |  |   |  | 2,304   |  |
| 9899999  | Subtotal - Preferred and Common Stocks               |                                      |                       |                     |                       |                        |  |                     |                          |   |  |  |   |  |  |   |  |   |  | 2,304   |  |
| 9999999  | Totals   |                                      |                       |                     |                       |                        |  |                     |                          |   |  |  |   |  |  |   |  |   |  | 2,304   |  |

- E16 Schedule D - Part 6 Sn 1 ..... NONE
  
- E16 Schedule D - Part 6 Sn 2 ..... NONE
  
- E17 Schedule DA - Part 1 Short-Term Investments Owned ..... NONE
  
- E18 Schedule DB - Part A Sn 1 Opt/Cap/Floors/Collars/Swaps/Forwards Open . . . . NONE
  
- E19 Schedule DB - Part A Sn 2 Opt/Cap/Floors/Collars/Swaps/Forwards Term. . . . NONE
  
- E20 Schedule DB - Part B Sn 1 Futures Contracts Open ..... NONE
  
- E21 Schedule DB - Part B Sn 2 Futures Contracts Terminated ..... NONE
  
- E22 Schedule DB - Part D Sn 1 Counterparty Exposure for Derivative Instruments . NONE
  
- E23 Schedule DB - Part D Sn 2 - Collateral Pledged By Reporting Entity ..... NONE
  
- E23 Schedule DB - Part D Sn 2 - Collateral Pledged To Reporting Entity ..... NONE
  
- E24 Schedule DL - Part 1 - Securities Lending Collateral Assets ..... NONE
  
- E25 Schedule DL - Part 2 - Securities Lending Collateral Assets ..... NONE

## SCHEDULE E - PART 1 - CASH

| 1<br>Depository  | 2<br>Code | 3<br>Rate of Interest | 4<br>Amount of Interest Received During Year | 5<br>Amount of Interest Accrued December 31 of Current Year | 6<br>Balance | 7<br>* |
|--|-----------|-----------------------|--|---|--------------|--------|
| <b>open depositories</b>   |           |                       |  |   |              |        |
| BANCO POPULAR .....  |           |                       |  |   | 13,678,641   | X X X  |
| UBS .....  |           |                       |  |   | 0            | X X X  |
| 0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - open depositories .....      |           |                       |  |   |              |        |
|  |           | X X X                 |  |   |              | X X X  |
| 0199999 Totals - Open Depositories .....   |           |                       |  |   |              |        |
|  |           | X X X                 |  |   | 13,678,641   | X X X  |
| 0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (See Instructions) - suspended depositories ..... |           |                       |  |   |              |        |
|  |           | X X X                 |  |   |              | X X X  |
| 0299999 Totals - Suspended Depositories .....  |           |                       |  |   |              |        |
|  |           | X X X                 |  |   |              | X X X  |
| 0399999 Total Cash On Deposit .....  |           |                       |  |   |              |        |
|  |           | X X X                 |  |   | 13,678,641   | X X X  |
| 0499999 Cash in Company's Office .....   |           |                       |  |   |              |        |
|  |           | X X X                 | X X X  | X X X   |              | X X X  |
| 0599999 Total Cash .....   |           |                       |  |   |              |        |
|  |           | X X X                 |  |   | 13,678,641   | X X X  |

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

|                   |            |                |            |                    |            |                    |            |
|-------------------|------------|----------------|------------|--------------------|------------|--------------------|------------|
| 1. January .....  | 13,203,088 | 4. April ..... | 12,440,269 | 7. July .....      | 12,918,015 | 10. October .....  | 13,109,057 |
| 2. February ..... | 12,662,622 | 5. May .....   | 12,824,022 | 8. August .....    | 12,775,664 | 11. November ..... | 14,589,836 |
| 3. March .....    | 12,279,056 | 6. June .....  | 12,550,101 | 9. September ..... | 12,904,711 | 12. December ..... | 13,678,641 |

**E27 Schedule E - Part 2 - Cash Equivalents ..... NONE**

**E28 Schedule E - Part 3 Special Deposits ..... NONE**



# SUPPLEMENTAL COMPENSATION EXHIBIT

For the Year Ended DECEMBER 31, 2016  
(To be filed by March 1)

## PART 1 - INTERROGATORIES

- |   |  |
|---|--|
| <p>1. Is the reporting insurer is a member of a group of insurers or other holding company system?<br/>If yes, do the below amounts represent 1) total gross compensation paid to each individual by or on behalf of all companies that are part of the group:<br/>or 2) allocation to each insurer:</p>  | Yes[X] No[ ]<br><br>Yes[ ] No[X]<br>Yes[ ] No[X] |
| <p>2. Did any person while an officer, director, or trustee of the reporting entity receive directly or indirectly, during the period covered by this statement any commission on the business transactions of the reporting entity?</p>  | Yes[ ] No[X]                                     |
| <p>3. Except for retirement plans generally applicable to its staff employees, has the reporting entity any agreement with any person, other than contracts with its agents for the payment of commissions whereby it agrees that for any service rendered or to be rendered, that he/she shall receive directly or indirectly, any salary, compensation or emolument that will extend beyond a period of 12 months from the date of the agreement?</p> | Yes[ ] No[X]                                     |

## PART 2 - OFFICERS AND EMPLOYEES COMPENSATION

| 1   | 2    | 3      | 4     | 5            | 6             | 7                | 8                  | 9                      | 10     |
|---|------|--------|-------|--------------|---------------|------------------|--------------------|------------------------|--------|
| Name and Principal Position                   | Year | Salary | Bonus | Stock Awards | Option Awards | Sign-on Payments | Severance Payments | All Other Compensation | Totals |
| 1. RAFAEL BURGOS, CHIEF EXECUTIVE OFFICER     | 2016 |        |       |              |               |                  |                    |                        |        |
| RAFAEL BURGOS, CHIEF EXECUTIVE OFFICER        | 2015 |        |       |              |               |                  |                    |                        |        |
| RAFAEL BURGOS, CHIEF EXECUTIVE OFFICER        | 2014 |        |       |              |               |                  |                    |                        |        |
| 2. MARIANNE ORTIZ, VICE PRESIDENT & TREASURER | 2016 |        |       |              |               |                  |                    |                        |        |
| MARIANNE ORTIZ, VICE PRESIDENT & TREASURER    | 2015 |        |       |              |               |                  |                    |                        |        |
| MARIANNE ORTIZ, VICE PRESIDENT & TREASURER    | 2014 |        |       |              |               |                  |                    |                        |        |
| 3. CARMEN FIGUEROA, SECRETARY                 | 2016 |        |       |              |               |                  |                    |                        |        |
| CARMEN FIGUEROA, SECRETARY                    | 2015 |        |       |              |               |                  |                    |                        |        |
| CARMEN FIGUEROA, SECRETARY                    | 2014 |        |       |              |               |                  |                    |                        |        |
| 4.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 5.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 6.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 7.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 8.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 9.  | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |
| 10.   | 2016 |        |       |              |               |                  |                    |                        |        |
|   | 2015 |        |       |              |               |                  |                    |                        |        |
|   | 2014 |        |       |              |               |                  |                    |                        |        |

## PART 3 - DIRECTOR COMPENSATION

| 1<br>Name and Principal Position or Occupation and Company (if Outside Director) | Paid or Deferred for Services as Director |                   |                    |            | 6<br>All Other Compensation Paid or Deferred | 7<br>Totals |
|--|---|-------------------|--------------------|------------|--|-------------|
|  | 2<br>Direct Compensation                  | 3<br>Stock Awards | 4<br>Option Awards | 5<br>Other |  |             |
| MR. GARY RADINE, CHAIRMAN  | 600                                       |                   |                    |            |  | 600         |
| MR. ANTHONY BARTH, CHAIRMAN  | 300                                       |                   |                    |            |  | 300         |
| MRS. BELINDA MARTINEZ, VICE CHAIRMAN   | 900                                       |                   |                    |            |  | 900         |
| MRS. ANA MARIA ROMERO, DIRECTOR  | 300                                       |                   |                    |            |  | 300         |
| MR. JAIME RODRIGUEZ CORA, DIRECTOR   | 300                                       |                   |                    |            |  | 300         |
| MR. ALFONZO ORTIZ, DIRECTOR  | 900                                       |                   |                    |            |  | 900         |
| MRS. EDLIN BUITRAGO HUERTAS, SECRETARY   | 900                                       |                   |                    |            |  | 900         |
| MR. JORGE RODRIGUEZ BARROSO, TREASURER   | 900                                       |                   |                    |            |  | 900         |
| 9999999  | 5,100                                     |                   |                    |            |  | 5,100       |

## **PART 4 NARRATIVE DESCRIPTION OF MATERIAL FACTORS**

Provide a narrative description of any material factors necessary to gain an understanding of the information disclosed in the tables.



# SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES

For the year ended DECEMBER 31, 2016  
(To Be Filed by April 1)

Of The DELTA DENTAL OF P.R., INC.  
 Address (City, State, Zip Code) GUAYNABO, PR, 00968  
 NAIC Group Code 2479 NAIC Company Code 47085 Employer's ID Number 680652604

The Investment Risk Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements. Answer the following interrogatories by reporting the applicable U. S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. \$ ..... 26,523,710

| 1  | 2                       | 3       | 4                                   |
|--|-------------------------|---------|-------------------------------------|
| Issuer   | Description of Exposure | Amount  | Percentage of Total Admitted Assets |
| 2. Ten largest exposures to a single issuer/borrower/investment. |                         |         |                                     |
| 2.01 MICROSOFT CORP .....  | CORP .....              | 164,126 | 0.619                               |
| 2.02 COMCAST CABLE COMMUNICATION .....                           | CORP .....              | 172,991 | 0.652                               |
| 2.03 WELLS FARGO & CO .....                                      | CORP .....              | 175,115 | 0.660                               |
| 2.04 SACRAMENTO CALIF PENSION OBLIG .....                        | MUNICIPAL .....         | 207,567 | 0.783                               |
| 2.05 ILLINOIS ST .....   | MUNICIPAL .....         | 207,864 | 0.784                               |
| 2.06 INTERNATIONAL BUSINESS MACHINES CORP .....                  | CORP .....              | 211,184 | 0.796                               |
| 2.07 JOHNSON & JOHNSON .....                                     | CORP .....              | 211,502 | 0.797                               |
| 2.08 VANGUARD 500 INDEX FD CL ADM .....                          | EQUITY .....            | 277,738 | 1.047                               |
| 2.09 VANGUARD TSM IDX; INST .....                                | EQUITY .....            | 346,476 | 1.306                               |
| 2.10 PUERTO RICO MUN FIN AGY .....                               | MUNICIPAL .....         | 500,000 | 1.885                               |

| NAIC Designation   | 1         | 2       |
|--|-----------|---------|
|  | Amount    | Percent |
| 3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation. |           |         |
| <b>Bonds</b>   |           |         |
| 3.01 NAIC 1 .....  | 5,741,129 | 21.645  |
| 3.02 NAIC 2 .....  | 1,382,066 | 5.211   |
| 3.03 NAIC 3 .....  |           |         |
| 3.04 NAIC 4 .....  |           |         |
| 3.05 NAIC 5 .....  |           |         |
| 3.06 NAIC 6 .....  | 417,925   | 1.576   |
| <b>Preferred Stocks</b>  |           |         |
| 3.07 P/RP-1 .....  |           |         |
| 3.08 P/RP-2 .....  |           |         |
| 3.09 P/RP-3 .....  |           |         |
| 3.10 P/RP-4 .....  |           |         |
| 3.11 P/RP-5 .....  |           |         |
| 3.12 P/RP-6 .....  |           |         |

