



## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	21,085,458		21,085,458	19,195,026
2. Stocks (Schedule D):				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	615,525		615,525	679,276
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....6,660,984, Schedule E-Part 1), cash equivalents (\$.....15,237,430, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	21,898,411		21,898,411	6,473,343
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	43,599,394	0	43,599,394	26,347,645
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	136,650		136,650	142,458
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,384,632	179,028	1,205,604	2,317,187
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	173,229		173,229	143,222
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	657,113		657,113	5,329,200
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	933,356
18.2 Net deferred tax asset.....	147,604	53,235	94,369	176,421
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	1,773		1,773	6,322
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	72,623	72,623	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	46,173,018	304,886	45,868,132	35,395,811
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	46,173,018	304,886	45,868,132	35,395,811

### DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Other assets.....	72,623	72,623	0	
2502.....			0	
2503.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	72,623	72,623	0	0

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	832,740	495,862
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	167,200	118,586
4. Commissions payable, contingent commissions and other similar charges.....	(3,278,632)	(2,269,071)
5. Other expenses (excluding taxes, licenses and fees).....	270,452	115,206
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	163,427	
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....19,453,873 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	7,579,396	8,377,403
10. Advance premium.....	3,124,600	3,486,849
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	2,724,558	4,769,543
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 20).....	1,327,340	
14. Amounts withheld or retained by company for account of others.....	10,433	11,587
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 3, Column 78).....	1	1
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	1,875,546	3,552,324
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	4,890,984	308,949
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	19,688,045	18,967,239
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	19,688,045	18,967,239
29. Aggregate write-ins for special surplus funds.....	860,976	441,090
30. Common capital stock.....	3,000,000	3,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	784,383	784,383
35. Unassigned funds (surplus).....	21,534,728	12,203,099
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	26,180,087	16,428,572
38. TOTAL (Page 2, Line 28, Col. 3).....	45,868,132	35,395,811

## DETAILS OF WRITE-INS

2501. Unclaimed Funds.....	4,219,744	133,177
2502. Other Liabilities.....	671,240	175,772
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	4,890,984	308,949
2901. Reserve for Catastrophe Insurance Losses pursuant to Ch. 25 of the Insurance Code of Puerto Rico.....	860,976	441,090
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	860,976	441,090
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	13,650,374	11,564,288
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	1,831,802	2,381,195
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	(237,662)	826,667
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	(1,193,404)	1,127,494
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	400,736	4,335,356
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	13,249,638	7,228,932
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	796,781	472,124
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....		230,075
11. Net investment gain (loss) (Lines 9 + 10).....	796,781	702,199
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	(973,161)
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	659,573	(5,025)
15. Total other income (Lines 12 through 14).....	659,573	(978,186)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	14,705,992	6,952,945
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	14,705,992	6,952,945
19. Federal and foreign income taxes incurred.....	5,009,385	1,969,761
20. Net income (Line 18 minus Line 19) (to Line 22).....	9,696,607	4,983,184
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	16,428,572	11,802,473
22. Net income (from Line 20).....	9,696,607	4,983,184
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(12,750).....	(51,001)	(79,852)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	(91,081)	(419,538)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	196,990	997,926
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(0)	(1)
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from Protected Cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		
32.2 Transferred from surplus (Stock Dividend).....		
32.3 Transferred to surplus.....		
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....		
33.3. Transferred from capital.....		
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	0	(855,620)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	9,751,515	4,626,099
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	26,180,087	16,428,572
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	0	0
1401. Other (expenses) income.....	(552,084)	(5,025)
1402. Extraordinary dividend SIMED.....	1,211,657	
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	659,573	(5,025)
3701. Reclassification of losses against CAT reserve.....		(855,620)
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	(855,620)

**CASH FLOW**

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	11,670,230	11,982,105
2. Net investment income.....	898,476	566,502
3. Miscellaneous income.....	659,573	(978,185)
4. Total (Lines 1 through 3).....	13,228,279	11,570,422
5. Benefit and loss related payments.....	(3,177,163)	7,778,330
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	(624,994)	3,478,657
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	3,912,602	2,434,242
10. Total (Lines 5 through 9).....	110,445	13,691,229
11. Net cash from operations (Line 4 minus Line 10).....	13,117,834	(2,120,807)
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	590,978	1,860,836
12.2 Stocks.....		501,783
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	590,978	2,362,619
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	2,576,925	2,702,141
13.2 Stocks.....		629,922
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	2,576,925	3,332,063
14. Net increase (decrease) in contract loans and premium notes.....		
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(1,985,947)	(969,444)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....		
16.6 Other cash provided (applied).....	4,293,181	2,416,177
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	4,293,181	2,416,177
<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).....	15,425,068	(674,074)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,473,343	7,147,417
19.2 End of year (Line 18 plus Line 19.1).....	21,898,411	6,473,343

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

20.0001 .....		
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## UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	222,387	110,347	125,603	207,131
2.	Allied lines.....	4,663,035	2,898,278	3,128,879	4,432,434
3.	Farmowners multiple peril.....	0		0	0
4.	Homeowners multiple peril.....	3,681,419	3,366,709	2,203,730	4,844,398
5.	Commercial multiple peril.....	0		0	0
6.	Mortgage guaranty.....	0		0	0
8.	Ocean marine.....	0		0	0
9.	Inland marine.....	109	6	11	104
10.	Financial guaranty.....	0		0	0
11.1	Medical professional liability - occurrence.....	0		0	0
11.2	Medical professional liability - claims-made.....	0		0	0
12.	Earthquake.....	2,211,333	1,108,378	1,203,590	2,116,121
13.	Group accident and health.....	329		0	329
14.	Credit accident and health (group and individual).....	0		0	0
15.	Other accident and health.....	0		0	0
16.	Workers' compensation.....	0		0	0
17.1	Other liability - occurrence.....	26,724	15,742	16,365	26,101
17.2	Other liability - claims-made.....	0		0	0
17.3	Excess workers' compensation.....	0		0	0
18.1	Products liability - occurrence.....	0		0	0
18.2	Products liability - claims-made.....	0		0	0
19.1, 19.2	Private passenger auto liability.....	999,004	448,916	347,779	1,100,141
19.3, 19.4	Commercial auto liability.....	0		0	0
21.	Auto physical damage.....	791,533	419,612	423,820	787,325
22.	Aircraft (all perils).....	0		0	0
23.	Fidelity.....	0		0	0
24.	Surety.....	0		0	0
26.	Burglary and theft.....	0		0	0
27.	Boiler and machinery.....	0		0	0
28.	Credit.....	0		0	0
29.	International.....	0		0	0
30.	Warranty.....	0		0	0
31.	Reinsurance - nonproportional assumed property.....	0		0	0
32.	Reinsurance - nonproportional assumed liability.....	0		0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0		0	0
34.	Aggregate write-ins for other lines of business.....	256,494	9,415	129,619	136,290
35.	TOTALS.....	12,852,367	8,377,403	7,579,396	13,650,374

## DETAILS OF WRITE-INS

3401.	Assistance.....	256,494	9,415	129,619	136,290
3402.	.....	0		0	0
3403.	.....	0		0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	256,494	9,415	129,619	136,290

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1A - RECAPITULATION OF ALL PREMIUMS**

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	125,603				125,603
2.	Allied lines.....	3,128,879				3,128,879
3.	Farmowners multiple peril.....					0
4.	Homeowners multiple peril.....	2,203,730				2,203,730
5.	Commercial multiple peril.....					0
6.	Mortgage guaranty.....					0
8.	Ocean marine.....					0
9.	Inland marine.....	11				11
10.	Financial guaranty.....					0
11.1	Medical professional liability - occurrence.....					0
11.2	Medical professional liability - claims-made.....					0
12.	Earthquake.....	1,203,590				1,203,590
13.	Group accident and health.....					0
14.	Credit accident and health (group and individual).....					0
15.	Other accident and health.....					0
16.	Workers' compensation.....					0
17.1	Other liability - occurrence.....	16,365				16,365
17.2	Other liability - claims-made.....					0
17.3	Excess workers' compensation.....					0
18.1	Products liability - occurrence.....					0
18.2	Products liability - claims-made.....					0
19.1, 19.2	Private passenger auto liability.....	347,779				347,779
19.3, 19.4	Commercial auto liability.....					0
21.	Auto physical damage.....	423,820				423,820
22.	Aircraft (all perils).....					0
23.	Fidelity.....					0
24.	Surety.....					0
26.	Burglary and theft.....					0
27.	Boiler and machinery.....					0
28.	Credit.....					0
29.	International.....					0
30.	Warranty.....					0
31.	Reinsurance - nonproportional assumed property.....					0
32.	Reinsurance - nonproportional assumed liability.....					0
33.	Reinsurance - nonproportional assumed financial lines.....					0
34.	Aggregate write-ins for other lines of business.....	129,619	0	0	0	129,619
35.	TOTALS.....	7,579,396	0	0	0	7,579,396
36.	Accrued retrospective premiums based on experience.....					
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					7,579,396

**DETAILS OF WRITE-INS**

3401.	Assistance.....	129,619				129,619
3402.	.....					0
3403.	.....					0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	129,619	0	0	0	129,619

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

**UNDERWRITING AND INVESTMENT EXHIBIT**

**PART 1B - PREMIUMS WRITTEN**

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	780,323			557,936		222,387
2. Allied lines.....	20,639,663			15,976,628		4,663,035
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....	17,811,986			14,130,567		3,681,419
5. Commercial multiple peril.....						0
6. Mortgage guaranty.....						0
8. Ocean marine.....						0
9. Inland marine.....	464			355		109
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....	7,759,076			5,547,743		2,211,333
13. Group accident and health.....	4,622			4,293		329
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....						0
17.1 Other liability - occurrence.....	102,190			75,466		26,724
17.2 Other liability - claims-made.....						0
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....						0
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	3,549,037			2,550,033		999,004
19.3, 19.4 Commercial auto liability.....						0
21. Auto physical damage.....	2,966,527			2,174,994		791,533
22. Aircraft (all perils).....						0
23. Fidelity.....						0
24. Surety.....						0
26. Burglary and theft.....						0
27. Boiler and machinery.....						0
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX					0
32. Reinsurance - nonproportional assumed liability.....	XXX					0
33. Reinsurance - nonproportional assumed financial lines.....	XXX					0
34. Aggregate write-ins for other lines of business.....	1,775,108	0	0	1,518,614	0	256,494
35. TOTALS.....	55,388,996	0	0	42,536,629	0	12,852,367

**DETAILS OF WRITE-INS**

3401. Assistance.....	1,775,108			1,518,614		256,494
3402. ....						0
3403. ....						0
3498. Summary of remaining write-ins for Line 34 from overflow page...	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	1,775,108	0	0	1,518,614	0	256,494

(a) Does the company's direct premiums written include premiums recorded on an installment basis? Yes [ ] No [ X ]

If yes: 1. The amount of such installment premiums \$.....0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis \$.....0.