4. Assets held in foreign investments:  
 4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [ ] No[X]  
 If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

|  | 1         | 2       |
|--|-----------|---------|
|  | Amount    | Percent |
| 4.02 TOTAL admitted assets held in foreign investments .....               | 1,053,522 | 3.972   |
| 4.03 Foreign-currency-denominated investments .....                        |           |         |
| 4.04 Insurance liabilities denominated in that same foreign currency ..... |           |         |

**SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)**

| NAIC Sovereign Designation |  | 1<br>Amount | 2<br>Percent |
|----------------------------|--|-------------|--------------|
| 5.                         | Aggregate foreign investment exposure categorized by NAIC sovereign designation: |             |              |
| 5.01                       | Countries designated NAIC 1 .....  | 1,053,522   | 3.972        |
| 5.02                       | Countries designated NAIC 2 .....  |             |              |
| 5.03                       | Countries designated NAIC 3 or below .....                                       |             |              |

| NAIC Sovereign Designation            |   | 1<br>Amount | 2<br>Percent |
|---------------------------------------|---|-------------|--------------|
| 6.                                    | Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation: |             |              |
| Countries designated NAIC 1:          |   |             |              |
| 6.01                                  | CANADA .....  | 154,477     | 0.582        |
| 6.02                                  | UNITED KINGDOM .....  | 110,095     | 0.415        |
| Countries designated NAIC 2:          |   |             |              |
| 6.03                                  | .....   |             |              |
| 6.04                                  | .....   |             |              |
| Countries designated NAIC 3 or below: |   |             |              |
| 6.05                                  | .....   |             |              |
| 6.06                                  | .....   |             |              |

| Description   | 1<br>Amount | 2<br>Percent |
|---|-------------|--------------|
| 7. Aggregate unhedged foreign currency exposure ..... |             |              |

| NAIC Sovereign Designation |   | 1<br>Amount | 2<br>Percent |
|----------------------------|---|-------------|--------------|
| 8.                         | Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation: |             |              |
| 8.01                       | Countries designated NAIC 1 .....   |             |              |
| 8.02                       | Countries designated NAIC 2 .....   |             |              |
| 8.03                       | Countries designated NAIC 3 or below .....  |             |              |

| NAIC Sovereign Designation            |  | 1<br>Amount | 2<br>Percent |
|---------------------------------------|--|-------------|--------------|
| 9.                                    | Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation: |             |              |
| Countries designated NAIC 1:          |  |             |              |
| 9.01                                  | .....  |             |              |
| 9.02                                  | .....  |             |              |
| Countries designated NAIC 2:          |  |             |              |
| 9.03                                  | .....  |             |              |
| 9.04                                  | .....  |             |              |
| Countries designated NAIC 3 or below: |  |             |              |
| 9.05                                  | .....  |             |              |
| 9.06                                  | .....  |             |              |

| 1<br>Issuer   | 2<br>NAIC Designation | 3<br>Amount | 4<br>Percent |
|---|-----------------------|-------------|--------------|
| 10. Ten largest non-sovereign (i.e. non-governmental) foreign issues: |                       |             |              |
| 10.01 QUEBEC, PROVINCE OF .....                                       | 1FE .....             | 154,477     | 0.582        |
| 10.02 HSBC HOLDING PLC .....  | 1FE .....             | 110,095     | 0.415        |
| 10.03 AMERICA MOVIL SAB DE CV .....                                   | 1FE .....             | 109,637     | 0.413        |
| 10.04 BHP BILLITON FINANCE (USA) LTD .....                            | 1FE .....             | 108,558     | 0.409        |
| 10.05 ANHEUSER-BUSCH INBEV WORLDWIDE .....                            | 1FE .....             | 106,585     | 0.402        |
| 10.06 CHUBB INA HOLDINGS INC .....                                    | 1FE .....             | 104,396     | 0.394        |
| 10.07 EATON CORP .....  | 1FE .....             | 102,708     | 0.387        |
| 10.08 BP CAPITAL MARKETS PLC .....                                    | 1FE .....             | 99,756      | 0.376        |
| 10.09 HSBC HOLDINGS PLC .....   | 1FE .....             | 54,981      | 0.207        |
| 10.10 ANHEUSER-BUSH INBEV FINANCE INC .....                           | 1FE .....             | 51,892      | 0.196        |

**SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)**

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 11.01 is yes, detail is not required for the remainder of Interrogatory 11.

|  | 1<br>Amount | 2<br>Percent |
|--|-------------|--------------|
| 11.02 TOTAL admitted assets held in Canadian Investments ..... |             |              |
| 11.03 Canadian-currency-denominated investments .....          |             |              |
| 11.04 Canadian-denominated insurance liabilities .....         |             |              |
| 11.05 Unhedged Canadian currency exposure .....                |             |              |

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions.

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

|  | 1<br>Contractual Sales Restrictions | 2<br>Amount | 3<br>Percent |
|--|-------------------------------------|-------------|--------------|
| 12.02 Aggregate statement value of investments with contractual sales restrictions ..... |                                     |             |              |
| Largest 3 investments with contractual sales restrictions:                               |                                     |             |              |
| 12.03 .....  |                                     |             |              |
| 12.04 .....  |                                     |             |              |
| 12.05 .....  |                                     |             |              |

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interest less than 2.5% of the reporting entity's total admitted assets?

Yes[ ] No[X]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

|                                  | 1<br>Name of Issuer                                     | 2<br>Amount | 3<br>Percent |
|----------------------------------|---|-------------|--------------|
| Assets held in equity interests: |   |             |              |
| 13.02                            | VANGUARD TSM IDX; INST .....                            | 346,476     | 1.306        |
| 13.03                            | VANGUARD 500 INDEX FD CL ADM MF .....                   | 277,738     | 1.047        |
| 13.04                            | FIRST PUERTO RICO TAX-EXEMPT TARGET MATURITY FUND ..... | 109,500     | 0.413        |
| 13.05                            | VANGUARD TOTAL INT STOCK CL INSTI MF .....              | 90,981      | 0.343        |
| 13.06                            | VANGUARD EXTENDED MRKT INX CL ADM MF .....              | 79,477      | 0.300        |
| 13.07                            | FIRST PUERTO RICO TAX EXEMPT TARGET MATURITY FUND ..... | 24,300      | 0.092        |
| 13.08                            | VANGUARD EMR MRKTS STK INX CL ADM MF .....              | 20,175      | 0.076        |
| 13.09                            | .....   |             |              |
| 13.10                            | .....   |             |              |
| 13.11                            | .....   |             |              |

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

| 1<br>Investment Category |   | 2<br>Amount | 3<br>Percent |
|--------------------------|---|-------------|--------------|
| 14.02                    | Aggregate statement value of investments held in nonaffiliated, privately placed equities ..... |             |              |
|                          | Largest 3 investments held in nonaffiliated, privately placed equities:                         |             |              |
| 14.03                    | .....   |             |              |
| 14.04                    | .....   |             |              |
| 14.05                    | .....   |             |              |

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

| 1<br>Investments in General Partnerships |  | 2<br>Amount | 3<br>Percent |
|--|--|-------------|--------------|
| 15.02                                    | Aggregate statement value of investments held in general partnership interests ..... |             |              |
|  | Largest 3 investments in general partnership interests:                              |             |              |
| 15.03                                    | .....  |             |              |
| 15.04                                    | .....  |             |              |
| 15.05                                    | .....  |             |              |

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

| 1<br>Type (Residential, Commercial, Agricultural) |  | 2<br>Amount | 3<br>Percent |
|---|--|-------------|--------------|
|   | TOTAL admitted assets held in Mortgage Loans |             |              |
| 16.02   | .....  |             |              |
| 16.03   | .....  |             |              |
| 16.04   | .....  |             |              |
| 16.05   | .....  |             |              |
| 16.06   | .....  |             |              |
| 16.07   | .....  |             |              |
| 16.08   | .....  |             |              |
| 16.09   | .....  |             |              |
| 16.10   | .....  |             |              |
| 16.11   | .....  |             |              |

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

| Description   | Loans       |              |
|---|-------------|--------------|
|   | 2<br>Amount | 3<br>Percent |
| Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans: |             |              |
| 16.12 Construction loans .....  |             |              |
| 16.13 Mortgage loans over 90 days past due .....  |             |              |
| 16.14 Mortgage loans in the process of foreclosure .....  |             |              |
| 16.15 Mortgage loans foreclosed .....   |             |              |
| 16.16 Restructured mortgage loans .....   |             |              |

| Loan-to-Value   | Residential |              | Commercial  |              | Agricultural |              |
|---|-------------|--------------|-------------|--------------|--------------|--------------|
|   | 1<br>Amount | 2<br>Percent | 3<br>Amount | 4<br>Percent | 5<br>Amount  | 6<br>Percent |
| 17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date: |             |              |             |              |              |              |
| 17.01 Above 95% .....   |             |              |             |              |              |              |
| 17.02 91% to 95% .....  |             |              |             |              |              |              |
| 17.03 81% to 90% .....  |             |              |             |              |              |              |
| 17.04 71% to 80% .....  |             |              |             |              |              |              |
| 17.05 Below 70% .....   |             |              |             |              |              |              |

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

| 1<br>Description  | 2<br>Amount | 3<br>Percent |
|---|-------------|--------------|
| Largest five investments in any one parcel or group of contiguous parcels of real estate: |             |              |
| 18.02 .....   |             |              |
| 18.03 .....   |             |              |
| 18.04 .....   |             |              |
| 18.05 .....   |             |              |
| 18.06 .....   |             |              |

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets?

Yes[X] No[ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

| 1<br>Description   | 2<br>Amount | 3<br>Percent |
|--|-------------|--------------|
| 19.02 Aggregate statement value of investments held in mezzanine real estate loans ..... |             |              |
| Largest three investments held in mezzanine real estate loans:                           |             |              |
| 19.03 .....  |             |              |
| 19.04 .....  |             |              |
| 19.05 .....  |             |              |

## SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES (Continued)

| Description   | At Year-End |              | Amount at End of Each Quarter |              |              |
|---|-------------|--------------|-------------------------------|--------------|--------------|
|   | Amount<br>1 | Percent<br>2 | 1st Qtr<br>3                  | 2nd Qtr<br>4 | 3rd Qtr<br>5 |
| 20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements: |             |              |                               |              |              |
| 20.01 Securities lending agreements (do not include assets held as collateral for such transactions) .....                |             |              |                               |              |              |
| 20.02 Repurchase agreements .....   |             |              |                               |              |              |
| 20.03 Reverse repurchase agreements .....   |             |              |                               |              |              |
| 20.04 Dollar repurchase agreements .....  |             |              |                               |              |              |
| 20.05 Dollar reverse repurchase agreements .....  |             |              |                               |              |              |

| Description  | Owned       |              | Written     |              |
|--|-------------|--------------|-------------|--------------|
|  | 1<br>Amount | 2<br>Percent | 3<br>Amount | 4<br>Percent |
| 21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors: |             |              |             |              |
| 21.01 Hedging .....  |             |              |             |              |
| 21.02 Income generation .....  |             |              |             |              |
| 21.03 Other .....  |             |              |             |              |

| Description   | At Year-End |              | Amount at End of Each Quarter |              |              |
|---|-------------|--------------|-------------------------------|--------------|--------------|
|   | Amount<br>1 | Percent<br>2 | 1st Qtr<br>3                  | 2nd Qtr<br>4 | 3rd Qtr<br>5 |
| 22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards: |             |              |                               |              |              |
| 22.01 Hedging .....   |             |              |                               |              |              |
| 22.02 Income generation .....   |             |              |                               |              |              |
| 22.03 Replications .....  |             |              |                               |              |              |
| 22.04 Other .....   |             |              |                               |              |              |

| Description  | At Year-End |              | Amount at End of Each Quarter |              |              |
|--|-------------|--------------|-------------------------------|--------------|--------------|
|  | Amount<br>1 | Percent<br>2 | 1st Qtr<br>3                  | 2nd Qtr<br>4 | 3rd Qtr<br>5 |
| 23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts: |             |              |                               |              |              |
| 23.01 Hedging .....  |             |              |                               |              |              |
| 23.02 Income generation .....  |             |              |                               |              |              |
| 23.03 Replications .....   |             |              |                               |              |              |
| 23.04 Other .....  |             |              |                               |              |              |

**Supp8 A H Policy Experience Exhibit (Individual 1-8) ..... NONE**

**Supp9 A H Policy Experience Exhibit (Individual 9-19) ..... NONE**

## ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR

Supp10

|   | 1                  | 2                         | 3                              | 4                         | 5  | 6   | 7                |
|---|--------------------|---------------------------|--------------------------------|---------------------------|--|---|------------------|
|   | Premiums<br>Earned | Incurred<br>Claims Amount | Change in<br>Contract Reserves | Loss Ratio<br>(2 + 3) / 1 | Number of Policies<br>or Certificates<br>as of Dec. 31 | Number of<br>Covered Lives<br>as of Dec. 31 | Member<br>Months |
| <b>B. GROUP BUSINESS</b>                                  |                    |                           |                                |                           |  |   |                  |
| <b>Comprehensive Major Medical</b>                        |                    |                           |                                |                           |  |   |                  |
| <b>1. Single Employer</b>                                 |                    |                           |                                |                           |  |   |                  |
| 1.1. Small Employer .....                                 |                    |                           |                                |                           |  |   |                  |
| 1.2. Other Employer .....                                 |                    |                           |                                |                           |  |   |                  |
| 1.3. Single Employer Subtotal .....                       |                    |                           |                                |                           |  |   |                  |
| 2. Multiple Employer Assns and Trusts .....               |                    |                           |                                |                           |  |   |                  |
| 3. Other Associations and Discretionary Trusts .....      |                    |                           |                                |                           |  |   |                  |
| 4. Other Comprehensive Major Medical .....                |                    |                           |                                |                           |  |   |                  |
| 5. Comprehensive/Major Medical Subtotal .....             |                    |                           |                                |                           |  |   |                  |
| <b>Other Medical (Non-Comprehensive)</b>                  |                    |                           |                                |                           |  |   |                  |
| 6. Specified/Named Disease .....                          |                    |                           |                                |                           |  |   |                  |
| 7. Limited Benefit .....                                  |                    |                           |                                |                           |  |   |                  |
| 8. Student .....  |                    |                           |                                |                           |  |   |                  |
| 9. Accident Only or AD&D .....                            |                    |                           |                                |                           |  |   |                  |
| 10. Disability Income - Short-Term .....                  |                    |                           |                                |                           |  |   |                  |
| 11. Disability Income - Long-Term .....                   |                    |                           |                                |                           |  |   |                  |
| 12. Long-Term Care .....                                  |                    |                           |                                |                           |  |   |                  |
| 13. Medicare Supplement (Medigap) .....                   |                    |                           |                                |                           |  |   |                  |
| 14. Federal Employees Health Benefits Plans .....         |                    |                           |                                |                           |  |   |                  |
| 15. Tricare .....   |                    |                           |                                |                           |  |   |                  |
| 16. Dental .....  | 16,006,653         | 10,472,901                | 20,000                         | 65.6                      | 697  | 529,523                                     | 529,523          |
| 17. Medicare .....  |                    |                           |                                |                           |  |   |                  |
| 18. Medicare Part D - Stand-Alone .....                   |                    |                           |                                |                           |  |   |                  |
| 19. Other Group Care .....                                |                    |                           |                                |                           |  |   |                  |
| 20. GRAND TOTAL Group Business .....                      | 16,006,653         | 10,472,901                | 20,000                         | 65.6                      | 697  | 529,523                                     | 529,523          |
| <b>C. OTHER BUSINESS</b>                                  |                    |                           |                                |                           |  |   |                  |
| 1. Credit (Individual and Group) .....                    |                    |                           |                                |                           |  |   |                  |
| 2. Stop Loss/Excess Loss .....                            |                    |                           |                                |                           |  |   |                  |
| 3. Administrative Services Only .....                     | X X X              | X X X                     | X X X                          | X X X                     |  |   |                  |
| 4. Administrative Services Contracts .....                | X X X              | X X X                     | X X X                          | X X X                     |  |   |                  |
| 5. GRAND TOTAL Other Business .....                       |                    |                           |                                |                           |  |   |                  |
| <b>D. TOTAL BUSINESS</b>                                  |                    |                           |                                |                           |  |   |                  |
| 1. TOTAL Non U.S. Policy Forms .....                      |                    |                           |                                |                           |  |   |                  |
| 2. GRAND TOTAL Individual, Group and Other Business ..... | 16,006,653         | 10,472,901                | 20,000                         | 65.6                      | 697  | 529,523                                     | 529,523          |

**ACCIDENT AND HEALTH POLICY EXPERIENCE EXHIBIT FOR YEAR**

**PART 1 - INDIVIDUAL POLICIES SUMMARY PAGE**

| Description                    | 1<br>Premiums<br>Earned | 2<br>Incurred<br>Claims Amount | 3<br>Change in<br>Contract Reserves | 4<br>Loss Ratio<br>(2 + 3) / 1 |
|--------------------------------|-------------------------|--------------------------------|-------------------------------------|--------------------------------|
| 1. U.S. Forms Direct Business  | 1,142,400               | 614,155                        | 1,173                               | 53.863                         |
| 2. Other Forms Direct Business |                         |                                |                                     |                                |
| 3. TOTAL Direct Business       | 1,142,400               | 614,155                        | 1,173                               | 53.863                         |
| 4. Reinsurance Assumed         |                         |                                |                                     |                                |
| 5. Less Reinsurance Ceded      |                         |                                |                                     |                                |
| 6. TOTAL                       | 1,142,400               | 614,155                        | 1,173                               | 53.863                         |

**PART 2 - GROUP POLICIES SUMMARY**

| Description                    | 1<br>Premiums<br>Earned | 2<br>Incurred<br>Claims Amount | 3<br>Change in<br>Contract Reserves | 4<br>Loss Ratio<br>(2 + 3) / 1 |
|--------------------------------|-------------------------|--------------------------------|-------------------------------------|--------------------------------|
| 1. U.S. Forms Direct Business  | 14,864,253              | 9,858,746                      | 18,827                              | 66.452                         |
| 2. Other Forms Direct Business |                         |                                |                                     |                                |
| 3. TOTAL Direct Business       | 14,864,253              | 9,858,746                      | 18,827                              | 66.452                         |
| 4. Reinsurance Assumed         |                         |                                |                                     |                                |
| 5. Less Reinsurance Ceded      |                         |                                |                                     |                                |
| 6. TOTAL                       | 14,864,253              | 9,858,746                      | 18,827                              | 66.452                         |

**PART 3 - CREDIT POLICIES (Individual and Group) SUMMARY**

| Description                    | 1<br>Premiums<br>Earned | 2<br>Incurred<br>Claims Amount | 3<br>Change in<br>Contract Reserves | 4<br>Loss Ratio<br>(2 + 3) / 1 |
|--------------------------------|-------------------------|--------------------------------|-------------------------------------|--------------------------------|
| 1. U.S. Forms Direct Business  |                         |                                |                                     |                                |
| 2. Other Forms Direct Business |                         |                                |                                     |                                |
| 3. TOTAL Direct Business       |                         |                                |                                     |                                |
| 4. Reinsurance Assumed         |                         |                                |                                     |                                |
| 5. Less Reinsurance Ceded      |                         |                                |                                     |                                |
| 6. TOTAL                       |                         |                                |                                     |                                |

**NONE**

**PART 4 - ALL INDIVIDUAL, GROUP AND CREDIT POLICIES SUMMARY**

| Description                    | 1<br>Premiums<br>Earned | 2<br>Incurred<br>Claims Amount | 3<br>Change in<br>Contract Reserves | 4<br>Loss Ratio<br>(2 + 3) / 1 |
|--------------------------------|-------------------------|--------------------------------|-------------------------------------|--------------------------------|
| 1. U.S. Forms Direct Business  | 16,006,653              | 10,472,901                     | 20,000                              | 65.553                         |
| 2. Other Forms Direct Business |                         |                                |                                     |                                |
| 3. TOTAL Direct Business       | 16,006,653              | 10,472,901                     | 20,000                              | 65.553                         |
| 4. Reinsurance Assumed         |                         |                                |                                     |                                |
| 5. Less Reinsurance Ceded      |                         |                                |                                     |                                |
| 6. TOTAL                       | 16,006,653              | 10,472,901                     | 20,000                              | 65.553                         |





**NATIONAL ASSOCIATION OF INSURANCE COMMISSIONERS**  
**SCHEDULE SIS**

**STOCKHOLDER INFORMATION SUPPLEMENT**

**FOR THE YEAR ENDED**  
**DECEMBER 31, 2016**

**(To Be Filed by March 1)**

**REQUIRED BY THE APPLICABLE QUESTION ON THE SUPPLEMENTAL EXHIBITS AND SCHEDULES**  
**INTERROGATORIES FOR THE PROPERTY / CASUALTY, LIFE ACCIDENT AND HEALTH, TITLE**  
**AND HEALTH INSURANCE BLANKS**

TO ANNUAL STATEMENT OF THE

**DELTA DENTAL OF P.R., INC.**

---

COMPANY

**FINANCIAL REPORTING TO STOCKHOLDERS**

1. Did the company distribute to its stockholders prior to the Annual Meeting during the year an Annual Report for the previous year? Yes[ ] No[X]  
If answer is "Yes" attach copy. If answer is "No" explain in detail below. Attach separate sheet if necessary.:
  
2. Will the company distribute to its stockholders prior to the Annual Meeting during the following year an Annual Report for the current year? Yes[ ] No[X]  
If answer is "Yes" a copy of the report shall be forwarded to the Insurance Commissioner of the company's domiciliary state at the same time as it is distributed to stockholders. If answer is "No" explain in detail below. Attach separate sheet if necessary.:
  