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	304,278		217,559	86,719	35,340	6,270	115,789	55.9
2. Allied lines.....	57,447,368		57,960,463	(513,095)	136,631	(105,635)	(270,829)	(6.1)
3. Farmowners multiple peril.....				0	0		0	0.0
4. Homeowners multiple peril.....	109,747,440		109,326,877	420,563	483,819	512,814	391,568	8.1
5. Commercial multiple peril.....				0	0		0	0.0
6. Mortgage guaranty.....				0	0		0	0.0
8. Ocean marine.....				0	0		0	0.0
9. Inland marine.....				0	0		0	0.0
10. Financial guaranty.....				0	0		0	0.0
11.1 Medical professional liability - occurrence.....				0	0		0	0.0
11.2 Medical professional liability - claims-made.....				0	0		0	0.0
12. Earthquake.....				0	570	570	0	0.0
13. Group accident and health.....				0	452		452	137.4
14. Credit accident and health (group and individual).....				0	0		0	0.0
15. Other accident and health.....				0	0		0	0.0
16. Workers' compensation.....				0	0		0	0.0
17.1 Other liability - occurrence.....	25,459		18,203	7,256	1,197	13,110	(4,657)	(17.8)
17.2 Other liability - claims-made.....				0	0		0	0.0
17.3 Excess workers' compensation.....				0	0		0	0.0
18.1 Products liability - occurrence.....				0	0		0	0.0
18.2 Products liability - claims-made.....				0	0		0	0.0
19.1, 19.2 Private passenger auto liability.....	2,358,886		1,686,604	672,282	93,154	61,690	703,746	64.0
19.3, 19.4 Commercial auto liability.....				0	0		0	0.0
21. Auto physical damage.....	3,036,440		2,220,740	815,700	81,132	2,977	893,855	113.5
22. Aircraft (all perils).....				0	0		0	0.0
23. Fidelity.....				0	0		0	0.0
24. Surety.....				0	0		0	0.0
26. Burglary and theft.....				0	0		0	0.0
27. Boiler and machinery.....				0	0		0	0.0
28. Credit.....				0	0		0	0.0
29. International.....				0	0		0	0.0
30. Warranty.....				0	0		0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX			0	0		0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX			0	0		0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	0		0	0.0
34. Aggregate write-ins for other lines of business.....	21,845	0	16,346	5,499	445	4,066	1,878	1.4
35. TOTALS.....	172,941,716	0	171,446,792	1,494,924	832,740	495,862	1,831,802	13.4
<b>DETAILS OF WRITE-INS</b>								
3401. Assistance.....	21,845		16,346	5,499	445	4,066	1,878	1.4
3402. ....				0	0		0	0.0
3403. ....				0	0		0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	XXX	
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	21,845	0	16,346	5,499	445	4,066	1,878	1.4

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	124,000		88,660	35,340			35,340	122	
2. Allied lines.....	2,029,900		1,967,936	61,964	261,991	187,324	136,631	42,266	
3. Farmowners multiple peril.....				0			0		
4. Homeowners multiple peril.....	3,585,737		3,400,971	184,766	1,654,330	1,355,277	483,819	91,552	
5. Commercial multiple peril.....				0			0		
6. Mortgage guaranty.....				0			0		
8. Ocean marine.....				0			0		
9. Inland marine.....				0			0		
10. Financial guaranty.....				0			0		
11.1 Medical professional liability - occurrence.....				0			0		
11.2 Medical professional liability - claims-made.....				0			0		
12. Earthquake.....	2,000		1,430	570			570	229	
13. Group accident and health.....	452			452			(a) 452		
14. Credit accident and health (group and individual).....				0			(a) 0		
15. Other accident and health.....				0			(a) 0		
16. Workers' compensation.....				0			0		
17.1 Other liability - occurrence.....	4,200		3,003	1,197			1,197		
17.2 Other liability - claims-made.....				0			0		
17.3 Excess workers' compensation.....				0			0		
18.1 Products liability - occurrence.....				0			0		
18.2 Products liability - claims-made.....				0			0		
19.1, 19.2 Private passenger auto liability.....	254,238		181,781	72,457	72,460	51,763	93,154	18,645	
19.3, 19.4 Commercial auto liability.....				0			0		
21. Auto physical damage.....	144,949		102,532	42,417	135,843	97,128	81,132	12,317	
22. Aircraft (all perils).....				0			0		
23. Fidelity.....				0			0		
24. Surety.....				0			0		
26. Burglary and theft.....				0			0		
27. Boiler and machinery.....				0			0		
28. Credit.....				0			0		
29. International.....				0			0		
30. Warranty.....				0			0		
31. Reinsurance - nonproportional assumed property.....	XXX			0	XXX		0		
32. Reinsurance - nonproportional assumed liability.....	XXX			0	XXX		0		
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	XXX		0		
34. Aggregate write-ins for other lines of business.....	404	0	288	116	1,152	823	445	2,069	
35. TOTALS.....	6,145,880	0	5,746,601	399,279	2,125,776	1,692,315	832,740	167,200	

**DETAILS OF WRITE-INS**

3401. Assistance.....	404		288	116	1,152	823	445	2,069
3402. ....				0			0	
3403. ....				0			0	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	404	0	288	116	1,152	823	445	2,069

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

# MAPFRE Pan American Insurance Company

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	6,876,721			6,876,721
1.2 Reinsurance assumed.....				0
1.3 Reinsurance ceded.....	8,610,263			8,610,263
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	(1,733,542)	0	0	(1,733,542)
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		12,109,584		12,109,584
2.2 Reinsurance assumed, excluding contingent.....				0
2.3 Reinsurance ceded, excluding contingent.....		11,938,267		11,938,267
2.4 Contingent - direct.....		4,586,892		4,586,892
2.5 Contingent - reinsurance assumed.....				0
2.6 Contingent - reinsurance ceded.....		9,667,680		9,667,680
2.7 Policy and membership fees.....				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	(4,909,471)	0	(4,909,471)
3. Allowances to manager and agents.....		39,386		39,386
4. Advertising.....		14,944		14,944
5. Boards, bureaus and associations.....		65,708		65,708
6. Surveys and underwriting reports.....		13,527		13,527
7. Audit of assureds' records.....				0
8. Salary and related items:				
8.1 Salaries.....	564,326	1,496,526		2,060,852
8.2 Payroll taxes.....	44,384	117,549		161,933
9. Employee relations and welfare.....	112,137	296,171	106	408,414
10. Insurance.....	22,879	60,067	816	83,762
11. Directors' fees.....		27,114	25,139	52,253
12. Travel and travel items.....	38,405	101,449		139,854
13. Rent and rent items.....	88,482	233,947		322,429
14. Equipment.....	34,084	90,036		124,120
15. Cost or depreciation of EDP equipment and software.....	116,905	308,813		425,718
16. Printing and stationery.....	13,428	35,413	127	48,968
17. Postage, telephone and telegraph, exchange and express.....	35,539	93,878		129,417
18. Legal and auditing.....	6,506	33,179	16,232	55,917
19. Totals (Lines 3 to 18).....	1,077,075	3,027,707	42,420	4,147,202
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....				0
20.2 Insurance department licenses and fees.....	28,921	65,228	2,079	96,228
20.3 Gross guaranty association assessments.....				0
20.4 All other (excluding federal and foreign income and real estate).....	297,948	379,946	17,099	694,993
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	326,869	445,174	19,178	791,221
21. Real estate expenses.....				0
22. Real estate taxes.....				0
23. Reimbursements by uninsured plans.....				0
24. Aggregate write-ins for miscellaneous expenses.....	91,936	243,186	50,191	385,313
25. Total expenses incurred.....	(237,662)	(1,193,404)	111,789	(1,319,277)
26. Less unpaid expenses - current year.....	167,200	6,100,909	2,295	6,270,404
27. Add unpaid expenses - prior year.....	118,586	2,605,823	1,924	2,726,333
28. Amounts receivable relating to uninsured plans, prior year.....				0
29. Amounts receivable relating to uninsured plans, current year.....				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	(286,276)	(4,688,490)	111,418	(4,863,348)

#### DETAILS OF WRITE-INS

2401. Consultant Fees.....	73,638	194,423	215	268,276
2402. Temp. Services.....	18,292	48,319		66,611
2403. Others.....	6	17		23
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	427	49,976	50,403
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	91,936	243,186	50,191	385,313

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

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....44,803	.....44,528
1.1 Bonds exempt from U.S. tax.....	(a).....76,609	.....76,609
1.2 Other bonds (unaffiliated).....	(a).....363,722	.....362,579
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....22,031	.....22,031
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).....407,212	.....402,823
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....	.....
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....914,377	.....908,570
11. Investment expenses.....	.....	(g).....92,611
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....19,178
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....0
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....111,789
17. Net investment income (Line 10 minus Line 16).....	.....	.....796,781

**DETAILS OF WRITE-INS**

0901. ....	.....	.....
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....2,057 accrual of discount less \$.....97,573 amortization of premium and less \$.....11,906 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 \$.....296,372 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....	.....	.....0	.....	.....
1.2 Other bonds (unaffiliated).....	.....	.....	.....0	.....	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....	.....	.....0	.....	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....	.....	.....0	.....(63,751)	.....
2.21 Common stocks of affiliates.....	.....	.....	.....0	.....	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....	.....	.....0	.....	.....
7. Derivative instruments.....	.....	.....	.....0	.....	.....
8. Other invested assets.....	.....	.....	.....0	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....0	.....0	.....0	.....(63,751)	.....0

**DETAILS OF WRITE-INS**

0901. ....	.....	.....	.....0	.....	.....
0902. ....	.....	.....	.....0	.....	.....
0903. ....	.....	.....	.....0	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page..	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....			0
2.2 Common stocks.....			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	0	0	0
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	179,028	322,549	143,521
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....	53,235	49,514	(3,721)
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	72,623	129,813	57,190
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	304,886	501,876	196,990
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	304,886	501,876	196,990

**DETAILS OF WRITE-INS**

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Other assets.....	72,623	129,813	57,190
2502.....			0
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	72,623	129,813	57,190

**NOTES TO FINANCIAL STATEMENTS****Note 1 – Summary of Significant Accounting Policies and Going Concern****A. Accounting Practices**

MAPFRE Pan American Insurance Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico (the Commissioner of Insurance). The Commissioner of Insurance requires insurance companies domiciled in the Commonwealth of Puerto Rico to prepare their statutory basis (SAP) financial statements in accordance with the National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures Manual, subject to any deviations prescribed or permitted by the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. Prescribed statutory accounting practices include a variety of publications of the NAIC including its codification initiative contained in its Accounting Practices and Procedures Manual, as well as state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed. The Commissioner of Insurance has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. They are described as follows:

1) The Commissioner of Insurance prohibits the recognition of the deferred tax liability resulting from the contributions made over the years to the catastrophic reserve fund that would otherwise have resulted under NAIC SAP.

2) According to Circular Letter E-06-1611-2001 catastrophe losses will be charged against the catastrophe loss reserve during the year the losses are incurred.

The monetary effect on statutory net income and on statutory capital and surplus of using accounting practices prescribed or permitted by the Commissioner of Insurance as of December 31, 2018 and 2017, respectively, is as follows:

	SSAP #	F/S Page	F/S Line #	2018	2017
<b>NET INCOME</b>					
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 9,696,607	\$ 4,983,184
(2) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
Effect of the Commissioner of Insurance prescribed practice to allow catastrophe losses to be offsetted against restricted surplus for catastrophe losses	24	4	2	\$ -	\$ 855,620
(3) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 9,696,607	\$ 4,127,564
<b>SURPLUS</b>					
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 26,180,087	\$ 16,428,572
(6) State Prescribed Practices that are an increase/(decrease) from NAIC SAP					
Effect of the Commissioner of Insurance prescribed practice to not recognize deferred tax liability for catastrophe loss reserve trust fund contributions	101	3	35	\$ 322,863	\$ 88,218
(7) State Permitted Practices that are an increase/(decrease) from NAIC SAP					
				\$ -	\$ -
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 25,857,224	\$ 16,340,354

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the amounts reported in these statutory financial statements and notes. Actual results could differ from those estimates.

**C. Accounting Policy**

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods for direct and ceded business and based on reports received from ceding companies for reinsurance assumed. Premiums receivable are primarily due from agents and policyholders and are charged off when specific balances are determine to be uncollectible. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

Net investment income earned consists primarily of interest and dividends income reduced by investment related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include write-downs for impairments considered to be other-than-temporary.

Other significant accounting principles are as follows:

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## NOTES TO FINANCIAL STATEMENTS

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- (1) Basis for Short-Term Investments  
Short-term investments are stated at amortized cost.
- (2) Basis for Bonds and Amortization Schedule  
Bonds not backed by other loans are stated at amortized cost using the interest method. Investment grade bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.
- (3) Basis for Common Stocks  
Common stocks, other than investments in stocks of subsidiaries, are stated at estimated fair value.
- (4) Basis for Preferred Stocks  
Perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value.
- (5) Basis for Mortgage Loans  
The Company does not hold mortgage loans.
- (6) Basis for Loan-Backed Securities and Adjustment Methodology  
For loan-backed securities the Company uses the acquisition date for applying the retrospective adjustment method.
- (7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities  
The Company does not hold investments in subsidiary, controlled and affiliated entities.
- (8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities  
The Company does not hold investments in joint ventures, partnerships and limited liability companies.
- (9) Accounting Policies for Derivatives  
The Company does not have derivatives.
- (10) Anticipated Investment Income Used in Premium Deficiency Calculation  
The Company anticipates investment income as a factor in the premium deficiency calculation, in accordance with SSAP No. 53.
- (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&H Contracts  
Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- (12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period  
The Company has a written capitalization policy for purchases that establishes minimum thresholds for capitalizing assets according to their classification.
- (13) Method Used to Estimate Pharmaceutical Rebate Receivables  
The Company does not write major medical insurance with prescription drug coverage.