3. If an Annual Report to stockholders was distributed for the previous year; (1) was such distribution prior to or contemporaneous with the solicitation of proxies in respect to the Annual Meeting? Yes[ ] No[X]  
If answer is "No" explain in detail below. Attach separate sheet if necessary.:  
(2) Did it contain the following financial statements (indicate answer in Column A) and were such financial statements prepared substantially on the basis (individual or consolidated) as required to be present in the Company's Annual Statement (indicate answer in Column B)?

|  | Column A     | Column B     |
|--|--------------|--------------|
| <b>To be answered by Life and A &amp; H Companies:</b>             |              |              |
| a. Statement of Assets, Liabilities, Surplus and Other Funds ..... | Yes[ ] No[X] | Yes[ ] No[X] |
| b. Summary of Operations .....                                     | Yes[ ] No[X] | Yes[ ] No[X] |
| c. Surplus Account .....   | Yes[ ] No[X] | Yes[ ] No[X] |
| <b>To be answered by Property and Casualty Companies:</b>          |              |              |
| a. Statement of Assets, Liabilities, Surplus and Other Funds ..... | Yes[ ] No[X] | Yes[ ] No[X] |
| b. Statement of Income - Underwriting and Investment Exhibit ..... | Yes[ ] No[X] | Yes[ ] No[X] |
| c. Capital and Surplus Account .....                               | Yes[ ] No[X] | Yes[ ] No[X] |
| <b>To be answered by Title Insurance Companies</b>                 |              |              |
| a. Statement of Assets, Liabilities, Surplus and Other Funds ..... | Yes[ ] No[X] | Yes[ ] No[X] |
| b. Statement of Income - Operations and Investment Exhibit .....   | Yes[ ] No[X] | Yes[ ] No[X] |
| c. Capital and Surplus Account .....                               | Yes[ ] No[X] | Yes[ ] No[X] |
| <b>To be answered by Health Insurance Companies:</b>               |              |              |
| a. Statement of Assets, Liabilities, Capital and Surplus .....     | Yes[X] No[ ] | Yes[X] No[ ] |
| b. Statement of Revenue and Expenses .....                         | Yes[X] No[ ] | Yes[X] No[ ] |
| c. Capital and Surplus Account .....                               | Yes[X] No[ ] | Yes[X] No[ ] |



## STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

(See Instructions Below)

| 1  | 2                 | 3                   | Number of Shares           |                              |                                 |                       |                              | 8   | 9 |
|--|-------------------|---------------------|----------------------------|------------------------------|---------------------------------|-----------------------|------------------------------|---|---|
|  |                   |                     | 4                          | 5                            | Disposed of During Current Year |                       | Owned at End of Current Year |   |   |
|  |                   |                     |                            |                              | 6                               | 7                     |                              |   |   |
| Name and Title of (a) Each Director and Each Officer with any ownership and (b) any other Owner of more than 10% | Title of Security | Nature of Ownership | Owned at end of Prior Year | Acquired During Current Year | Held Less Than 6 Months         | Held 6 Months or More | Owned at End of Current Year | Percentage of Voting Stock Directly and Indirectly Owned or Controlled at the End of the Current Year |   |
|  |                   |                     |                            |                              |                                 |                       |                              |   |   |

Note: Answer "yes" or "no" as to whether the information concerning the number of shares owned at the end of the year (as shown in Column 8) by each Director and the three highest paid Officers whose aggregate direct remuneration exceeded \$100,000 during the year, has been or will be furnished to stockholders in a proxy statement or otherwise.     No     If answer is "no", explain in detail on a separate sheet.

State the number of stockholders of record of the company at the end of the year. Answer: \_\_\_\_\_

Has the state of domicile granted an exemption or disclaimer of control? Answer:     No    

If answer is "yes" explain:



## Medicare Part D Coverage Supplement (Net of Reinsurance)

NAIC Group Code: 2479

(To be Filed By March 1)

NAIC Company Code: 47085

|   | Individual Coverage |                | Group Coverage |                | 5<br>Total<br>Cash |
|---|---------------------|----------------|----------------|----------------|--------------------|
|   | 1<br>Insured        | 2<br>Uninsured | 3<br>Insured   | 4<br>Uninsured |                    |
| 1. Premiums Collected                                 |                     |                |                |                |                    |
| 1.1 Standard Coverage                                 |                     |                |                |                |                    |
| 1.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          |                    |
| 1.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          |                    |
| 1.13 Risk-Corridor Payment Adjustments                |                     | X X X          |                | X X X          |                    |
| 1.2 Supplemental Benefits                             |                     | X X X          |                | X X X          |                    |
| 2. Premiums Due and Uncollected - change              |                     |                |                |                |                    |
| 2.1 Standard Coverage                                 |                     |                |                |                |                    |
| 2.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          | X X X              |
| 2.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          | X X X              |
| 2.2 Supplemental Benefits                             |                     | X X X          |                | X X X          | X X X              |
| 3. Unearned Premium and Advance Premium - change      |                     |                |                |                |                    |
| 3.1 Standard Coverage                                 |                     |                |                |                |                    |
| 3.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          | X X X              |
| 3.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          | X X X              |
| 3.2 Supplemental Benefits                             |                     | X X X          |                | X X X          | X X X              |
| 4. Risk-Corridor Payment Adjustments - change         |                     |                |                |                |                    |
| 4.1 Receivable  |                     | X X X          |                | X X X          | X X X              |
| 4.2 Payable   |                     | X X X          |                | X X X          | X X X              |
| 5. Earned Premiums                                    |                     |                |                |                |                    |
| 5.1 Standard Coverage                                 |                     |                |                |                |                    |
| 5.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          | X X X              |
| 5.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          | X X X              |
| 5.13 Risk-Corridor Payment Adjustments                |                     | X X X          |                | X X X          | X X X              |
| 5.2 Supplemental Benefits                             |                     | X X X          |                | X X X          | X X X              |
| 6. TOTAL Premiums                                     |                     | X X X          |                | X X X          |                    |
| 7. Claims Paid  |                     |                |                |                |                    |
| 7.1 Standard Coverage                                 |                     |                |                |                |                    |
| 7.11 With Reinsurance Coverage                        |                     | <b>NONE</b>    |                | X X X          |                    |
| 7.12 Without Reinsurance Coverage                     |                     | <b>NONE</b>    |                | X X X          |                    |
| 7.2 Supplemental Benefits                             |                     | <b>NONE</b>    |                | X X X          |                    |
| 8. Claim Reserves and Liabilities - change            |                     |                |                |                |                    |
| 8.1 Standard Coverage                                 |                     |                |                |                |                    |
| 8.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          | X X X              |
| 8.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          | X X X              |
| 8.2 Supplemental Benefits                             |                     | X X X          |                | X X X          | X X X              |
| 9. Healthcare Receivables - change                    |                     |                |                |                |                    |
| 9.1 Standard Coverage                                 |                     |                |                |                |                    |
| 9.11 With Reinsurance Coverage                        |                     | X X X          |                | X X X          | X X X              |
| 9.12 Without Reinsurance Coverage                     |                     | X X X          |                | X X X          | X X X              |
| 9.2 Supplemental Benefits                             |                     | X X X          |                | X X X          | X X X              |
| 10. Claims Incurred                                   |                     |                |                |                |                    |
| 10.1 Standard Coverage                                |                     |                |                |                |                    |
| 10.11 With Reinsurance Coverage                       |                     | X X X          |                | X X X          | X X X              |
| 10.12 Without Reinsurance Coverage                    |                     | X X X          |                | X X X          | X X X              |
| 10.2 Supplemental Benefits                            |                     | X X X          |                | X X X          | X X X              |
| 11. TOTAL Claims                                      |                     | X X X          |                | X X X          |                    |
| 12. Reinsurance Coverage and Low Income Cost Sharing  |                     |                |                |                |                    |
| 12.1 Claims Paid - Net of reimbursements applied      | X X X               |                | X X X          |                |                    |
| 12.2 Reimbursements Received but Not Applied - change | X X X               |                | X X X          |                |                    |
| 12.3 Reimbursements Receivable - change               | X X X               |                | X X X          |                | X X X              |
| 12.4 Healthcare Receivables - change                  | X X X               |                | X X X          |                | X X X              |
| 13. Aggregate Policy Reserves - change                |                     |                |                |                | X X X              |
| 14. Expenses Paid                                     |                     | X X X          |                | X X X          |                    |
| 15. Expenses Incurred                                 |                     | X X X          |                | X X X          | X X X              |
| 16. Underwriting Gain/Loss                            |                     | X X X          |                | X X X          | X X X              |
| 17. Cash Flow Result                                  | X X X               | X X X          | X X X          | X X X          |                    |

Supp18 Long Term Care Form 1 ..... NONE

Supp19 Long Term Care Form 2 ..... NONE

Supp20 Long Term Care Form 3 - Part A ..... NONE

Supp21 Long Term Care Form 3 - Part B ..... NONE

Supp22 Long Term Care Form 3 - Part C ..... NONE

Supp23 Long Term Care Form 4 ..... NONE

Supp24 Long Term Care Form 5 ..... NONE

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1**

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at [http://www.naic.org/documents/committees\\_e\\_app\\_blanks\\_related\\_shce\\_cautionary\\_statement.pdf](http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf))

REPORT FOR: 1. CORPORATION: DELTA DENTAL OF P.R., INC. 2. LOCATION: GUAYNABO, PR 00968



NAIC Group Code 2479

BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2016

NAIC Company Code 47085

Supp80 Puerto Rico

|  | Business Subject to MLR       |                              |                              |                 |                              |                              |                     |                     |                              | 10<br>Government<br>Business<br>(Excluded<br>by Statute) | 11<br>Other<br>Health<br>Business | 12<br>Medicare<br>Advantage<br>Part C and<br>Medicare Part D<br>Stand-Alone<br>Subject to ACA | 13<br>Subtotal<br>(Cols. 1<br>thru 12) | 14<br>Uninsured<br>Plans | 15<br>Total<br>(Cols. 13 + 14) |
|--|-------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|---------------------|---------------------|------------------------------|--|-----------------------------------|---|--|--------------------------|--------------------------------|
|  | Comprehensive Health Coverage |                              |                              | Mini-Med Plans  |                              |                              | Expatriate Plans    |                     | 9<br>Student<br>Health Plans |  |                                   |   |  |                          |                                |
|  | 1<br>Individual               | 2<br>Small Group<br>Employer | 3<br>Large Group<br>Employer | 4<br>Individual | 5<br>Small Group<br>Employer | 6<br>Large Group<br>Employer | 7<br>Small<br>Group | 8<br>Large<br>Group |                              |  |                                   |   |  |                          |                                |
| 1. Premium:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.1 Health premiums earned (From Part 2, Line 1.11)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.2 Federal high risk pools   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 01.3 State high risk pools   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 01.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)                  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.5 Federal taxes and federal assessments   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)                              |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.6A Community Benefit Expenditures (informational only)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.7 Regulatory authority licenses and fees  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.9 Net assumed less ceded reinsurance premiums earned  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.10 Other adjustments due to MLR calculations - Premiums  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.11 Risk Revenue  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)                          |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 2. Claims:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 2.1 Incurred claims excluding prescription drugs   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 2.2 Prescription drugs   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 2.3 Pharmaceutical rebates   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)            |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 3. Incurred medical incentive pools and bonuses  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)                                 |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)                               |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 5.1 Net assumed less ceded reinsurance claims incurred   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.2 Other adjustments due to MLR calculations - Claims   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.3 Rebates Paid   |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.4 Estimated rebates unpaid prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.5 Estimated rebates unpaid current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.6 Fee for service and co-pay revenue   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)                    |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 6. Improving Health Care Quality Expenses Incurred:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.1 Improve health outcomes  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.2 Activities to prevent hospital readmissions  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.3 Improve patient safety and reduce medical errors   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.4 Wellness and health promotion activities   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.5 Health Information Technology expenses related to health improvement                                     |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5) |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8                       |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   | XXX                                    | XXX                      | XXX                            |
| 8. Claim Adjustment Expenses:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.1 Cost containment expenses not included in quality of care expenses in Line 6.6                           |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.2 All other claims adjustment expenses   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | XXX                                    | XXX                      | XXX                            |

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)**

(To Be Filed by April 1 - Not for Rebate Purposes)

|  | Business Subject to MLR       |                              |                              |                 |                              |                              |                     |                     |                              | 10<br>Government<br>Business<br>(Excluded<br>by Statute) | 11<br>Other<br>Health<br>Business | 12<br>Medicare<br>Advantage<br>Part C and<br>Medicare Part D<br>Stand-Alone<br>Subject to ACA | 13<br>Subtotal<br>(Cols. 1<br>thru 12) | 14<br>Uninsured<br>Plans | 15<br>Total<br>(Cols. 13 + 14) |
|--|-------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|---------------------|---------------------|------------------------------|--|-----------------------------------|---|--|--------------------------|--------------------------------|
|  | Comprehensive Health Coverage |                              |                              | Mini-Med Plans  |                              |                              | Expatriate Plans    |                     | 9<br>Student<br>Health Plans |  |                                   |   |  |                          |                                |
|  | 1<br>Individual               | 2<br>Small Group<br>Employer | 3<br>Large Group<br>Employer | 4<br>Individual | 5<br>Small Group<br>Employer | 6<br>Large Group<br>Employer | 7<br>Small<br>Group | 8<br>Large<br>Group |                              |  |                                   |   |  |                          |                                |
| 10. General and Administrative (G&A) Expenses:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.1 Direct sales salaries and benefits  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.2 Agents and brokers fees and commissions   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)                              |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.4 Other general and administrative expenses   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.4A Community Benefit Expenditures (informational only)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)                                    |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 12. Income from fees of uninsured plans  | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 13. Net investment and other gain/(loss)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 14. Federal income taxes (excluding taxes on Line 1.5 above)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | 5,533,752                              | X X X                    | 5,533,752                      |
| 16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5) |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)                     |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O. OTHER INDICATORS:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O1. Number of Certificates / Policies  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          | 697                            |
| O2. Number of Covered Lives  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | 697                                    |                          | 697                            |
| O3. Number of Groups   | X X X                         |                              |                              | X X X           |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O4. Member Months  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | 529,523                                |                          | 529,523                        |

(a) Is run off business reported in Columns 1 through 9 or 12? Yes [ ] No [X]  
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

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| AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES |                               |                                    |                               |                                    |
|--|-------------------------------|------------------------------------|-------------------------------|------------------------------------|
|  | Current Year                  |                                    | Prior Year                    |                                    |
|  | Comprehensive Health Coverage |                                    | Comprehensive Health Coverage |                                    |
|  | 1<br>Individual<br>Plans      | 2<br>Small Group<br>Employer Plans | 3<br>Individual<br>Plans      | 4<br>Small Group<br>Employer Plans |
| <b>ACA Receivables and Payables</b>                                    |                               |                                    |                               |                                    |
| 1. Permanent ACA Risk Adjustment Program                               |                               |                                    |                               |                                    |
| 1.0 Premium adjustments receivable/(payable)                           |                               |                                    |                               |                                    |
| 2. Transitional ACA Reinsurance Program                                |                               |                                    |                               |                                    |
| 2.0 Total amounts recoverable for claims (paid & unpaid)               |                               | X X X                              |                               | X X X                              |
| 3. Temporary ACA Risk Corridors Program                                |                               |                                    |                               |                                    |
| 3.1 Accrued retrospective premium                                      |                               |                                    |                               |                                    |
| 3.2 Reserve for rate credits or policy experience refunds              |                               |                                    |                               |                                    |
| <b>ACA Receipts and Payments</b>                                       |                               |                                    |                               |                                    |
| 4. Permanent ACA Risk Adjustment Program                               |                               |                                    |                               |                                    |
| 4.0 Premium adjustments receipts/(payments)                            |                               |                                    |                               |                                    |
| 5. Transitional ACA Reinsurance Program                                |                               |                                    |                               |                                    |
| 5.0 Amounts received for claims  |                               | X X X                              |                               | X X X                              |
| 6. Temporary ACA Risk Corridors Program                                |                               |                                    |                               |                                    |
| 6.1 Retrospective premium received                                     |                               |                                    |                               |                                    |
| 6.2 Rate credits or policy experience refunds paid                     |                               |                                    |                               |                                    |

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2**

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: DELTA DENTAL OF P.R., INC. 2. LOCATION: GUAYNABO, PR 00968

**BUSINESS IN THE STATE OF Puerto Rico DURING THE YEAR 2016**

NAIC Group Code 2479

NAIC Company Code 47085

|    |   | Business Subject to MLR       |                              |                              |                 |                              |                              |                     |                     |                              | 10<br>Government<br>Business<br>(Excluded<br>by Statute) | 11<br>Other<br>Health<br>Business | 12<br>Medicare<br>Advantage<br>Part C and<br>Medicare Part D<br>Stand-Alone<br>Subject to ACA | 13<br>Total (a) |
|----|---|-------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|---------------------|---------------------|------------------------------|--|-----------------------------------|---|-----------------|
|    |   | Comprehensive Health Coverage |                              |                              | Mini-Med Plans  |                              |                              | Expatriate Plans    |                     | 9<br>Student<br>Health Plans |  |                                   |   |                 |
|    |   | 1<br>Individual               | 2<br>Small Group<br>Employer | 3<br>Large Group<br>Employer | 4<br>Individual | 5<br>Small Group<br>Employer | 6<br>Large Group<br>Employer | 7<br>Small<br>Group | 8<br>Large<br>Group |                              |  |                                   |   |                 |
| 1. | Health Premiums Earned  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.1 Direct premiums written  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653      |
|    | 01.2 Unearned premium prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.3 Unearned premium current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.4 Change in unearned premium (Lines 1.2 - 1.3)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.5 Paid rate credits  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.6 Reserve for rate credits current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.7 Reserve for rate credits prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.8 Change in reserve for rate credits (Lines 1.6 - 1.7)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 01.9 Premium balances written off   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.10 Group conversion charges   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.11 TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653      |
|    | 1.12 Assumed premiums earned from non-affiliates  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.13 Net assumed less ceded premiums earned from affiliates   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.14 Ceded premiums earned to non-affiliates  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.15 Other adjustments due to MLR calculation - Premiums  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 1.16 Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653      |
| 2. | Direct Claims Incurred:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.1 Paid claims during the year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,492,901                        |   | 10,492,901      |
|    | 02.2 Direct claim liability current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.3 Direct claim liability prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.4 Direct claim reserves current year   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.5 Direct claim reserves prior year   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.6 Direct contract reserves current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.7 Direct contract reserves prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.8 Paid rate credits  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 02.9 Reserve for rate credits current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.10 Reserve for rate credits prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.11 Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.11A Paid medical incentive pools and bonuses current year   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.11B Accrued medical incentive pools and bonuses current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.11C Accrued medical incentive pools and bonuses prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.12 Net healthcare receivables (Lines 2.12a - 2.12b)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.12A Healthcare receivables current year   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.12B Healthcare receivables prior year   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.13 Group conversion charge  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.14 Multi-option coverage blended rate adjustment  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.15 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14) |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,492,901                        |   | 10,492,901      |
|    | 2.16 Assumed Incurred Claims from non-affiliates  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.17 Net Assumed less Ceded Incurred Claims from affiliates   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.18 Ceded Incurred Claims to non-affiliates  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.19 Other Adjustments due to MLR calculation - Claims  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |
|    | 2.20 Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)                                      |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,492,901                        |   | 10,492,901      |
| 3. | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)                                |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |                 |

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.

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**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

|      | All Expenses  | Improving Health Care Quality Expenses |   |  |  |                      | Claims Adjustment Expenses |                                   | 9<br>General<br>Administrative<br>Expenses | 10<br>Total<br>Expenses<br>(6 to 9) |
|------|---|--|---|--|--|----------------------|----------------------------|-----------------------------------|--|-------------------------------------|
|      |   | 1<br>Improve Health<br>Outcomes        | 2<br>Activities to Prevent<br>Hospital Readmissions | 3<br>Improve Patient Safety<br>and Reduce Medical Errors | 4<br>Wellness & Health<br>Promotion Activities | 5<br>HIT<br>Expenses | 6<br>Total<br>(1 to 5)     | 7<br>Cost Containment<br>Expenses |  |                                     |
| 4.   | Individual Mini-Med Plans Expenses  |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |                                     |
| 04.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.7 | Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               | XXX  |                                     |
| 4.10 | TOTAL (Lines 4.7 to 4.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 4.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |
| 5.   | Small Group Mini-Med Plans Expenses   |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.3 | EDP Equipment and Software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |                                     |
| 05.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.7 | Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               | XXX  |                                     |
| 5.10 | TOTAL (Lines 5.7 to 5.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 5.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |
| 6.   | Large Group Mini-Med Plans Expenses   |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |                                     |
| 06.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.7 | Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               | XXX  |                                     |
| 6.10 | TOTAL (Lines 6.7 to 6.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 6.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |

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**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

|      | All Expenses  | Improving Health Care Quality Expenses |   |  |  |                      | Claims Adjustment Expenses |                                   | 9<br>General<br>Administrative<br>Expenses | 10<br>Total<br>Expenses<br>(Cols. 6 to 9) |
|------|---|--|---|--|--|----------------------|----------------------------|-----------------------------------|--|---|
|      |   | 1<br>Improve Health<br>Outcomes        | 2<br>Activities to Prevent<br>Hospital Readmissions | 3<br>Improve Patient Safety<br>and Reduce Medical Errors | 4<br>Wellness & Health<br>Promotion Activities | 5<br>HIT<br>Expenses | 6<br>Total<br>(1 to 5)     | 7<br>Cost Containment<br>Expenses |  |   |
| 7.   | Small Group Expatriate Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 07.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 07.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 07.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 07.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 07.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 07.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.7 | Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 7.10 | TOTAL (Lines 7.7 to 7.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 7.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |
| 8.   | Large Group Expatriate Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 08.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 08.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 08.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 08.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 08.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 08.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.7 | Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 8.10 | TOTAL (Lines 8.7 to 8.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 8.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |
| 9.   | Student Health Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 09.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 09.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 09.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 09.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 09.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 09.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.7 | Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 9.10 | TOTAL (Lines 9.7 to 9.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 9.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |

Supp85 Puerto Rico

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1**

(To Be Filed by April 1 - Not for Rebate Purposes - See Cautionary Statement at [http://www.naic.org/documents/committees\\_e\\_app\\_blanks\\_related\\_shce\\_cautionary\\_statement.pdf](http://www.naic.org/documents/committees_e_app_blanks_related_shce_cautionary_statement.pdf))

REPORT FOR: 1. CORPORATION: DELTA DENTAL OF P.R., INC. 2. LOCATION: GUAYNABO, PR 00968



NAIC Group Code 2479

BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2016

NAIC Company Code 47085

Supp80 Grand Total

|  | Business Subject to MLR       |                              |                              |                 |                              |                              |                     |                     |                              | 10<br>Government<br>Business<br>(Excluded<br>by Statute) | 11<br>Other<br>Health<br>Business | 12<br>Medicare<br>Advantage<br>Part C and<br>Medicare Part D<br>Stand-Alone<br>Subject to ACA | 13<br>Subtotal<br>(Cols. 1<br>thru 12) | 14<br>Uninsured<br>Plans | 15<br>Total<br>(Cols. 13 + 14) |
|--|-------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|---------------------|---------------------|------------------------------|--|-----------------------------------|---|--|--------------------------|--------------------------------|
|  | Comprehensive Health Coverage |                              |                              | Mini-Med Plans  |                              |                              | Expatriate Plans    |                     | 9<br>Student<br>Health Plans |  |                                   |   |  |                          |                                |
|  | 1<br>Individual               | 2<br>Small Group<br>Employer | 3<br>Large Group<br>Employer | 4<br>Individual | 5<br>Small Group<br>Employer | 6<br>Large Group<br>Employer | 7<br>Small<br>Group | 8<br>Large<br>Group |                              |  |                                   |   |  |                          |                                |
| 1. Premium:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.1 Health premiums earned (From Part 2, Line 1.11)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.2 Federal high risk pools   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 01.3 State high risk pools   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 01.4 Premiums earned including state and federal high risk programs (Lines 1.1 + 1.2 + 1.3)                  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.5 Federal taxes and federal assessments   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.6 State insurance, premium and other taxes (Similar local taxes of \$.....0)                              |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.6A Community Benefit Expenditures (informational only)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.7 Regulatory authority licenses and fees  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 01.8 Adjusted Premiums Earned (Lines 1.4 - 1.5 - 1.6 - 1.7)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 01.9 Net assumed less ceded reinsurance premiums earned  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.10 Other adjustments due to MLR calculations - Premiums  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.11 Risk Revenue  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 1.12 Net adjusted premiums earned after reinsurance (Lines 1.8 + 1.9 + 1.10 + 1.11)                          |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 16,006,653                        |   | 16,006,653                             | XXX                      | 16,006,653                     |
| 2. Claims:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 2.1 Incurred claims excluding prescription drugs   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 2.2 Prescription drugs   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 2.3 Pharmaceutical rebates   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 2.4 State stop-loss, market stabilization and claim/census based assessments (informational only)            |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 3. Incurred medical incentive pools and bonuses  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 4. Deductible Fraud and Abuse Detection/Recovery Expenses (for MLR use only)                                 |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 5.0 TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 3) (From Part 2, Line 2.15)                               |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 5.1 Net assumed less ceded reinsurance claims incurred   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.2 Other adjustments due to MLR calculations - Claims   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.3 Rebates Paid   |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.4 Estimated rebates unpaid prior year  |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.5 Estimated rebates unpaid current year  |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   |  | XXX                      |                                |
| 5.6 Fee for service and co-pay revenue   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  | XXX                      |                                |
| 5.7 Net incurred claims after reinsurance (Lines 5.0 + 5.1 + 5.2 + 5.3 - 5.4 + 5.5 - 5.6)                    |                               |                              |                              |                 |                              |                              |                     |                     |                              |  | 10,472,901                        |   | 10,472,901                             | XXX                      | 10,472,901                     |
| 6. Improving Health Care Quality Expenses Incurred:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.1 Improve health outcomes  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.2 Activities to prevent hospital readmissions  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.3 Improve patient safety and reduce medical errors   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.4 Wellness and health promotion activities   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.5 Health Information Technology expenses related to health improvement                                     |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 6.6 TOTAL of Defined Expenses Incurred for Improving Health Care Quality (Lines 6.1 + 6.2 + 6.3 + 6.4 + 6.5) |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 7. Preliminary Medical Loss Ratio: MLR (Lines 4 + 5.0 + 6.6 - Footnote 2.0) / Line 1.8                       |                               |                              |                              |                 |                              |                              |                     |                     |                              | XXX  | XXX                               |   | XXX                                    | XXX                      | XXX                            |
| 8. Claim Adjustment Expenses:  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.1 Cost containment expenses not included in quality of care expenses in Line 6.6                           |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.2 All other claims adjustment expenses   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 8.3 TOTAL Claims adjustment expenses (Lines 8.1 + 8.2)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 9. Claims Adjustment Expense Ratio (Line 8.3 / Line 1.8)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | XXX                                    | XXX                      | XXX                            |

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 1 (Continued)**

(To Be Filed by April 1 - Not for Rebate Purposes)

|  | Business Subject to MLR       |                              |                              |                 |                              |                              |                     |                     |                              | 10<br>Government<br>Business<br>(Excluded<br>by Statute) | 11<br>Other<br>Health<br>Business | 12<br>Medicare<br>Advantage<br>Part C and<br>Medicare Part D<br>Stand-Alone<br>Subject to ACA | 13<br>Subtotal<br>(Cols. 1<br>thru 12) | 14<br>Uninsured<br>Plans | 15<br>Total<br>(Cols. 13 + 14) |
|--|-------------------------------|------------------------------|------------------------------|-----------------|------------------------------|------------------------------|---------------------|---------------------|------------------------------|--|-----------------------------------|---|--|--------------------------|--------------------------------|
|  | Comprehensive Health Coverage |                              |                              | Mini-Med Plans  |                              |                              | Expatriate Plans    |                     | 9<br>Student<br>Health Plans |  |                                   |   |  |                          |                                |
|  | 1<br>Individual               | 2<br>Small Group<br>Employer | 3<br>Large Group<br>Employer | 4<br>Individual | 5<br>Small Group<br>Employer | 6<br>Large Group<br>Employer | 7<br>Small<br>Group | 8<br>Large<br>Group |                              |  |                                   |   |  |                          |                                |
| 10. General and Administrative (G&A) Expenses:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.1 Direct sales salaries and benefits  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.2 Agents and brokers fees and commissions   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.3 Other taxes (excluding taxes on Lines 1.5 through 1.7 and Line 14 below)                              |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.4 Other general and administrative expenses   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.4A Community Benefit Expenditures (informational only)  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 10.5 TOTAL General and administrative (Lines 10.1 + 10.2 + 10.3 + 10.4)                                    |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 11. Underwriting Gain/(Loss) (Lines 1.12 - 5.7 - 6.6 - 8.3 - 10.5)   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 12. Income from fees of uninsured plans  | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 13. Net investment and other gain/(loss)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 14. Federal income taxes (excluding taxes on Line 1.5 above)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | X X X                                  | X X X                    | X X X                          |
| 15. Net gain or (loss) (Lines 11 + 12 + 13 - 14)   | X X X                         | X X X                        | X X X                        | X X X           | X X X                        | X X X                        | X X X               | X X X               | X X X                        | X X X  | X X X                             | X X X   | 5,533,752                              | X X X                    | 5,533,752                      |
| 16. ICD-10 Implementation Expenses (informational only; already included in general expenses and Line 6.5) |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| 16A. ICD-10 Implementation Expenses (informational only; already included in Line 6.5)                     |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O. OTHER INDICATORS:   |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O1. Number of Certificates / Policies  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | 697                                    |                          | 697                            |
| O2. Number of Covered Lives  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | 529,523                                |                          | 529,523                        |
| O3. Number of Groups   | X X X                         |                              |                              | X X X           |                              |                              |                     |                     |                              |  |                                   |   |  |                          |                                |
| O4. Member Months  |                               |                              |                              |                 |                              |                              |                     |                     |                              |  |                                   |   | 529,523                                |                          | 529,523                        |

(a) Is run off business reported in Columns 1 through 9 or 12? Yes[ ] No[X]  
 (b) If yes, show the amount of premiums and claims included: Premiums \$.....0 Claims \$.....0

Supp81 Grand Total

| AFFORDABLE CARE ACT (ACA) RECEIPTS, PAYMENTS, RECEIVABLES and PAYABLES |                               |                                    |                               |                                    |
|--|-------------------------------|------------------------------------|-------------------------------|------------------------------------|
|  | Current Year                  |                                    | Prior Year                    |                                    |
|  | Comprehensive Health Coverage |                                    | Comprehensive Health Coverage |                                    |
|  | 1<br>Individual<br>Plans      | 2<br>Small Group<br>Employer Plans | 3<br>Individual<br>Plans      | 4<br>Small Group<br>Employer Plans |
| <b>ACA Receivables and Payables</b>                                    |                               |                                    |                               |                                    |
| 1. Permanent ACA Risk Adjustment Program                               |                               |                                    |                               |                                    |
| 1.0 Premium adjustments receivable/(payable)                           |                               |                                    |                               |                                    |
| 2. Transitional ACA Reinsurance Program                                |                               |                                    |                               |                                    |
| 2.0 Total amounts recoverable for claims (paid & unpaid)               |                               | X X X                              |                               | X X X                              |
| 3. Temporary ACA Risk Corridors Program                                |                               |                                    |                               |                                    |
| 3.1 Accrued retrospective premium                                      |                               |                                    |                               |                                    |
| 3.2 Reserve for rate credits or policy experience refunds              |                               |                                    |                               |                                    |
| <b>ACA Receipts and Payments</b>                                       |                               |                                    |                               |                                    |
| 4. Permanent ACA Risk Adjustment Program                               |                               |                                    |                               |                                    |
| 4.0 Premium adjustments receipts/(payments)                            |                               |                                    |                               |                                    |
| 5. Transitional ACA Reinsurance Program                                |                               |                                    |                               |                                    |
| 5.0 Amounts received for claims  |                               | X X X                              |                               | X X X                              |
| 6. Temporary ACA Risk Corridors Program                                |                               |                                    |                               |                                    |
| 6.1 Retrospective premium received                                     |                               |                                    |                               |                                    |
| 6.2 Rate credits or policy experience refunds paid                     |                               |                                    |                               |                                    |

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 2**

(To Be Filed By April 1 - Not for Rebate Purposes)