**D. Going Concern**

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

**Note 2 – Accounting Changes and Correction of Errors**

None.

**Note 3 – Business Combinations and Goodwill**

None.

**Note 4 – Discontinued Operations**

None.

**Note 5 – Investments****A. Mortgage Loans, including Mezzanine Real Estate Loans**

None.

**B. Debt Restructuring**

None.

**NOTES TO FINANCIAL STATEMENTS**

## C. Reverse Mortgages

None.

## D. Loan-Backed Securities

## (1) Description of Sources Used to Determine Prepayment Assumptions

Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities were obtained from broker dealer survey values or internal estimates.

## (2) Other-Than-Temporary Impairments

No other-than-temporary impairment for loan-backed securities recorded during the period.

## (3) Recognized OTTI securities

The Company does not have any loan-backed security with an other-than-temporary impairment recognized in the period.

## (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

Loan-backed securities in unrealized loss position at the end of the period, stratified based on length of time continuously in these unrealized loss positions, are as follows:

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$
	2. 12 Months or Longer	\$ 53,334
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$
	2. 12 Months or Longer	\$ 1,387,624

## (5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

All loan-backed securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by an analysis of the underlying credit of each security and, taking into account that these securities are explicitly guaranteed by the US Federal Government, the possibility of recognition of an other-than-temporary impairment in the future is remote.

## E. Dollar Repurchase Agreements and/or Securities Lending Transactions

None.

## F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

None.

## G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

None.

## H. Repurchase Agreements Transactions Accounted for as a Sale

Repurchase Transaction – Cash Taker – Overview of Sale Transactions

None.

## I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Repurchase Transaction – Cash Provider – Overview of Sale Transactions

None.

## J. Real Estate

None.

## K. Low-Income Housing Tax Credits (LIHTC)

None.

**NOTES TO FINANCIAL STATEMENTS**

## L. Restricted Assets

## (1) Restricted Assets (Including Pledged)

Restricted Asset Category	(Admitted & Nonadmitted Restricted)							Current Year			
	Current Year					6	7	8	9	Percentage	
	1	2	3	4	5					10	11
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown	\$	\$	\$	\$	\$	\$	\$	\$	\$	%	%
b. Collateral held under security lending arrangements										%	%
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	2,829,655			2,829,655	2,829,655	2,355,620	474,035		2,829,655	6.1%	6.2%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										%	%
m. Pledged as collateral not captured in other categories										%	%
n. Other restricted assets										%	%
o. Total Restricted Assets	\$2,829,655	\$	\$	\$2,829,655	\$2,829,655	\$2,355,620	\$ 474,035	\$	\$2,829,655	6.1%	6.2%

(a) Subset of column 1

(b) Subset of column 3

(c) Column 5 divided by Asset Page, Column 1, Line 28

(d) Column 9 divided by Asset Page, Column 3, Line 28

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

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## NOTES TO FINANCIAL STATEMENTS

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None.

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

None.

- (4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

None.

- M. Working Capital Finance Investments

None.

- N. Offsetting and Netting of Assets and Liabilities

None.

- O. Structured Notes

None.

- P. 5GI Securities

None.

- Q. Short Sales

None.

- R. Prepayment Penalty and Acceleration Fees

None.

### **Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

None.

### **Note 7 – Investment Income**

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

The Company includes all of its investment income due and accrued in the financial statements.

- B. The total amount excluded:

None.

### **Note 8 – Derivative Instruments**

None.

**NOTES TO FINANCIAL STATEMENTS****Note 9 – Income Taxes****A. Deferred Tax Assets/(Liabilities)****1. Components of Net Deferred Tax Asset/(Liability)**

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 94,369	\$ 53,235	\$ 147,604	\$ 176,421	\$ 59,385	\$ 235,806	\$ (82,052)	\$ (6,150)	\$ (88,202)
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	\$ 94,369	\$ 53,235	\$ 147,604	\$ 176,421	\$ 59,385	\$ 235,806	\$ (82,052)	\$ (6,150)	\$ (88,202)
d. Deferred tax assets nonadmitted		53,235	53,235		49,514	49,514		3,721	3,721
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 94,369	\$	\$ 94,369	\$ 176,421	\$ 9,871	\$ 186,292	\$ (82,052)	\$ (9,871)	\$ (91,923)
f. Deferred tax liabilities					9,871	9,871		(9,871)	(9,871)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 94,369	\$	\$ 94,369	\$ 176,421	\$	\$ 176,421	\$ (82,052)	\$	\$ (82,052)

**2. Admission Calculation Components SSAP No. 101**

	2018			2017			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+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 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below)	94,369		94,369	176,421		176,421	(82,052)		(82,052)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	94,369		94,369	176,421		176,421	(82,052)		(82,052)
2. Adjusted gross deferred tax assets allowed per limitation threshold			3,912,858			2,371,671			1,541,187
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities					9,871	9,871		(9,871)	(9,871)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c))	\$ 94,369	\$	\$ 94,369	\$ 176,421	\$ 9,871	\$ 186,292	\$ (82,052)	\$ (9,871)	\$ (91,923)

**3. Other Admissibility Criteria**

	2018	2017

**NOTES TO FINANCIAL STATEMENTS**

a.	Ratio percentage used to determine recovery period and threshold limitation amount	594.7%	424.0%
b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 26,085,718	\$ 16,252,151

## 4. Impact of Tax Planning Strategies

None.

## B. Deferred Tax Liabilities Not Recognized

None.

## C. Current and Deferred Income Taxes

## 1. Current Income Tax

	1 2018	2 2017	3 (Col 1-2) Change
a. Federal	\$ 4,976,783	\$ 1,960,519	\$ 3,016,264
b. Foreign	\$ 32,602	\$ 9,242	\$ 23,360
c. Subtotal	\$ 5,009,385	\$ 1,969,761	\$ 3,039,624
d. Federal income tax on net capital gains	\$	\$	\$
e. Utilization of capital loss carry-forwards	\$	\$	\$
f. Other	\$	\$	\$
g. Federal and Foreign income taxes incurred	\$ 5,009,385	\$ 1,969,761	\$ 3,039,624

## 2. Deferred Tax Assets

	1 2018	2 2017	3 (Col 1-2) Change
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	94,369	176,421	(82,052)
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (items <=5% and >5% of total ordinary tax assets)			
Other (items listed individually >5% of total ordinary tax assets)			
99. Subtotal	94,369	176,421	(82,052)
b. Statutory valuation allowance adjustment			
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	94,369	176,421	(82,052)
e. Capital:			
1. Investments	\$ 2,880	\$ 59,385	\$ (56,505)
2. Net capital loss carry-forward	50,355		50,355
3. Real estate			
4. Other (items <=5% and >5% of total capital tax assets)			
Other (items listed individually >5% of total capital tax assets)			
99. Subtotal	\$ 53,235	\$ 59,385	\$ (6,150)
f. Statutory valuation allowance adjustment			
g. Nonadmitted	53,235	49,514	3,721
h. Admitted capital deferred tax assets (2e99-2f-2g)		9,871	(9,871)
i. Admitted deferred tax assets (2d+2h)	\$ 94,369	\$ 186,292	\$ (91,923)

**NOTES TO FINANCIAL STATEMENTS**

## 3. Deferred Tax Liabilities

	<b>1</b>	<b>2</b>	<b>3</b>
	<b>2018</b>	<b>2017</b>	<b>(Col 1-2) Change</b>
<b>a. Ordinary:</b>			
1. Investments	\$	\$	\$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (items <=5% and >5% of total ordinary tax liabilities)			
Other (items listed individually >5% of total ordinary tax liabilities)			
99. Subtotal			
<b>b. Capital:</b>			
1. Investments		9,871	(9,871)
2. Real estate			
3. Other (Items <=5% and >5% of total capital tax liabilities)			
Other (items listed individually >5% of total capital tax liabilities)			
99. Subtotal		9,871	(9,871)
c. Deferred tax liabilities (3a99+3b99)	\$	\$ 9,871	\$ (9,871)
4. Net Deferred Tax Assets (2i – 3c)	\$ 94,369	\$ 176,421	\$ (82,052)

D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	<b>2018</b>	
Statutory pre-tax net income	\$ 14,705,992	
Provision computed at statutory rate	5,735,337	39.00%
Tax preferred investments	(740,438)	-5.03%
Non-deductible expenses	166,459	1.13%
Prior year true-up	(571)	0.00%
Tax on Change in Non-admitted Assets	78,277	0.53%
Tax on Change in unrecognized DTL's	(163,752)	-1.11%
Foreign taxes withheld	32,602	0.22%
Tax benefit of partially graduated rates	(20,250)	-0.14%
Change in tax rates	3,775	0.03%
Other	-	0.00%
Total	<u>5,091,439</u>	<u>34.62%</u>

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

At December 31, 2018 and 2017, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

F. Consolidated Federal Income Tax Return

Not applicable.

G. Federal or Foreign Federal Income Tax Loss Contingencies:

None.

H. Repatriation Transition Tax (RTT) - RTT owed under the TCJA

Not applicable.

I. Alternative Minimum Tax (AMT Credit)

**NOTES TO FINANCIAL STATEMENTS**

Not applicable.

**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties****A. Nature of the Relationship Involved**

100% of outstanding shares of the Company are owned by MAPFRE PRAICO Corporation, which is a holding company domiciled in San Juan, Puerto Rico.

**B. Transactions**

The Company has not engaged in transactions greater than 1/2% of its admitted assets which require disclosure.

**C. Dollar Amounts of Transactions**

Not applicable.

**D. Amounts Due From or To Related Parties**

The Company operates under a cost-sharing agreement with its affiliated company MAPFRE PRAICO Insurance Company (MAPFRE PRAICO). As of December 31, 2018 and 2017, the Company is reporting a net payable of \$1,873,773 and \$3,546,002, respectively, to its parent and affiliates.

Affiliate	2018	2017
MAPFRE PRAICO Insurance Company	\$ (1,861,306)	(3,547,991)
MAPFRE PRAICO Corporation	-	(3,750)
MAPFRE Insurance Agency of Puerto Rico, Inc.	(3,352)	-
MAPFRE Finance of Puerto Rico Corporation	(10,888)	3,147
MAPFRE Life Insurance Company of Puerto Rico	1,773	3,174
Multiservicar, Inc.	-	(582)
Totals	\$ (1,873,773)	(3,546,002)

**E. Guarantees or Undertakings**

None.

**F. Material Management or Service Contracts and Cost-Sharing Arrangements**

The Company, as part of a cost-sharing agreement, has agreed to repay to its affiliate MAPFRE PRAICO, part of the Underwriting and Investment Expenses. The costs to be distributed will only be the indirect costs incurred by MAPFRE PRAICO on behalf of the Company.

The Company is part of a services and cost allocation agreement with its indirect affiliate The Commerce Insurance Company, a Massachusetts domiciled insurance company (Commerce). In such document the Company agrees to reimburse Commerce for any expenses incurred or services provided on its behalf.

**G. Nature of the Control Relationship**

None.

**H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned**

None.

**I. Investments in SCA that Exceed 10% of Admitted Assets**

None.

**J. Investments in Impaired SCAs**

None.

**K. Investment in Foreign Insurance Subsidiary**

None.

**L. Investment in Downstream Noninsurance Holding Company**

None.

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## NOTES TO FINANCIAL STATEMENTS

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M. All SCA Investments

None.

N. Investment in Insurance SCAs

None.

O. SCA Loss Tracking

None.

### **Note 11 – Debt**

None.

### **Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

A. Defined Benefit Plan

None.

B. Investment Policies and Strategies

None.

C. Fair Value of Plan Assets

None.

D. Basis Used to Determine Expected Long-Term Rate-of-Return

None.

E. Defined Contribution Plans

(1) The Company participates in a defined contribution pension plan sponsored by MAPFRE PRAICO Corporation. Costs are shared with MAPFRE PRAICO based on a cost-sharing agreement. The portion allocated to the Company for the periods ended December 31, 2018 and 2017 was approximately \$97,000 and \$94,000 respectively.

(2) The health plans are contributory, with participants' contributions adjusted annually; the life insurance plans are noncontributory for the first \$10,000. In excess of the \$10,000, employees contribute 100%.

F. Multiemployer Plans

The Plan described above covers substantially all of the employees of MAPFRE PRAICO Corporation and its subsidiaries (the Group) except those who are compensated exclusively on a commission or fee basis, and/or those who are employed outside of Puerto Rico who are not Puerto Rico residents. The Plan is intended to qualify under the provisions of Section 1081.01 (d) of the Puerto Rico Internal Revenue Code of 2011, formerly Section 1165 (e) of the Puerto Rico Internal Revenue Code of 1994, as amended, and is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

G. Consolidated/Holding Company Plans

None.

H. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment, but before their retirement, other than for compensation related to earned vacation pay. The liability for earned but untaken vacation pay has been accrued.

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

Not applicable.

### **Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations**

(1) Number of Share and Par or State Value of Each Class

The Company has 600,000 shares of \$5 par value common stock, all of which are authorized, issued and outstanding. The Company has no preferred stock authorized, issued nor outstanding.

(2) Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

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## NOTES TO FINANCIAL STATEMENTS

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Not applicable.

(3) Dividend Restrictions

As of December 31, 2018 and 2017 surplus was restricted in the amount of \$860,976 and \$441,090, respectively, for the payment of Catastrophic Losses. Any future dividends are limited to the available funds that are derived from any realized net realized profit of the business subject to the limits established by the Puerto Rico Insurance Code.

(4) Dates and Amounts of Dividends Paid

No dividends were paid in 2018 or 2017.

(5) Profits that may be Paid as Ordinary Dividends to Stockholders

Other than the limitations described above in paragraph (3), there are no other limitations on the amount of ordinary dividends that may be paid.

(6) Restrictions Plans on Unassigned Funds (Surplus).

There are no restrictions on the unassigned funds of the Company other than those described above in paragraph (3).

(7) Amount of Advances to Surplus not Repaid

None.

(8) Amount of Stock Held for Special Purposes

Not applicable.

(9) Reasons for Changes in Balance of Special Surplus Funds from Prior Period

Not applicable.

(10) The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$(14,397), less applicable deferred taxes of \$2,879, for a net balance of \$11,518.

(11) The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations

None.

(12) The impact of any restatement due to prior quasi-reorganizations is as follows

Not applicable.

(13) Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization

Not applicable.

**Note 14 – Liabilities, Contingencies and Assessments**

A. Contingent Commitments

None.

B. Assessments

(1) Nature of Any Assets That Could Have a Material Financial Effect

The Company is subject to guaranty fund and other assessments by the Commonwealth of Puerto Rico. Most assessments are recorded either at the time the assessments are levied or, in the case of premium-based assessments, at the time the premiums are written. Insurance company insolvencies in the jurisdiction in which the Company writes business may result in guaranty fund assessments on future premiums. These assessments will be recorded as future premiums are written.

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

No assessments were paid as of December 31, 2018 and 2017.

C. Gain Contingencies

None.

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

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## NOTES TO FINANCIAL STATEMENTS

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No payments were made in 2018 related to extra contractual obligation or bad faith losses.

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

G. All Other Contingencies

The Company has received several administrative orders from the Office of the Commissioner of Insurance including fines for matters that relate to claims arising from the passing of Hurricane Maria. The Company is vigorously contesting the orders issued after having filed objections to the orders and requested administrative hearings. The majority of the Orders issued are pending resolution with the Office of the Commissioner of Insurance with active administrative procedures.

The Company is named as a defendant in various legal actions arising principally from claims made under insurance policies and contracts. Those actions are considered by the Company in estimating the liability for unpaid loss and loss adjustment expense reserves. The Company is also subject to legal proceedings and claims arising in the ordinary course of business relating to various employee matters. The Company's management believes, with the advice of its legal counsel, that the ultimate resolution of those actions will not have a material adverse effect on the Company's consolidated financial position or results of operations.

### Note 15 – Leases

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

The Company shares rental expense with MAPFRE PRAICO based on a cost-sharing agreement. MAPFRE PRAICO leases equipment under operating leases that expire on various dates through March 2022. Rental expense charged under this agreement for the periods ended December 31, 2018 and 2017 amounted to \$480,968 and \$225,699 respectively.

(2) Leases with Initial or Remaining Noncancelable Lease Terms in Excess of One Year

The Company has no future minimum rental payments.

(3) For Sale-Leaseback Transactions

The Company has not entered into any sale and leaseback arrangements.

B. Lessor Leases

None.

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

None.

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

None.

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

None.

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

None.

### Note 20 – Fair Value Measurements

A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1 Inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the Company at

**NOTES TO FINANCIAL STATEMENTS**

the measurement date.

Level 2 Inputs: Other than quoted prices included in Level 1 Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 Inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability.

The following table presents the placement in the fair value hierarchy of admitted assets that are measured at fair value on a recurring basis as of December 31, 2018.

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
<b>Assets at Fair Value</b>					
Exchange Traded Funds	\$	\$	\$	\$	\$
Exchange Traded Funds - Other Industries	\$ 615,525	\$	\$	\$	\$ 615,525
Total	\$ 615,525	\$	\$	\$	\$ 615,525
<b>Liabilities at Fair Value</b>					
	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

As of December 31, 2018 the Company did not have any non financial asset or liability recognized or disclosed at fair value in the financial statements on a recurring basis.

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

The Company has no assets or liabilities measured at fair value in the Level 3 category.

(3) Policies when Transfers Between Levels are Recognized

The Company's accounting policy is to recognize transfers between levels of the fair value hierarchy on the date of the event or change in circumstances that caused the transfer. There were no transfers into or out of level 1, level 2 or level 3 for the period ended December 31, 2018.

(4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

The Company has no assets or liabilities measured at fair value in the Level 2 and Level 3 categories.

(5) Fair Value Disclosures

None.

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

None.

C. Fair Value Level

The table below reflects the fair values and admitted values of all admitted assets that are financial instruments. The fair values are also categorized into the three-level fair value hierarchy as described in the table above.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Financial investments - assets	\$	\$	\$	\$	\$	\$	\$
Bonds	\$20,479,003	\$21,085,459	\$ -	\$20,479,003	\$	\$	\$
Exchange Traded Funds	\$ 615,525	\$ 615,525	\$ 615,525	\$	\$	\$	\$
Cash, Cash equivalents and Short-Term investments	\$21,898,695	\$21,898,413	\$10,271,096	\$11,628,599	\$	\$	\$
Total Assets	\$42,993,223	\$43,599,397	\$10,886,621	\$32,107,602	\$	\$	\$

D. Not Practicable to Estimate Fair Value

None.

E. NAV Practical Expedient Investments

**Note 21 – Other Items**

A. Unusual or Infrequent Items

**NOTES TO FINANCIAL STATEMENTS**

None.

**B. Troubled Debt Restructuring Debtors**

None.

**C. Other Disclosures**

In accordance with Chapter 25 of the Insurance Code, as amended, the Company is required to establish and maintain a reserve supported by a trust fund for the payments of catastrophe losses. The establishment of this trust fund increases the financial capacity in order to offer protection for those insurers exposed to catastrophe losses. This trust may invest its funds in securities authorized by the Insurance Code, but not in investments whose value may be affected by hazards covered by the catastrophe insurance losses. The interest earned on these investments and any realized gain (loss) on investment transactions becomes part of the reserve for catastrophe insurance losses and are recorded as income (expense) of the Company. The assets in this fund will be used solely and exclusively to pay catastrophe insurance losses covered under policies written in Puerto Rico, upon approval by the Commissioner. The Company established a trust with a bank to deposit the funds.

The Company is required to make deposits to the trust fund, if any, on or before January 30 of the following year. Contributions to be deposited in the trust fund are determined by applying a contribution rate, not in excess of 5%, to catastrophe written premiums as instructed annually by the Commissioner, unless the balance of the reserve exceeds 8% of the catastrophe exposure, as defined by Chapter 25. The Company deposited in January 2019 and 2018 the amount of \$392,191 and \$441,090, respectively, corresponding to the contributions for writings in 2018 and 2017, respectively. The amounts deposited in the trust fund are deductible for income tax purposes.

According to Circular Letter E-06-1611-2001, catastrophe losses should be excluded from net income and recognized as a reduction in the aggregate write-ins for special surplus. During 2017 the Company charged \$855,620 of losses against the catastrophe loss reserve.

As of December 31, 2018 and 2017, \$860,976 and \$441,090, respectively, of the catastrophe loss reserve was presented in the accompanying statement of Liabilities, Surplus and Other Funds as restricted surplus.

The amount deposited in the trust fund may be reimbursed in the case that the Company ceases to underwrite property risks, subject to catastrophe losses, upon approval by the Commissioner. Also, authorized withdrawals are allowed when the catastrophe loss reserve exceeds 8% of the catastrophe exposure, as defined by Chapter 25.

**D. Business Interruption Insurance Recoveries**

None.

**E. State Transferable and Non-Transferable Tax Credits**

None.

**F. Subprime Mortgage Related Risk Exposure**

None.

**G. Insurance-Linked Securities (ILS) Contracts**

None.

**Note 22 – Events Subsequent**

Subsequent events have been considered through for these statutory financial statements which are to be issued on .

**A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?**

Yes [ ] No [ X ]

	2018	2017
B. ACA fee assessment payable for the upcoming year	\$	\$
C. ACA fee assessment paid	\$	\$
D. Premium written subject to ACA 9010 assessment	\$	\$
E. Total adjusted capital before surplus adjustment (Five-Year Historical Line 28)	\$ 26,180,087	
F. Total adjusted capital after surplus adjustment (Five-Year Historical Line 28 minus 22B above)	\$ 26,180,087	
G. Authorized control level (Five-Year Historical Line 29)	\$ 4,386,457	

**H. Would reporting the ACA assessment as of December 31, 2018 have triggered an RBC action level (YES/NO)?**

Yes [ ] No [ ]

**Note 23 – Reinsurance**

**NOTES TO FINANCIAL STATEMENTS****A. Unsecured Reinsurance Recoverables**

Individual reinsurers having an unsecured aggregate recoverable for losses, paid and unpaid including IBNR, loss adjustment expenses and unearned premium in excess of 3% of the Company's policyholders' surplus at December 31, 2018 are the following:

	NAIC Group Code	FEIN	Unsecured Recoverables
MAPFRE PRAICO INSURANCE COMPANY	43052	66-0470284	\$ 29,088,143
MAPFRE RE COMPAÑIA DE REASEGURO SA		AA-1840000	\$ 4,239,432

**B. Reinsurance Recoverable in Dispute**

None.

**C. Reinsurance Assumed and Ceded****(1) Maximum Amount of Return Commission**

Effective January 1, 2005, the Company entered into a 71.50% Quota Share Reinsurance Agreement with MAPFRE PRAICO covering all business written and retained by the Company.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$ 19,453,873	\$ 4,942,810	\$ (19,453,873)	\$ (4,942,810)
b. All Other						
c. Total	\$	\$	\$ 19,453,873	\$ 4,942,810	\$ (19,453,873)	\$ (4,942,810)
d. Direct Unearned Premium Reserves						\$ 27,033,267

**(2) Additional or Return Commission**

The Company entered into a Profit Commission Agreement with its affiliate MAPFRE PRAICO Insurance Company (MAPFRE PRAICO) where MAPFRE PRAICO would pay the Company a commission of 55% of any profit resulting from the business ceded by the Company.

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$	\$	\$	\$
b. Sliding scale adjustments				
c. Other profit commission arrangements			9,667,680	(9,667,680)
d. Total	\$	\$	\$ 9,667,680	\$ (9,667,680)

**(3) Types of Risks Attributed to Protected Cell**

The Company does not use protected cells as an alternative to traditional reinsurance.