REPORT FOR: 1. CORPORATION: DELTA DENTAL OF P.R., INC. 2. LOCATION: GUAYNABO, PR 00968

**BUSINESS IN THE STATE OF Grand Total DURING THE YEAR 2016**

NAIC Group Code 2479

NAIC Company Code 47085

Supp82 Grand Total

|            |  | Business Subject to MLR       |            |                      |                      |             |             |                      |   |                       | 10   | 11        | 12 | 13 |
|------------|--|-------------------------------|------------|----------------------|----------------------|-------------|-------------|----------------------|---|-----------------------|--|-----------|----|----|
|            |  | Comprehensive Health Coverage |            |                      | Mini-Med Plans       |             |             | Expatriate Plans     |   | 9                     |  |           |    |    |
|            |  | 1                             | 2          | 3                    | 4                    | 5           | 6           | 7                    | 8   |                       |  |           |    |    |
| Individual | Small Group Employer   | Large Group Employer          | Individual | Small Group Employer | Large Group Employer | Small Group | Large Group | Student Health Plans | Government Business (Excluded by Statute) | Other Health Business | Medicare Advantage Part C and Medicare Part D Stand-Alone Subject to ACA | Total (a) |    |    |
| 1.         | Health Premiums Earned   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.1       | Direct premiums written  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.2       | Unearned premium prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.3       | Unearned premium current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.4       | Change in unearned premium (Lines 1.2 - 1.3)   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.5       | Paid rate credits  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.6       | Reserve for rate credits current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.7       | Reserve for rate credits prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.8       | Change in reserve for rate credits (Lines 1.6 - 1.7)   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 01.9       | Premium balances written off   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.10       | Group conversion charges   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.11       | TOTAL Direct premiums earned (Lines 1.1 + 1.4 - 1.9 + 1.10)  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.12       | Assumed premiums earned from non-affiliates  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.13       | Net assumed less ceded premiums earned from affiliates   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.14       | Ceded premiums earned to non-affiliates  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.15       | Other adjustments due to MLR calculation - Premiums  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 1.16       | Net premiums earned (Lines 1.11 - 1.5 - 1.8 + 1.12 + 1.13 - 1.14 + 1.15)   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.         | Direct Claims Incurred:  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.1       | Paid claims during the year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.2       | Direct claim liability current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.3       | Direct claim liability prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.4       | Direct claim reserves current year   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.5       | Direct claim reserves prior year   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.6       | Direct contract reserves current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.7       | Direct contract reserves prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.8       | Paid rate credits  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 02.9       | Reserve for rate credits current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.10       | Reserve for rate credits prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.11       | Incurred medical incentive pools and bonuses (Lines 2.11a + 2.11b - 2.11c)   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.11A      | Paid medical incentive pools and bonuses current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.11B      | Accrued medical incentive pools and bonuses current year   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.11C      | Accrued medical incentive pools and bonuses prior year   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.12       | Net healthcare receivables (Lines 2.12a - 2.12b)   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.12A      | Healthcare receivables current year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.12B      | Healthcare receivables prior year  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.13       | Group conversion charge  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.14       | Multi-option coverage blended rate adjustment  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.15       | TOTAL Incurred Claims (Lines 2.1 + 2.2 - 2.3 + 2.4 - 2.5 + 2.6 - 2.7 + 2.8 + 2.9 - 2.10 + 2.11 - 2.12 + 2.13 + 2.14) |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.16       | Assumed Incurred Claims from non-affiliates  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.17       | Net Assumed less Ceded Incurred Claims from affiliates   |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.18       | Ceded Incurred Claims to non-affiliates  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.19       | Other Adjustments due to MLR calculation - Claims  |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 2.20       | Net Incurred Claims (Lines 2.15 - 2.8 - 2.9 + 2.10 + 2.16 + 2.17 - 2.18 + 2.19)                                      |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |
| 3.         | Fraud and Abuse Recoveries that Reduced PAID Claims in Line 2.1 above (informational only)                           |                               |            |                      |                      |             |             |                      |   |                       |  |           |    |    |

(a) Column 13, Line 1.1 includes direct written premium of \$.....0 for stand-alone dental and \$.....0 for stand-alone vision policies.



**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

|      | All Expenses  | Improving Health Care Quality Expenses |   |  |  |                      | Claims Adjustment Expenses |                                   | 9<br>General<br>Administrative<br>Expenses | 10<br>Total<br>Expenses<br>(6 to 9) |
|------|---|--|---|--|--|----------------------|----------------------------|-----------------------------------|--|-------------------------------------|
|      |   | 1<br>Improve Health<br>Outcomes        | 2<br>Activities to Prevent<br>Hospital Readmissions | 3<br>Improve Patient Safety<br>and Reduce Medical Errors | 4<br>Wellness & Health<br>Promotion Activities | 5<br>HIT<br>Expenses | 6<br>Total<br>(1 to 5)     | 7<br>Cost Containment<br>Expenses |  |                                     |
| 4.   | Individual Mini-Med Plans Expenses  |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | X X X   | X X X  | X X X  | X X X                |                            |                                   |  |                                     |
| 04.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.7 | Subtotal before reimbursements and taxes (Lines 4.1 to 4.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 04.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | X X X                                  | X X X   | X X X  | X X X  | X X X                | X X X                      | X X X                             | X X X                                      |                                     |
| 4.10 | TOTAL (Lines 4.7 to 4.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 4.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |
| 5.   | Small Group Mini-Med Plans Expenses   |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.3 | EDP Equipment and Software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | X X X   | X X X  | X X X  | X X X                |                            |                                   |  |                                     |
| 05.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.7 | Subtotal before reimbursements and taxes (Lines 5.1 to 5.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 05.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | X X X                                  | X X X   | X X X  | X X X  | X X X                | X X X                      | X X X                             | X X X                                      |                                     |
| 5.10 | TOTAL (Lines 5.7 to 5.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 5.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |
| 6.   | Large Group Mini-Med Plans Expenses   |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | X X X   | X X X  | X X X  | X X X                |                            |                                   |  |                                     |
| 06.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.7 | Subtotal before reimbursements and taxes (Lines 6.1 to 6.6)                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |                                     |
| 06.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | X X X                                  | X X X   | X X X  | X X X  | X X X                | X X X                      | X X X                             | X X X                                      |                                     |
| 6.10 | TOTAL (Lines 6.7 to 6.9)  |  |   |  |  |                      |                            |                                   |  |                                     |
| 6.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |                                     |

Supp84 Grand Total

**SUPPLEMENTAL HEALTH CARE EXHIBIT - PART 3 (Continued)**  
 (To Be Filed By April 1 - Not for Rebate Purposes)

|      | All Expenses  | Improving Health Care Quality Expenses |   |  |  |                      | Claims Adjustment Expenses |                                   | 9<br>General<br>Administrative<br>Expenses | 10<br>Total<br>Expenses<br>(Cols. 6 to 9) |
|------|---|--|---|--|--|----------------------|----------------------------|-----------------------------------|--|---|
|      |   | 1<br>Improve Health<br>Outcomes        | 2<br>Activities to Prevent<br>Hospital Readmissions | 3<br>Improve Patient Safety<br>and Reduce Medical Errors | 4<br>Wellness & Health<br>Promotion Activities | 5<br>HIT<br>Expenses | 6<br>Total<br>(1 to 5)     | 7<br>Cost Containment<br>Expenses |  |   |
| 7.   | Small Group Expatriate Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 07.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 07.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 07.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 07.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 07.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 07.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.7 | Subtotal before reimbursements and taxes (Lines 7.1 to 7.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 07.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 7.10 | TOTAL (Lines 7.7 to 7.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 7.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |
| 8.   | Large Group Expatriate Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 08.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 08.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 08.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 08.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 08.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 08.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.7 | Subtotal before reimbursements and taxes (Lines 8.1 to 8.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 08.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 8.10 | TOTAL (Lines 8.7 to 8.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 8.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |
| 9.   | Student Health Plans Expenses   |  |   |  |  |                      |                            |                                   |  |   |
| 09.1 | Salaries (including \$.....0 for affiliated services)                                       |  |   |  |  |                      |                            |                                   |  |   |
| 09.2 | Outsourced services   |  |   |  |  |                      |                            |                                   |  |   |
| 09.3 | EDP equipment and software (including \$.....0 for affiliated services)                     |  |   |  |  |                      |                            |                                   |  |   |
| 09.4 | Other equipment (excluding EDP) (including \$.....0 for affiliated services)                |  |   |  |  |                      |                            |                                   |  |   |
| 09.5 | Accreditation and certification (including \$.....0 for affiliated services)                |  | XXX   | XXX  | XXX  | XXX                  |                            |                                   |  |   |
| 09.6 | Other expenses (including \$.....0 for affiliated services)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.7 | Subtotal before reimbursements and taxes (Lines 9.1 to 9.6)                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.8 | Reimbursements by uninsured plans and fiscal intermediaries                                 |  |   |  |  |                      |                            |                                   |  |   |
| 09.9 | Taxes, licenses and fees (in total, for tying purposes)                                     | XXX                                    | XXX   | XXX  | XXX  | XXX                  | XXX                        | XXX                               |  |   |
| 9.10 | TOTAL (Lines 9.7 to 9.9)  |  |   |  |  |                      |                            |                                   |  |   |
| 9.11 | TOTAL fraud and abuse detection/recovery expenses included in Column 7 (informational only) |  |   |  |  |                      |                            |                                   |  |   |

Supp85 Grand Total



## SUPPLEMENTAL HEALTH CARE EXHIBIT'S EXPENSE ALLOCATION REPORT

(To Be Filed by April 1)

NAIC Group Code: 2479

NAIC Company Code: 47085

Description of allocation methodology:

Detailed Description of Quality Improvement Expenses:

| 1<br>Expense Type<br>from Part 3 | 2<br>New | 3<br>Detailed Description of Expense |
|----------------------------------|----------|--------------------------------------|
|                                  |          |                                      |
|                                  |          |                                      |
|                                  |          |                                      |
|                                  |          |                                      |
|                                  |          |                                      |



# **Approval from State of Domicile for Relief related to 5-Year Rotation Requirement for Lead Audit Partner**



## **Approval from State of Domicile for Relief related to 1-Year Cooling Off Period for Independent CPA**



## **Approval from State of Domicile for Relief related to the Requirement for Audit Committees**



# Management's Discussion and Analysis

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### DELTA DENTAL OF PR, INC.

2016

#### **Introduction**

This discussion provides an assessment by management of the current financial position, results of operations, cash flows and liquidity, and changes in financial position for Delta Dental of Puerto Rico, Inc. (the Company) as of and for the year ended December 31, 2016 as compared to and with 2015. Information presented in this discussion supplements the financial statement exhibits, schedules and disclosures in the 2016 Annual Statement. The basic financial statements included within the Company's 2016 Annual Statement were prepared in accordance with the statements of statutory accounting principles found in the National Association of Insurance Commissioners Accounting Practices and Procedures Manual.

This Management's Discussion and Analysis of Financial Position and Results of Operations contains statements which constitute forward-looking statements including statements relating to the trends in operations and financial results and the business and products of the Company as well as other statements including words such as "anticipate", "believe", "plan", "estimate", "expect" and other similar expressions. Forward looking statements are made based on management's current expectations and beliefs concerning future developments and their potential effects on the Company. Such forward-looking statements are not guarantees of future performance.

#### OPERATIONAL AND FINANCIAL HIGHLIGHTS

#### **FINANCIAL POSITION**

For the year ended December 31, 2016, net admitted assets totaled \$26.5 million, an increase of \$540,486 thousand, liabilities totaled \$6.3 million, a decrease of \$580,777 thousand and surplus totaled \$20.2 million, an increase of \$1.1 million from prior year end.

#### **Introduction**

##### **Assets**

During 2016, total assets increased \$540,486.