**D. Uncollectible Reinsurance**

None.

**E. Commutation of Ceded Reinsurance**

None.

**F. Retroactive Reinsurance**

None.

**G. Reinsurance Accounted for as a Deposit**

None.

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

None.

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

None.

**J. Reinsurance Agreements Qualifying for Reinsurer Aggregation**

None.

**NOTES TO FINANCIAL STATEMENTS****Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

None.

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

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

As a result of the losses experience during 2017 for Hurricanes Irma and Maria, the incurred loss and loss adjustment expenses, net of reinsurance recoverable, decreased by approximately \$1,732,000 and \$87,000 for the periods ended December 31, 2018 and 2017, respectively.

	<b>2018</b>	<b>2017</b>
Liability for unpaid losses and loss adjustment expenses as of January 1	\$ 614,448	\$ 211,973
Incurred losses and loss adjustment expenses related to:		
Insured events of current year	3,326,415	3,295,266
Insured events of prior years	(1,732,275)	(87,404)
Total	1,594,140	3,207,862
Payment of losses and loss adjustment expenses related to:		
Insured events of current year	2,539,690	3,586,888
Insured events of prior years	(1,331,042)	(781,501)
Total	1,208,648	2,805,387
Net liability for unpaid losses and loss adjustment expenses as of the end of the period	\$ 999,940	\$ 614,448

During September 2017 hurricane Irma and María passed through Puerto Rico and the USVI, as a result of these catastrophic events, the Company experienced a significant increase in loss reserves. The Company recorded losses of \$5,730,033 net of retention of reinsurance.

	<u>Ultimate gross losses</u>	<u>Ultimate ceded losses</u>	<u>Net ultimate loss</u>
Hurricane loss reserves	<u>\$ 191,552,092</u>	<u>\$ 185,822,059</u>	<u>\$ 5,730,033</u>

As explained in Note 1, Normative Letter CN-2018-240-D issued on April 6, 2018 by the Commissioner of Insurance, allowed insurance companies to record a portion of these losses against the catastrophic loss reserve recorded in the capital and surplus. During 2017, the Company charged \$855,620 of these losses against the catastrophic loss reserve.

MAPFRE Group's catastrophe program establishes a reinsurance retention per event of \$35,000,000. Both MAPFRE PRAICO and its affiliate MAPFRE PANAM share a portion of this retention but the sum of the retention assumed by each company will not exceed \$35,000,000 per event.

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

None.

**Note 26 – Intercompany Pooling Arrangements**

Not applicable.

**Note 27 – Structured Settlements**

Not applicable.

**Note 28 – Health Care Receivables**

Not applicable.

**Note 29 – Participating Policies**

Not applicable.

**Note 30 – Premium Deficiency Reserves**

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## NOTES TO FINANCIAL STATEMENTS

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The Company performed an analysis as to whether a premium deficiency reserve should be established at the end of the reporting year. From the analysis it was determined that a premium deficiency reserve was not necessary as of December 31, 2018.

**Note 31 – High Deductibles**

Not applicable.

**Note 32 – Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

Not applicable.

**Note 33 – Asbestos/Environmental Reserves**

Not applicable.

**Note 34 – Subscriber Savings Accounts**

Not applicable.

**Note 35 – Multiple Peril Crop Insurance**

Not applicable.

**Note 36 – Financial Guaranty Insurance**

Not applicable.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [ X ] No [ ] N/A [ ]
- 1.3 State regulating? Puerto Rico
- 1.4 Is the reporting entity publicly traded or a member of publicly traded group? Yes [ ] No [ X ]
- 1.5 If the response to 1.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. \_\_\_\_\_
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2013
- 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). 10/01/2015
- 3.4 By what department or departments?  
Office of the Insurance Commissioner of the Commonwealth of Puerto Rico
- 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 ]  
If the answer is YES, complete and file the merger history data file with the NAIC.
- 5.2 If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1<br>Name of Entity | 2<br>NAIC<br>Company<br>Code | 3<br>State of<br>Domicile |
|---------------------|------------------------------|---------------------------|
|                     |                              |                           |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [ X ]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ X ] No [ ]
- 7.2 If yes,
- 7.21 State the percentage of foreign control 100.0%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).
- | 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
| Spain            | Corporation         |
- 8.1 Is the company a subsidiary of a bank holding company regulated with 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 the response to 8.3 is yes, please provide below 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 |
|---------------------|-----------------------------|----------|----------|-----------|----------|
|                     |                             |          |          |           |          |
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
KPMG - American International Plaza, Suite 1100, 250 Muñoz Rivera Ave., Hato Rey, PR
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to 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 ]

**GENERAL INTERROGATORIES****PART 1 - COMMON INTERROGATORIES**

- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes  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?  
Christopher J. Morkunas, FCAS, Commerce Insurance Company, Webster, Massachusetts
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes  No
- 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
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes  No
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes  No  N/A
- 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  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
- 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
- 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
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

**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 subordinator committee thereof? Yes  No
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes  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  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
- 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 the 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 reporting in the statement? Yes  No
- 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
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

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 [ X ] No [ ]
24.02	If no, give full and complete information, relating thereto:		
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).		
24.04	Does the company's security lending program meet the requirements for a conforming program as outlined in the <i>Risk-Based Capital Instructions</i> ?	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 ]
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 current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)		Yes [ X ] No [ ]
25.2	If yes, state the amount thereof at December 31 of the current year:		
25.21	Subject to repurchase agreements	\$	0
25.22	Subject to reverse repurchase agreements	\$	0
25.23	Subject to dollar repurchase agreements	\$	0
25.24	Subject to reverse dollar repurchase agreements	\$	0
25.25	Placed under option agreements	\$	0
25.26	Letter stock or securities restricted as 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	\$	2,829,655
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$	0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$	0
25.32	Other	\$	0

25.3	For category (25.26) provide the following:		
	1 Nature of Restriction	2 Description	3 Amount
			\$

26.1	Does the reporting entity have any hedging transactions reported on Schedule DB?		Yes [ ] No [ X ]
26.2	If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? If no, attach a description with this statement.	Yes [ ]	No [ ] N/A [ X ]
27.1	Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity?		Yes [ ] No [ X ]
27.2	If yes, state the amount thereof at December 31 of the current year:	\$	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 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC <i>Financial Condition Examiners Handbook</i> ?		Yes [ X ] No [ ]
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28.01	For agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:		
	1 Name of Custodian(s)	2 Custodian's Address	

28.02	For all agreements that do not comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , provide the name, location and a complete explanation		
	1 Name(s)	2 Location(s)	3 Complete Explanation(s)
	The Bank of New York Mellon/Custody	One Mellon Bank Center Room 1035 Pittsburg, PA 15258-001	In process of custody agreement amendment to include termination clause requirements contained in the Handbook

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 ]
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28.04	If yes, give full and complete information relating thereto:		
	1 Old Custodian	2 New Custodian	3 Date of Change
			4 Reason

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

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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 Name of Firm or Individual	2 Affiliation
Sheila A. Quiñones González	I

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.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (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 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		\$
29.2999 TOTAL		\$

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

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

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	\$ 32,713,773	\$ 32,107,602	\$ (606,171)
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 32,713,773	\$ 32,107,602	\$ (606,171)

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

The Bank of New York Mellon / Popular Fiduciary Services

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 [ ]

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:

33. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designation 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities? Yes [ ] No [ X ]

34. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as an NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities? Yes [ ] No [ X ]

### OTHER

35.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 77,665

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

1 Name	2 Amount Paid
Insurance Service Office, Inc.	\$ 77,665

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

36.1 Amount of payments for legal expenses, if any? \$ 7,241

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

1 Name	2 Amount Paid
Pietrantonio, Mendez & Alvarez	\$ 7,241

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

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

1 Name	2 Amount Paid
	\$

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

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?			Yes [ ]	No [ X ]		
1.2	If yes, indicate premium earned on U.S. business only.		\$		0		
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		\$		0		
1.31	Reason for excluding:						
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		\$		0		
1.5	Indicate total incurred claims on all Medicare Supplement insurance.		\$		0		
1.6	Individual policies:						
	Most current three years:						
1.61	Total premium earned		\$		0		
1.62	Total incurred claims		\$		0		
1.63	Number of covered lives				0		
	All years prior to most current three years:						
1.64	Total premium earned		\$		0		
1.65	Total incurred claims		\$		0		
1.66	Number of covered lives				0		
1.7	Group policies:						
	Most current three years:						
1.71	Total premium earned		\$		0		
1.72	Total incurred claims		\$		0		
1.73	Number of covered lives				0		
	All years prior to most current three years:						
1.74	Total premium earned		\$		0		
1.75	Total incurred claims		\$		0		
1.76	Number of covered lives				0		
2.	Health Test:						
				1	2		
				Current Year	Prior Year		
2.1	Premium Numerator	\$		0	\$	0	
2.2	Premium Denominator	\$		13,650,374	\$	11,564,288	
2.3	Premium Ratio (2.1/2.2)			0.0%		0.0%	
2.4	Reserve Numerator	\$		452	\$	0	
2.5	Reserve Denominator	\$		8,579,336	\$	8,991,851	
2.6	Reserve Ratio (2.4/2.5)			0.0%		0.0%	
3.1	Does the reporting entity issue both participating and non-participating policies?				Yes [ ]	No [ X ]	
3.2	If yes, state the amount of calendar year premiums written on:						
3.21	Participating policies		\$			0	
3.22	Non-participating policies		\$			0	
4.	FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:						
4.1	Does the reporting entity issue assessable policies?				Yes [ ]	No [ ]	
4.2	Does the reporting entity issue non-assessable policies?				Yes [ ]	No [ ]	
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?					%	
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		\$			0	
5.	FOR RECIPROCAL EXCHANGES ONLY:						
5.1	Does the exchange appoint local agents?				Yes [ ]	No [ ]	
5.2	If yes, is the commission paid:						
5.21	Out of Attorney's-in-fact compensation				Yes [ ]	No [ ]	N/A [ X ]
5.22	As a direct expense of the exchange				Yes [ ]	No [ ]	N/A [ X ]
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?						
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?				Yes [ ]	No [ X ]	
5.5	If yes, give full information:						
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? <u>The entity has a very limited workers' compensation exposure. By law, the State Insurance Fund insures all employers in Puerto Rico.</u>						
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: <u>The entity runs a detail catastrophe analysis on each major line of business. The entity utilized the latest version of RMS modeling software for both perils of earthquake and windstorm.</u>						
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? <u>The entity buys a comprehensive catastrophe property reinsurance program.</u>						
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?				Yes [ X ]	No [ ]	
6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:						





**FIVE-YEAR HISTORICAL DATA**

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

	1 2018	2 2017	3 2016	4 2015	5 2014
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	3,651,227	3,650,460	2,254,084	383,009	358,140
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	32,146,053	28,519,913	26,832,960	8,868,108	2,043,262
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	17,811,986	26,899,563	194,185	33,381	31,280
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	1,779,730	1,073,280	66,323	39,373	42,674
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
6. Total (Line 35).....	55,388,996	60,143,216	29,347,552	9,323,871	2,475,356
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,025,728	1,030,173	641,672	100,847	102,070
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	7,888,397	7,342,216	6,943,235	2,511,596	557,761
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	3,681,419	6,722,243	51,409	8,419	8,971
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	256,823	156,697	17,082	10,334	11,852
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
12. Total (Line 35).....	12,852,367	15,251,329	7,653,398	2,631,196	680,654
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	13,249,638	7,228,932	3,774,554	(351,088)	(378,648)
14. Net investment gain (loss) (Line 11).....	796,781	702,199	489,199	(48,594)	594,721
15. Total other income (Line 15).....	659,573	(978,185)	(47,950)	120,637	(15,844)
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	5,009,385	1,969,761	1,468,349	4,965	6,620
18. Net income (Line 20).....	9,696,607	4,983,185	2,747,454	(284,010)	193,609
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	45,868,132	35,395,811	28,403,037	18,198,940	14,526,293
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	1,205,604	2,317,187	739,602	800,445	147,401
20.2 Deferred and not yet due (Line 15.2).....	173,229	143,222			
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	19,688,045	18,967,239	16,603,805	8,370,165	4,587,242
22. Losses (Page 3, Line 1).....	832,740	495,862	166,506	58,282	82,146
23. Loss adjustment expenses (Page 3, Line 3).....	167,200	118,586	45,467	26,290	29,926
24. Unearned premiums (Page 3, Line 9).....	7,579,396	8,377,403	4,690,362	1,801,543	370,166
25. Capital paid up (Page 3, Lines 30 & 31).....	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	26,180,087	16,428,572	11,799,232	9,828,775	9,939,051
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	13,117,834	(2,120,807)	8,254,277	3,963,347	(968,266)
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	26,180,087	16,428,572	11,802,473	9,828,775	9,939,052
29. Authorized control level risk-based capital.....	4,386,457	3,833,893	188,106	412,694	273,263
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	48.4	72.9	70.7	76.8	82.2
31. Stocks (Lines 2.1 & 2.2).....	1.4	2.6	1.8	2.8	3.3
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....					
34. Cash, cash equivalents and short-term investments (Line 5).....	50.2	24.6	27.5	20.4	14.5
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	0.0				