Cash and short-term investments increased \$1.5 million. This increase is the result of positive operating results. Bonds and common stocks increased \$2.0 million and decreased \$1.8 respectively, compared to prior year. The predominance of this increase in bonds was the result of purchases of marketable securities.

Investment income due and accrued increased \$17,936 compared to the prior year, mainly due to the increase in income producing bonds.

Uncollected premiums and agents' balances in the course of collection decreased \$2,993 compared to prior year. Prior year non-admitted was \$86,569 compared to \$30,425 for the current year.

Amounts recoverable from reinsurers decreased \$534,046 compared to prior year.

Amounts receivable relating to uninsured plans decreased \$427,727 compared to prior year. The decrease in this receivable was due to the decrease in ASC unpaid claims.

Electronic data processing equipment and software increased \$25,599 compared to prior year. This increase was the result of purchase of depreciable assets.

Receivables from parent, subsidiaries and affiliates increased \$71,828 compared to prior year. This increase was the result of intercompany receivable from Delta Dental of California (DDC).

## Management's Discussion and Analysis

### Liabilities

During 2016, total liabilities decreased \$580,777.

Claims unpaid increased \$10,000 compared to prior year. The prior year reserve was higher than the actual runout and were adjusted in the current year.

Premiums received in advance increased \$63,491 compared to prior year due to the distribution timing of the group premium invoices.

General expenses due or accrued decreased \$233,672 compared to prior year. This decrease is mainly due to decrease in accruals for payroll and related employee expenses.

Ceded reinsurance premiums payable decreased \$456,064 compared to prior year.

Amounts due to parent, subsidiaries and affiliates decreased \$1,325 compared to prior year. Accounts Payable to DDC decreased \$1,325 for intercompany chargebacks.

Liability for amounts held under uninsured plans increased \$36,871 compared to prior year. This increase is due to group prefund deposits.

### Capital and Surplus

During 2016, total capital and surplus increased \$1.1 million.

Gross paid in and contributed surplus increase \$968 compared to prior year, this increase is due to sale of common stocks.

Unassigned funds increased \$1.1 compared to the prior year. The increase was due to net income of \$1 million, the change in unrealized capital gain of \$211,118, the change in aggregate write-ins for gains in surplus of \$10,000 offset by the change in non-admitted assets of \$112,726 and change in treasury stock of \$2,160.

## Management's Discussion and Analysis

### RESULTS OF OPERATIONS

For the year, the Company reported a net gain of \$1.0 million, a \$999,000 increase from 2015's net gain of \$14,840.

|                                      | <b>Years Ended December 31</b> |              |
|--------------------------------------|--------------------------------|--------------|
|                                      | <b>2016</b>                    | <b>2015</b>  |
| <b>Underwriting gain (loss)</b>      |                                |              |
| Net premium income                   | \$ 1,004,720                   | \$ 9,855,257 |
| <b>Claims and operating expenses</b> |                                |              |
| Claims                               |                                |              |
| Dental benefits                      | 10,492,901                     | 10,619,756   |
| Net reinsurance recoveries           | (5,242,403)                    | (5,322,474)  |
| Net claims incurred                  | 5,250,498                      | 5,297,282    |
| Operating expenses                   |                                |              |
| Claims adjustment expenses           | 696,484                        | 407,279      |
| General administrative expenses      | 3,615,943                      | 4,057,963    |
| Total claims and operating expenses  | 9,562,925                      | 9,762,524    |
| Net underwriting gain (loss)         | 441,795                        | 92,733       |
| Net investment income gain (loss)    | 31,325                         | (924,997)    |
| Other income, net                    | 1,354,583                      | 1,244,362    |
|                                      | 1,385,908                      | 319,365      |
| Net income before income taxes       | 1,827,703                      | 412,098      |
| Income tax expense                   | 813,641                        | 397,258      |
| <b>Net income</b>                    | \$ 1,014,062                   | \$ 14,840    |

The Company's annual statement reflected a \$149,463 increase in total revenues.

Net hospital and medical benefits decreased \$126,855 compared to prior year.

Claims adjustment expenses increased \$289,205 compared to the prior year. This increase is mainly due to claims processing fees.

General administrative expenses decreased \$442,020 compared to the prior year mainly due to payroll and related employee expenses and commission expenses.

The net underwriting gain (loss) for 2016 was \$441,795 compared to the net underwriting gain (loss) in 2015 of \$92,733. This increase of \$349,062 is the result of positive operating results.

### PROSPECTIVE INFORMATION

The Company has already experienced an increase in activity for 2017 premiums earned of \$100,000 through February.

## Management's Discussion and Analysis

### **LIQUIDITY, ASSET/LIABILITY MATCHING AND CAPITAL RESOURCES**

The Company's cash position increased from \$12.2 million in 2015 to \$13.7 million in 2016. The predominance of this change occurred in the flows from cash provided by operations, offset by the change in investing and financial activities.

The Company does not anticipate any other significant impacts to liquidity from circumstances such as off-balance sheet activities, economic trends, commitments or other uncertainties.

### **PRELIMINARY MERGER/ACQUISITION NEGOTIATIONS**

The Company does not anticipate any preliminary merger/acquisition negotiations to be part of the Company's 2017 year ahead.

### **CONCLUSION**

The Company had an aggressive marketing and wellness plan placed for 2016 including the sales promotion of our products, including our individual plan and supplementary plan. Also the Company will work in the maintenance of interest rate returns with continued improvements in the overall economy.



# Audited Financial Report



## Accountant's Letter of Qualification



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



# Management's Report of Internal Control over Financial Reporting

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**ANNUAL DISKETTE TRANSMITTAL FORM AND CERTIFICATION  
(HEALTH)**

Name of Insurer DELTA DENTAL OF P.R., INC.

Date \_\_\_\_\_ FEIN 680652604  
 NAIC Group # 2479 NAIC Company # 47085

THIS FORM IS REQUIRED FOR ALL DISKETTE TRANSMITTALS, WITH THE EXCEPTION OF RBC FILINGS,  
 PLEASE PROVIDE ANY ADDITIONAL COMMENTS THAT MAY HELP TO IDENTIFY DISKETTE CONTENT

|   | March           | April           | June            |
|---|-----------------|-----------------|-----------------|
| 1. Is this the first time you've submitted this filing? (Y/N) .....                           | ..... N/A ..... | ..... N/A ..... | ..... N/A ..... |
| 2. Is this being re-filed at the request of the NAIC or a state insurance department? (Y/N) . | ..... N/A ..... | ..... N/A ..... | ..... N/A ..... |
| 3. Is this being re-filed due to changes to the data originally filed? (Y/N) .....            | ..... N/A ..... | ..... N/A ..... | ..... N/A ..... |
| 4. Other? (Y/N) .....   | ..... N/A ..... | ..... N/A ..... | ..... N/A ..... |
| (If "yes" attach an explanation.)   |                 |                 |                 |

B. Additional comments if necessary for clarification:

C. Diskette Contact Person: Marianne Ortiz  
 Phone: (939)205-3300  
 Address: Metro Office Park 14 Strret 2 Suite 200, Guaynabo, PR 00968

D. Software Vendor: SunGard iWORKS - Statutory  
 Version: 2016.A.0

E. Have material validation failures been addressed in the explanation file? Yes[ ] No[X]

F. The undersigned hereby certifies that, according to the best of his/her knowledge and belief: that the diskettes submitted with this form were prepared in compliance with the NAIC specifications, that the diskettes have been tested against the validations included with these specifications, and that annual statement information required to be contained on diskette is identical to the information in the 2016 Annual Statement blank filed with the insurer's domiciliary state insurance department. In addition, the diskettes have been scanned through a virus detection software package, and no viruses are present on the diskettes. The virus detection software used was (name):

(version number):

(Signed) \_\_\_\_\_

Type Name and Title:

# Amended Explanation Page

## Prior Period Data for Non-required Crosschecks

| Prior Period Statement Location  | 1<br>Amount |
|--|-------------|
| 1. 2015 Annual, Page 2, Assets, Line 05, Column 1 .....  | 12,212,587  |
| 2. 2015 Annual, Page 2, Assets, Line 28, Column 3 .....  | 25,983,224  |
| 3. 2015 Annual, Page 3, Liabilities, Line 01, Column 3 .....   | 325,000     |
| 4. 2015 Annual, Page 3, Liabilities, Line 02, Column 3 .....   |             |
| 5. 2015 Annual, Page 3, Liabilities, Line 04, Column 3 .....   |             |
| 6. 2015 Annual, Page 3, Liabilities, Line 07, Column 3 .....   |             |
| 7. 2015 Annual, Page 4, Statement of Revenue and Expenses, Line 02, Column 2 .....                                 | 9,855,257   |
| 8. 2015 Annual, Page 5, Statement of Revenue and Expenses (cont.), Line 49, Column 1 .....                         | 19,123,979  |
| 9. 2015 Annual, Page 8, Underwriting & Investment Exhibit - Part 1, Line 12, Column 1 .....                        | 15,885,767  |
| 10. 2015 Annual, Page 31, Schedule S Part 1 Section 2, Line 0799999, Column 7 .....                                |             |
| 11. 2015 Annual, Page 31, Schedule S Part 1 Section 2, Line 1099999, Column 7 .....                                |             |
| 12. 2015 Annual, Page SI02, Schedule A Verification, Line 09, Column 2 .....                                       |             |
| 13. 2015 Annual, Page SI02, Schedule B Verification, Line 11, Column 2 .....                                       |             |
| 14. 2015 Annual, Page SI03, Schedule BA Verification, Line 11, Column 2 .....                                      |             |
| 15. 2015 Annual, Page SI03, Schedule D Verification, Line 10, Column 2 .....                                       | 8,485,169   |
| 16. 2015 Annual, Page SI11, Schedule DB Part A Verification, Line 09, Column 2 .....                               |             |
| 17. 2015 Annual, Page SI11, Schedule DB Part B Verification, Line 06, Column 4 .....                               |             |
| 18. 2015 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 9 .....                                 |             |
| 19. 2015 Annual, Page SI13, Schedule DB Part C, Section 2, Line 07, Column 10 .....                                |             |
| 20. 2015 Annual, Page E17, Schedule DA Part 1, Line 9199999, Column 8 .....  |             |
| 21. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 15 .....                            |             |
| 22. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 17 .....                            |             |
| 23. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 18 .....                            |             |
| 24. 2015 Annual, Page E20, Schedule DB Part B, Section 1, Line 1449999, Column 19 .....                            |             |
| 25. 2015 Annual, Page E27, Schedule E Part 2, Line 8699999, Column 6 .....   |             |
| 26. 2015 Annual, Page Supp29, Schedule S Part 1 Section 1, Line 0799999, Column 9 .....                            |             |
| 27. 2015 Annual, Page Supp29, Schedule S Part 1 Section 1, Line 1099999, Column 9 .....                            |             |
| 28. 2015 Annual, Page Supp40, Schedule F Part 1, Line 0899999, Column 5 .....                                      |             |
| 29. 2015 Annual, Page Supp40, Schedule F Part 1, Line 0999999, Column 5 .....                                      |             |
| 30. 2015 Annual, Page Supp80, Supplemental Health Care Exhibit - Part 1 (Grand Total), Line 05.5,<br>Col. 15 ..... |             |