# MAPFRE Pan American Insurance Company

## FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2018	2017	2016	2015	2014
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	(51,001)	(79,853)	45,561	127,518	(154,135)
52. Dividends to stockholders (Line 35).....					(400,000)
53. Change in surplus as regards policyholders for the year (Line 38).....	9,751,515	4,626,099	1,970,457	(110,276)	(387,507)
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	2,384,345	1,706,611	337,227	155,509	383,953
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	60,788,086	7,501,149	1,450,092	1,068,339	1,289,817
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	109,747,440	6,150,716	6,647	410	3,872
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	21,845	(837,476)	14,034	12,646	25,689
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
59. Total (Line 35).....	172,941,716	14,521,000	1,808,000	1,236,904	1,703,331
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	679,538	488,922	96,110	44,320	103,066
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	389,324	1,405,624	413,276	303,607	348,970
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	420,563	1,008,365	798	117	1,104
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	5,499	(851,072)	3,896	3,526	7,187
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....					
65. Total (Line 35).....	1,494,924	2,051,839	514,080	351,570	460,327
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	13.4	20.6	13.1	27.3	52.7
68. Loss expenses incurred (Line 3).....	(1.7)	7.1	7.0	6.8	13.5
69. Other underwriting expenses incurred (Line 4).....	(8.7)	9.8	0.7	95.1	82.6
70. Net underwriting gain (loss) (Line 8).....	97.1	62.5	79.2	(29.3)	(48.7)
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	(14.4)	13.8	1.1	38.8	96.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	11.7	27.7	20.1	34.1	66.2
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	49.1	92.8	64.9	26.8	6.8
<b>One Year Loss Development (\$000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(1,017)	(59)	(48)	(42)	(14)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(6.2)	(0.5)	(0.5)	(0.4)	(0.1)
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(76)	(51)	(61)	(51)	(93)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(0.6)	(0.5)	(0.6)	(0.5)	(0.9)

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 [ ]

If no, please explain:

**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**

**SCHEDULE P - PART 1 - SUMMARY**

(\$'000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX								0	XXX
2. 2009.....	5,104	3,684	1,420	2,994	2,133	35	25	159		380	1,030	XXX
3. 2010.....	5,467	3,933	1,534	3,061	2,183	39	29	161		479	1,048	XXX
4. 2011.....	5,119	3,689	1,430	2,734	1,955	30	21	171		590	960	XXX
5. 2012.....	4,254	3,073	1,181	2,044	1,457	4	3	136		291	724	XXX
6. 2013.....	3,509	2,560	949	1,930	1,368	2	2	133		62	695	XXX
7. 2014.....	2,814	2,038	776	1,515	1,106	1	2	107		27	514	XXX
8. 2015.....	4,277	3,077	1,200	1,205	863	2	2	83		39	425	XXX
9. 2016.....	19,165	14,407	4,758	2,085	1,491	27	20	303		30	905	XXX
10. 2017.....	46,786	35,233	11,553	183,093	180,949	8,371	8,326	1,819	1,771	77	2,238	XXX
11. 2018.....	58,204	44,568	13,636	4,917	2,746	14	9	367		29	2,543	XXX
12. Totals.....	XXX	XXX	XXX	205,578	196,252	8,525	8,439	3,440	1,771	2,005	11,080	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....											0	XXX	
2. 2009.....											0	XXX	
3. 2010.....											0	XXX	
4. 2011.....											0	XXX	
5. 2012.....											0	XXX	
6. 2013.....											0	XXX	
7. 2014.....											0	XXX	
8. 2015.....			1								1	XXX	
9. 2016.....	48	35	7	5			1	1	2		17	XXX	
10. 2017.....	5,233	5,089	647	634	17	17	6	4	38		3	197	
11. 2018.....	865	623	1,470	1,051	1	1	195	139	70		7	787	
12. Totals..	6,146	5,747	2,125	1,690	18	18	202	144	110	0	10	1,002	

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX	XXX	XXX	XXX	XXX	XXX			XXX	0	0
2. 2009.	3,188	2,158	1,030	62.5	58.6	72.5				0	0
3. 2010.	3,261	2,212	1,048	59.6	56.2	68.4				0	0
4. 2011.	2,935	1,976	960	57.3	53.6	67.1				0	0
5. 2012.	2,185	1,460	724	51.4	47.5	61.3				0	0
6. 2013.	2,065	1,370	695	58.8	53.5	73.2				0	0
7. 2014.	1,622	1,108	514	57.6	54.4	66.2				0	0
8. 2015.	1,291	866	426	30.2	28.1	35.5				1	0
9. 2016.	2,474	1,552	922	12.9	10.8	19.4				15	2
10. 2017.	199,224	196,790	2,435	425.8	558.5	21.1				157	40
11. 2018.	7,899	4,569	3,330	13.6	10.3	24.4				661	126
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	834	168

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

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	One Year	Two Year
1. Prior.....	254	239	139	135	132	132	130	130	133	130	(3)	0
2. 2009.....	867	866	842	871	871	872	871	872	872	871	(1)	(1)
3. 2010.....	XXX	895	906	871	884	893	889	887	887	887	0	0
4. 2011.....	XXX	XXX	870	837	810	809	797	795	788	788	0	(7)
5. 2012.....	XXX	XXX	XXX	676	603	591	589	588	588	588	0	(0)
6. 2013.....	XXX	XXX	XXX	XXX	592	580	563	561	562	562	0	1
7. 2014.....	XXX	XXX	XXX	XXX	XXX	425	420	407	407	407	0	(0)
8. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	370	342	342	343	1	1
9. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	686	631	616	(14)	(69)
10. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,348	2,349	(1,000)	XXX
11. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,893	XXX	XXX
12. Totals.....											(1,017)	(76)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018		
1. Prior.....	000	8	138	134	132	132	130	130	130	130	XXX	XXX
2. 2009.....	721	797	811	851	870	871	870	871	871	871	XXX	XXX
3. 2010.....	XXX	759	839	840	839	891	888	887	887	887	XXX	XXX
4. 2011.....	XXX	XXX	748	796	804	807	796	795	787	788	XXX	XXX
5. 2012.....	XXX	XXX	XXX	513	586	588	587	588	588	588	XXX	XXX
6. 2013.....	XXX	XXX	XXX	XXX	514	561	559	561	562	562	XXX	XXX
7. 2014.....	XXX	XXX	XXX	XXX	XXX	360	405	407	407	407	XXX	XXX
8. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	330	342	342	342	XXX	XXX
9. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	504	584	601	XXX	XXX
10. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,844	2,190	XXX	XXX
11. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,176	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										
	1	2	3	4	5	6	7	8	9	10	
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	
1. Prior.....	42	3	1	1						3	
2. 2009.....	41	19	2	1	0						
3. 2010.....	XXX	39	30	2	1						
4. 2011.....	XXX	XXX	34	27	2			0			
5. 2012.....	XXX	XXX	XXX	37	13	2		0			
6. 2013.....	XXX	XXX	XXX	XXX	25	17	2	0			
7. 2014.....	XXX	XXX	XXX	XXX	XXX	15	15	0			
8. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	11	0			1
9. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	88	30		2
10. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	(15,542)		15
11. 2018.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX		475

# MAPFRE Pan American Insurance Company SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status (a)	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
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	55,388,996	58,223,149		172,941,716	107,837,171	8,271,657		
55. US Virgin Islands.....VI	N								
56. Northern Mariana Islands.....MP	N								
57. Canada.....CAN	N								
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....	XXX	55,388,996	58,223,149	0	172,941,716	107,837,171	8,271,657	0	0

**DETAILS OF WRITE-INS**

58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

Explanation of Basis of Allocation of Premiums by States, etc.

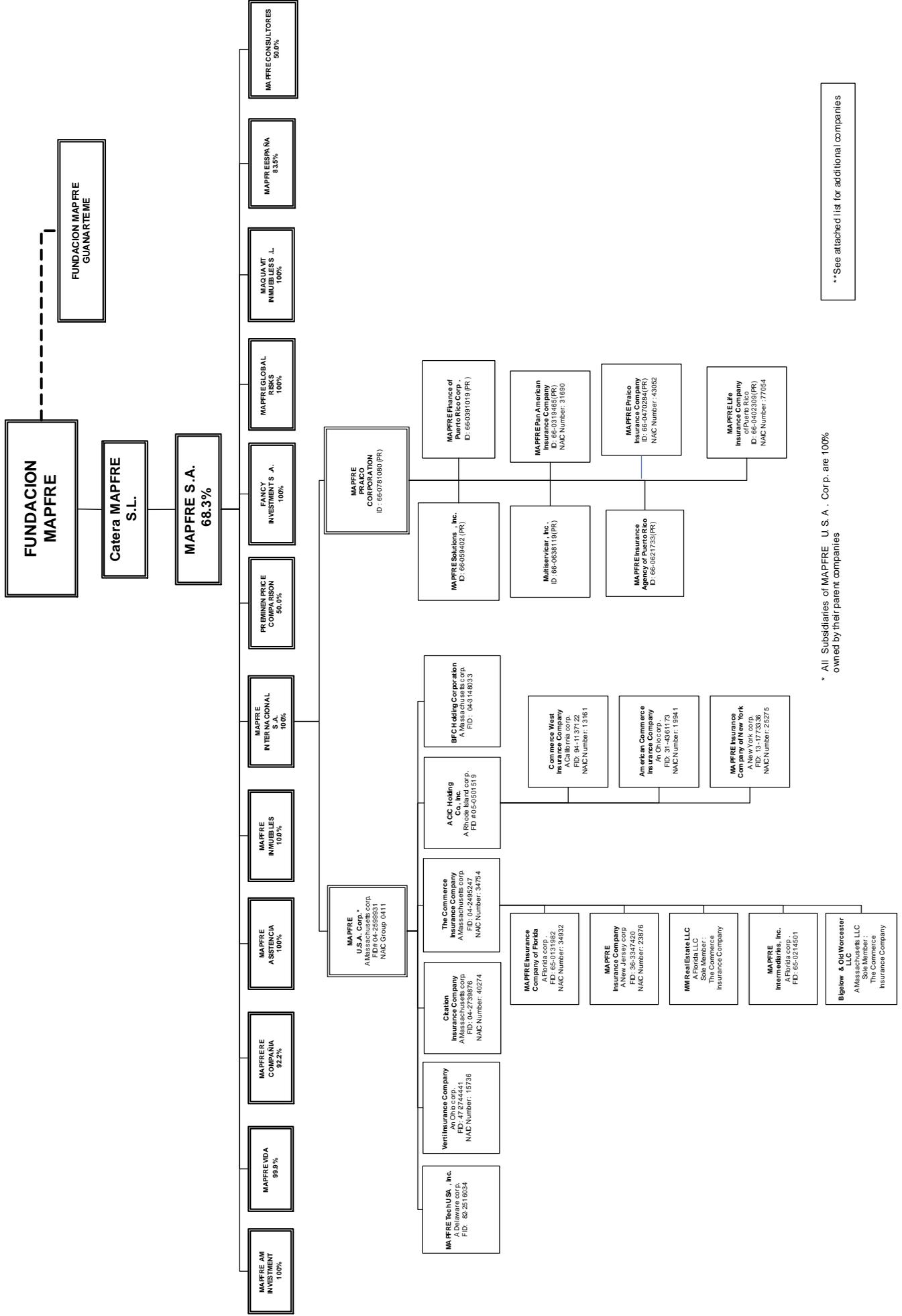
(a) Active Status Counts:

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	1
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0
D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile.....	0

R - Registered - Non-domiciled RRGs.....	0
Q - Qualified - Qualified or accredited reinsurer.....	0
N - None of the above - Not allowed to write business in the state.....	56

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP

PART I – ORGANIZATIONAL CHART



\*\*See attached list for additional companies

\* All Subsidiaries of MAPFRE U.S.A. Corp. are 100% owned by their parent companies

# MAPFRE Pan American Insurance Company

Annual Statement for the year 2018 of the

MAPFRE, S.A.	% OWNED	NAIC	FED ID
MAPFRE ESPAÑA COMPAÑIA DE SEGUROS Y REASEGUROS, S.A.	83.5		
CENTROS MEDICOS MAPFRE, S.A.	100.0		
CLUB MAPFRE, S.A.	100.0		
MAPFRE AUTOMOCION S.A.U.	100.0		
CENTRO DE EXPERIMENTACION Y SEGURIDAD VIAL MAPFRE, S.A.	100.0		
VERTI ASEGURADORA, COMPAÑIA DE SEGUROS Y REASEGUROS, S.A.	100.0		
MULTISERVICIOS MAPFRE MULTIMAP, S.A.	97.5		
MAPFRE TECH	63.5		
MAPFRE VIDEO Y COMUNICACION, S.A.	75.0		
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	50.0		
MAPFRE QUINGDAO ENTERPRISE MANAGEMENT CONSULTING LIMITED COMPANY	100.0		
AGROSEGURO, S.A.	20.6		
SALVADOR CAETANO AUTO (SGPS), S.A.	26.0		
ONLINE SHOPPING CLUB EUROPE, S.L.	49.9		
BANKINTER SEGUROS GENERALES, S.A.	50.1		
RASTREATOR.COM LTD	25.0		
AUDATEX ESPANA, S.A.	12.5		
INMO ALEMANIA GESTION DE ACTIVOS INMOBILIARIOS, S.L.	10.0		
TECNOLOGIAS DE LA INFOMRACION Y REDES PARA LAS ENTIDADES ASEGURADORAS, S.A.	23.0		
FONDMAPFRE BOLSA AMERICA	21.0		
FONDMAPFRE RENTA DOLAR	17.7		
FUNESPANA, S.A.	95.8		
TANATORIUM ZRT	100.0		
ALL FUNERAL SERVICES, S.L.	100.0		
SALZILLO SERVICIOS FUNERARIOS S.L.	45.0		
TANATORI LA DAMA D'ELX, S.L.	97.1		
ZACARIAS NUNO, S.L.	50.0		
SERVICIOS FUNERARIOS FUNEMADRID, S.A.	100.0		
CEMENTERIO JARDIN DE ALCALA DE HENARES, S.A.	49.0		
SERVICIOS FUNERARIOS DE ZARAGOZA, S.L.	70.0		
INICIATIVAS ALCAESAR, S.L.	40.0		
NUEVO TANATORIO, S.L.	50.0		
SERVICIOS FUNERARIOS LA CARIDAD, S.L.	50.0		
EMPRESA MIXTA SERVEIS MUNICIPALS DE TARRAGONA, S.L.	49.0		
GAB MANAGEMENT & CONSULTING, S.R.L.	77.6		
POMPES FUNEBRES DOMINGO, S.L.	75.0		
DE MENA SERVICIOS FUNERARIOS S.L.	70.0		
CEMENTERIO PARQUE ANDUJAR, S.L.	60.0		
FUNERARIA HISPALENSE, S.L.	50.0		
ISABELO ALVAREZ MAYORGA, S.A.	50.0		
SERVICIOS FUNERARIOS DEL NERVION, S.L.	50.0		
TANATORIO DE ECIJA, S.L.	33.3		
TANATORIO SE-30 SEVILLA, S.L.	10.0		
FUNESPANA CHILE, S.A.	50.0		
FUNEUROPEA CHILE, S.A.	50.0		
FUNERARIAS REUNIDAS EL BIERZO, S.A.	85.8		
MAPFRE INMUEBLES, S.G.A.	76.8		
DESARROLLOS URBANOS CIC, S.A.	99.9		
SERVICIOS INMOBILIARIOS MAPFRE S.A.	99.9		
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	66.7		
MAPFRE SEGUROS GERAIS S.A.	100.0		
MAPFRE PORTUGAL SEGUROS DE VIDA S.A.	100.0		
MAPFRE CONSULTORES DE SEGUROS Y REASEGUROS, S.A.	50.0		
MAPFRE VIDA SOCIEDAD ANONIMA DE SEGUROS Y REASEGUROS SOBRE LA VIDA HUMANA	99.9		
MAPFRE TECH	11.7		
MAPFRE VIDEO Y COMUNICACION, S.A.	25.0		
MIRACETI S.A.	100.0		
MAPFRE INVERSION SOCIEDAD DE VALORES S.A.	100.0		
MAPFRE ASSET MANAGEMENT S.G.I.I.C. SA	100.0		
MAPFRE VIDA PENSIONES, ENTIDAD GESTORA DE FONDOS DE PENSIONES S.A.	100.0		
MAPFRE GOOD GOVERNANCE	100.0		
MAPFRE IBERIAN EQUITY	100.0		
MAPFRE EUROPEAN EQUITY	100.0		
MAPFRE MULTI ASSET STRAT	100.0		
FONDEMAPFRE ELECCION DECIDIDA	38.4		
FONDEMAPFRE ELECCION MODERADA	48.2		
FONDEMAPFRE ELECCION PRUDENTE	65.9		
FONDEMAPFRE DIVERSIFICACION	66.9		
FONDEMAPFRE BOLSA AMERICA	31.7		
FONDEMAPFRE GLOBAL F.I.	35.0		
FONDEMAPFRE BOLSA F.I.	36.6		
CONSULTORA ACTUARIAL Y DE PENSIONES MAPFRE VIDA, S.A.	99.9		
GESTION MODA SHOPPING S.A.	99.8		
BANKIA MAPFRE VIDA, S.A. DE SEGUROS Y REASEGUROS	51.0		
BANKINTER SEGUROS DE VIDA, S.A.	50.0		
CAJA CASTILLA LA MANCHA VIDA Y PENSIONES S.A.	50.0		
MEDISEMAP, AGENCIA DE SEGUROS, S.L.	33.3		
MAPFRE RE COMPAÑIA DE REASEGUROS, S.A.	92.2		
CIAR INVESTMENT	100.0		
INMOBILIARIA PRESIDENTE FIGUEROA ALCORTA, S.A.	100.0		
REINSURANCE MANAGEMENT INC.	100.0		
MAPFRE EURO BONDS FUND	100.0		
MAPFRE RE ESCRITORIO DE REPRESENTACION COMPAÑIA DE REASEGUROS	100.0		
MAPFRE RE DO BRASIL COMPAÑIA DE REASEGUROS	100.0		
MAPFRE CHILE REASEGUROS, S.A.	100.0		
C R ARGENTINA, S.A.	100.0		
CAJA REASEGURADORA DE CHILE, S.A.	99.8		
INMOBILIARIA COSTA DE MONTEMAR, S.A.	31.4		
MAPFRE MANDATOS Y SERVICIOS, S.A.	95.0		
FONDMAPFRE BOLSA AMERICA	13.9		
FONDMAPFRE RENTA DOLAR	13.2		
MAPFRE RE VERMONT CORPORATION	100.0		
MAPFRE INTERNACIONAL S.A.	100.0		
MAPFRE TECH	20.0		
MAPFRE ARGENTINA HOLDING S.A.	100.0		
CLUB MAPFRE ARGENTINA	97.0		
MAPFRE ARGENTINA SEGUROS S.A.	100.0		
CESVI ARGENTINA, S.A.	60.6		
MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	36.0		
MAPFRE ARGENTINA SEGUROS DE VIDA S.A.	64.0		
MAPFRE PRAICO CORPORATION	100.0		66-0781080
MAPFRE PAN AMERICAN INSURANCE COMPANY	100.0		31690 66-0319465
MAPFRE FINANCE OF PUERTO RICO CORP	100.0		66-0391019
MAPFRE INSURANCE AGENCY OF PUERTO RICO, INC.	100.0		66-0621733
MAPFRE SOLUTIONS, INC.	100.0		66-0595402
MULTISERVICAR INC.	100.0		66-0638119
MAPFRE LIFE INSURANCE COMPANY OF PUERTO RICO	100.0		77054 66-0402309
MAPFRE PRAICO INSURANCE COMPANY	100.0		43052 66-0470284
MAPFRE LA SEGURIDAD S.A.	99.5		
CLUB MAPFRE S.A.	100.0		
CEFOPROSEG C.A.	100.0		
INVERSORA SEGURIDAD C.A.	100.0		
AUTOMOTRIZ MULTISERVICAR, C.A.	100.0		
UNIDAD EDUCATIVA D.R. FERNANDO BRAVO PEREZ CA	100.0		
MAPFRE CHILE SEGUROS S.A.	100.0		
MAPFRE CHILE ASESORIAS, S.A.	100.0		
MAPFRE COMPAÑIA DE SEGUROS GENERALES DE CHILE S.A.	12.7		
MAPFRE COMPAÑIA DE SEGUROS GENERALES DE CHILE S.A.	87.3		
MAPFRE CHILE VIDA S.A.	100.0		
MAPFRE COMPAÑIA DE SEGUROS DE VIDA DE CHILE	100.0		
MAPFRE HOLDING DO BRASIL LTDA	98.8		
MAPFRE VERA CRUZ CONSULTORIA TECNICA E ADMINISTRACAO DE FUNDOS LTDA	100.0		
PROTENSEG CORRETORA DE SEGUROS LTDA	100.0		
CESVI BRASIL S.A. CENTRO DE EXPERIMENTACAO E SEGURANCA VIARIA	100.0		
MAPFRE SAUDE LTDA	100.0		

Annual Statement for the year 2018 of the **MAPFRE Pan American Insurance Company**

MAPFRE INVESTIMENTOS E PARTICIPACOES, S.A.	100.0	MAPFRE S.A.	
MAPFRE ADMINISTRACOES DE CONSORCIO S.A.	100.0	MAPFRE S.A.	
MAPFRE DISTRIBUIDORA DE TITULOS E VALORES MOBILIARIOS, S.A.	100.0	MAPFRE S.A.	
MAPFRE BRASIL PARTICIPACOES, S.A.	91.7	MAPFRE S.A.	
MAPFRE PREVIDENCIA S.A.	100.0	MAPFRE S.A.	
MAPFRE CAPITALIZACAO	100.0	MAPFRE S.A.	
MAPFRE BB SH2 PARTICIPACOES, S.A.	50.0	MAPFRE S.A.	
ALIANCA DO BRASIL SEGUROS S.A.	100.0	MAPFRE S.A.	
BRASIL VEICULOS COMPANHIA DE SEGUROS S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS GERAIS S.A.	100.0	MAPFRE S.A.	
MAPFRE ASSISTENCIA S.A.	100.0	MAPFRE S.A.	
BB MAPFRE SH1 PARTICIPACOES, S.A.	25.0	MAPFRE S.A.	
MAPFRE VIDA S.A.	100.0	MAPFRE S.A.	
COMPANHIA DE SEGUROS ALIANCA DO BRASIL, S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS GENERALES DE COLOMBIA S.A.	94.3	MAPFRE S.A.	
CREDIMAPFRE	100.0	MAPFRE S.A.	
MAPFRE SERVICIOS EXEQUIALES SAS	100.0	MAPFRE S.A.	
MAPFRE COLOMBIA VIDA S.A.	94.4	MAPFRE S.A.	
CESVI COLOMBIA, S.A.	62.3	MAPFRE S.A.	
MAPFRE PERU VIDA, COMPANIA DE SEGUROS, S.A.	67.3	MAPFRE S.A.	
CORPORACION FINISTERRE, S.A.	100.0	MAPFRE S.A.	
MAPFRE PERU CAMPANIA DE SEGUROS Y REASEGUROS	99.3	MAPFRE S.A.	
MAPFRE PERU ENTIDAD PRESTADORA DE SALUD	98.6	MAPFRE S.A.	
MAPFRE ATLAS COMPANIA DE SEGUROS, S.A.	60.0	MAPFRE S.A.	
MAPFRE PARAGUAY COMPANIA DE SEGUROS, S.A.	89.5	MAPFRE S.A.	
APOINT S.A.	100.0	MAPFRE S.A.	
MAPFRE LA URUGUAYA S.A.	100.0	MAPFRE S.A.	
MAPFRE DOMINICANA S.A.	100.0	MAPFRE S.A.	
MAPFRE BHD COMPANIA DE SEGUROS, S.A.	51.0	MAPFRE S.A.	
CREDI PRIMAS, S.A.	100.0	MAPFRE S.A.	
GRUPO CORPORATIVO LML S.A. DE C.V.	100.0	MAPFRE S.A.	
MAPFRE TEPEYAC S.A.	44.3	MAPFRE S.A.	
MAPFRE TEPEYAC S.A.	55.7	MAPFRE S.A.	
MAPFRE UNIDAD DE SERVICIOS S.A. DE C.V.	100.0	MAPFRE S.A.	
MAPFRE TEPEYAC INC.	100.0	MAPFRE S.A.	
MAPFRE SERVICIOS MEXICANOS	100.0	MAPFRE S.A.	
MAPFRE FIANZAS S.A.	100.0	MAPFRE S.A.	
MAPFRE ASSET DEFENSA LEGAL MEXICANA S.A. DE C.V.	100.0	MAPFRE S.A.	
CESVI MEXICO, S.A.	16.7	MAPFRE S.A.	
MAPFRE AMERICA CENTRAL, S.A.	99.9	MAPFRE S.A.	
MAPFRE PANAMA	99.3	MAPFRE S.A.	
INMOBILIARIA AMERICANA S.A.	78.9	MAPFRE S.A.	
MAPFRE TENEDORA DE ACC, S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS HONDURAS S.A.	73.3	MAPFRE S.A.	
MAPFRE SEGUROS COSTA RICA, S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS GUATEMALA, S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS NICARAGUA, S.A.	100.0	MAPFRE S.A.	
MAPFRE SEGUROS HONDURAS S.A.	25.1	MAPFRE S.A.	
MAPFRE LA CENTRO AMERICANA, S.A.	77.6	MAPFRE S.A.	
AMA-ASISTENCIA MEDICA ADMISTRADA, C.A.	99.7	MAPFRE S.A.	
MAPFRE USA CORPORATION INC.	100.0	MAPFRE S.A.	04-2599931
VERTI INSURANCE COMPANY	100.0	MAPFRE S.A.	15736 47-2744441
THE CITATION INSURANCE COMPANY	100.0	MAPFRE S.A.	40274 04-2739876
BFC HOLDING CORPORATION	100.0	MAPFRE S.A.	04-3148033
MAPFRE TECH USA, INC	100.0	MAPFRE S.A.	82-2516034
THE COMMERCE INSURANCE COMPANY	100.0	MAPFRE S.A.	34754 04-2495247
MAPFRE INTERMEDIARIES	100.0	MAPFRE S.A.	65-0214501
MAPFRE INSURANCE COMPANY OF FLORIDA	100.0	MAPFRE S.A.	34932 65-0131982
MAPFRE INSURANCE COMPANY	100.0	MAPFRE S.A.	23876 36-3347420
MM REAL ESTATE, LLC	100.0	MAPFRE S.A.	
BIGELOW & OLD WORCESTER, LLC	100.0	MAPFRE S.A.	04-2495247
ACIC HOLDINGS COMPANY, INC.	100.0	MAPFRE S.A.	05-0501519
THE COMMERCE WEST INSURANCE COMPANY	100.0	MAPFRE S.A.	13161 94-1137122
AMERICAN COMMERCE INSURANCE COMPANY	100.0	MAPFRE S.A.	19941 31-4361173
MAPFRE INSURANCE COMPANY OF NEW YORK	100.0	MAPFRE S.A.	25275 13-1773336
MAPFRE SIGORTA, A.S.	99.7	MAPFRE S.A.	
MAPFRE YASAM SIGORTA, A.S.	99.5	MAPFRE S.A.	
GENEL SERVIS A.S.	51.0	MAPFRE S.A.	
MAPFRE INSULAR INSURANCE CORPORATION	74.9	MAPFRE S.A.	
MAPFRE MIDDLESEA P.L.C.	54.6	MAPFRE S.A.	
MIDDLESEA ASSIST LIMITED	49.0	MAPFRE S.A.	
MAPFRE M.S.V. LIFE P.L.C.	50.0	MAPFRE S.A.	
GROWTH INVESTMENTS LIMITED	100.0	MAPFRE S.A.	
CHURCH WARF PROPERTIES	50.0	MAPFRE S.A.	
CHURCH WARF PROPERTIES	50.0	MAPFRE S.A.	
BEE INSURANCE MANAGEMENT LTD	100.0	MAPFRE S.A.	
EUROMED RISK SOLUTIONS LIMITED	100.0	MAPFRE S.A.	
EURO GLOBE HOLDINGS LIMITED	100.0	MAPFRE S.A.	
PT ASURANSI BINA DANA ARTA TBK	62.3	MAPFRE S.A.	
PT MAPFRE ABDA ASSISTANCE	49.0	MAPFRE S.A.	
VERTI VERSICHERUNG AG	100.0	MAPFRE S.A.	
DIRECT LINE INSURANCE S.P.A.	100.0	MAPFRE S.A.	
MAPFRE ASISTENCIA COMPANIA INTERNACIONAL DE SEGUROS Y REASEGUROS, S.A.	100.0	MAPFRE S.A.	
IBEROASISTENCIA, ARGENTINA S.A.	98.4	MAPFRE S.A.	
VENEASISTENCIA, S.A.	100.0	MAPFRE S.A.	
IRELAND ASSIST, LTD	100.0	MAPFRE S.A.	
MEXICO ASISTENCIA, S.A.	100.0	MAPFRE S.A.	
ALLMAP ASSIST GESELLSCHAFT FUR BEISTANDSLEISTUNGEN MBH	100.0	MAPFRE S.A.	
ARABA ASSIST FOR LOGISTIC SERVICES	100.0	MAPFRE S.A.	
LLC MAPFRE WARRANTY	100.0	MAPFRE S.A.	
MAPFRE ASISTENCIA LIMITED	100.0	MAPFRE S.A.	
MAPFRE ASISTENCIA COMPANY LIMITED	100.0	MAPFRE S.A.	
INSURE AND GO INSURANCE SERVICES USA CORP.	100.0	MAPFRE S.A.	
QUETZAL ASISTENCIA, S.A.	100.0	MAPFRE S.A.	
NICASSIT, S.A.	100.0	MAPFRE S.A.	
EL SALVADOR ASISTENCIA, S.A.	100.0	MAPFRE S.A.	
NORASIST, INC D/B/A ROAD CANADA	100.0	MAPFRE S.A.	
BRICKELL FINANCIAL SERVICES MOTOR CLUB INC.	100.0	MAPFRE S.A.	
INSURE AND GO AUSTRALIA	100.0	MAPFRE S.A.	
EUROSOS ASSISTANCE, S.A.	99.5	MAPFRE S.A.	
BRASIL ASISTENCIA S.A.	100.0	MAPFRE S.A.	
MAPFRE SOLUTIONS DO BRASIL LTDA	100.0	MAPFRE S.A.	
MAPFRE ABRAXAS SOFTWARE, LTD	100.0	MAPFRE S.A.	
ABRAXAS INSURANCE	100.0	MAPFRE S.A.	
MAPFRE WARRANTY UK LIMITED	100.0	MAPFRE S.A.	
HOME 3	50.0	MAPFRE S.A.	
MAPFRE WARRANTY S.P.A.	100.0	MAPFRE S.A.	
MAPFRE WARRANTIES	100.0	MAPFRE S.A.	
FRANCE ASSIST	100.0	MAPFRE S.A.	
MAPFRE INSURANCE SERVICES S.L.R.	100.0	MAPFRE S.A.	
MAPFRE ASSISTANCE USA INC.	100.0	MAPFRE S.A.	
CENTURY AUTOMOTIVE SERVICES COMPANY	100.0	MAPFRE S.A.	
FEDERAL ASSIST Co.	100.0	MAPFRE S.A.	
MAPFRE WARRANTY CORPORATION OF FLORIDA	100.0	MAPFRE S.A.	
INSURE AND GO	100.0	MAPFRE S.A.	
TRAVEL CLAIMS SERVICES LIMITED	100.0	MAPFRE S.A.	
ANDIASISTENCIA COMPANIA DE ASISTENCIA DE LOS ANDES, S.A.	98.1	MAPFRE S.A.	
ECUASISTENCIA S.A.	94.5	MAPFRE S.A.	
PERU ASISTENCIA, S.A.	99.9	MAPFRE S.A.	
CONSULTING DE SOLUCIONES Y TECNOLOGIAS SIAM, S.A.	99.9	MAPFRE S.A.	
INDIA ROADSIDE ASSISTANCE PRIVATE LIMITED	99.6	MAPFRE S.A.	
URUGUAY ASISTENCIA, S.A.	97.9	MAPFRE S.A.	
SUR ASISTENCIA, S.A.	99.0	MAPFRE S.A.	
IBEROASISTENCIA, S.A.	99.9	MAPFRE S.A.	
NILE ASSIT	98.0	MAPFRE S.A.	
TUR ASSIST, LTD.	97.0	MAPFRE S.A.	

ROAD CHINA ASSISTANCE CO., LTD.	100.0	MAPFRE S.A.
IBERO ASISTENCIA, S.A.	100.0	MAPFRE S.A.
MIDDLESEA ASSIST LIMITED	51.0	MAPFRE S.A.
GULF ASSIST, B.S.C.	74.6	MAPFRE S.A.
CARIBE ASISTENCIA	83.6	MAPFRE S.A.
BENELUX ASSIST, S.A.	100.0	MAPFRE S.A.
PANAMA ASISTENCIA, S.A.	82.1	MAPFRE S.A.
ROADSIDE ASSIST ALGERIE SPA	60.3	MAPFRE S.A.
PT MAPFRE ABDA ASSISTANCE	51.0	MAPFRE S.A.
AFRIQUE ASSISTANCE, S.A.	49.0	MAPFRE S.A.
PARAGUAY ASISTENCIA CIA. DE SERVICIOS S.A.	98.9	MAPFRE S.A.
MAPFRE INMUEBLES, S.G.A.	10.0	MAPFRE S.A.
MAPFRE GLOBAL RISKS	100.0	MAPFRE S.A.
INMO ALEMANIA GESTION DE ACTIVOS INMOBILIARIOS, S.L.	10.0	MAPFRE S.A.
MAPFRE ESPAÑA COMPAÑÍA DE SEGUROS Y REASEGUROS, S.A.	16.5	MAPFRE S.A.
SERVIFINANZAS S.A. SOCIEDAD UNIPERSONAL	100.0	MAPFRE S.A.
INDUSTRIAL RE S.A.	100.0	MAPFRE S.A.
SOLUNION SEGUROS DE CREDITO S.A.	50.0	MAPFRE S.A.
MAQUAVIT INMUEBLES, S.L.	100.0	MAPFRE S.A.
BIOINGENIERIA ARAGONESA, S.L.	100.0	MAPFRE S.A.
PROVITAE CENTROS ASISTENCIALES, S.L.	50.0	MAPFRE S.A.
MAPFRE AM INVESTMENT HOLDING, S.A.	100.0	MAPFRE S.A.
LA FINANCIERE RESPONSIBLE	25.0	MAPFRE S.A.
FANCY INVESTMENT S.A.	100.0	MAPFRE S.A.
PREMINEN PRICE COMPARISON HOLDINGS LIMITED	50.0	MAPFRE S.A.

## 2018 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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