



ANNUAL STATEMENT

For the Year Ended December 31, 2017
of the Condition and Affairs of the

UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA

NAIC Group Code.....1279, 1279 (Current Period) (Prior Period)	NAIC Company Code..... 16667	Employer's ID Number..... 56-0789396
Organized under the Laws of NC Incorporated/Organized..... April 5, 1963	State of Domicile or Port of Entry NC Commenced Business..... May 9, 1963	Country of Domicile US
Statutory Home Office	230 North Elm Street..... Greensboro NC US 27401 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	230 North Elm Street..... Greensboro NC US..... 27401 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	336-373-0232 <i>(Area Code) (Telephone Number)</i>
Mail Address	Post Office Box 20597..... Greensboro NC US 27420 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	230 North Elm Street..... Greensboro NC US 27401 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	336-373-0232 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.archmi.com	
Statutory Statement Contact	Jeffrey Wayne Shaw <i>(Name)</i> statutoryaccountingteam@archmi.com <i>(E-Mail Address)</i>	336-412-0800 <i>(Area Code) (Telephone Number) (Extension)</i> 336-217-4402 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. David Evan Gansberg	President & Chief Executive Officer	2. Sara Fitzgerald Millard	Executive Vice President, General Counsel & Secretary
3. Thomas Harrison Jeter	Executive Vice President & Chief Financial Officer	4. Brian Joseph Smith	Senior Vice President & Controller

OTHER

Christopher Andrew Hovey	Executive Vice President & Chief Operations Officer	Cheryl Ann Feltgen	Executive Vice President & Chief Risk Officer
John Edward Gaines	Executive Vice President, Chief Credit & Pricing Officer	Christopher Martin Clement	Executive Vice President & Chief Sales Officer
David William McLaughry	Senior Vice President & Chief Actuary	James Heath Taylor	Vice President & Treasurer

DIRECTORS OR TRUSTEES

Andrew Thomas Rippert	Dennis Robert Brand	David Evan Gansberg	Mark Donald Lyons
Thomas Harrison Jeter	Cheryl Ann Feltgen	John Edward Gaines	

State of..... North Carolina
County of..... Guilford

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

(Signature) David Evan Gansberg	(Signature) Sara Fitzgerald Millard	(Signature) Thomas Harrison Jeter
1. (Printed Name) President & Chief Executive Officer	2. (Printed Name) Executive Vice President, General Counsel & Secretary	3. (Printed Name) Executive Vice President & Chief Financial Officer
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of _____ 2018

a. Is this an original filing? Yes [X] No []
b. If no 1. State the amendment number _____
2. Date filed _____
3. Number of pages attached _____

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	37,728,609	0	37,728,609	15,744,149
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	0	0	0	271,251,355
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$....3,234,431, Schedule E-Part 1), cash equivalents (\$....4,717,100, Schedule E-Part 2) and short-term investments (\$.....0, Schedule DA).....	7,951,531	0	7,951,531	6,489,578
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0	24,965,000
9. Receivables for securities.....	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	45,680,140	0	45,680,140	318,450,082
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	151,012	0	151,012	139,154
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	2,555,718	0	2,555,718	1,723,679
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	0	0	0	0
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	0	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	488,344
18.2 Net deferred tax asset.....	11,624,719	6,464,693	5,160,026	16,752,860
19. Guaranty funds receivable or on deposit.....	0	0	0	0
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	17,317
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	209,808	0	209,808	928,336
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	60,221,397	6,464,693	53,756,704	338,499,772
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTAL (Lines 26 and 27).....	60,221,397	6,464,693	53,756,704	338,499,772

DETAILS OF WRITE-INS

1101.....	0	0	0	0
1102.....	0	0	0	0
1103.....	0	0	0	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. STATE PREMIUM TAXES RECOVERABLE.....	209,162	0	209,162	838,336
2502. SETTLEMENTS RECEIVABLE.....	0	0	0	90,000
2503. OTHER ASSETS.....	646	0	646	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).....	209,808	0	209,808	928,336

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	10,405,233	15,190,913
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	50,000	270,000
4. Commissions payable, contingent commissions and other similar charges.....	0	0
5. Other expenses (excluding taxes, licenses and fees).....	614,995	60,887
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	6,020	199,766
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	649,939	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....810 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).....	99,970	174,956
10. Advance premium.....	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	46,814	238,098
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	0	0
14. Amounts withheld or retained by company for account of others.....	0	0
15. Remittances and items not allocated.....	592,669	277,062
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	1,730,856	1,336,271
20. Derivatives.....	0	0
21. Payable for securities.....	0	0
22. Payable for securities lending.....	0	0
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	14,196,496	17,747,953
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	14,196,496	17,747,953
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	2,500,000	2,000,000
31. Preferred capital stock.....	0	0
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....	0	468,674,500
34. Gross paid in and contributed surplus.....	0	168,745,746
35. Unassigned funds (surplus).....	37,060,208	(318,668,427)
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	39,560,208	320,751,819
38. TOTAL (Page 2, Line 28, Col. 3).....	53,756,704	338,499,772

DETAILS OF WRITE-INS

2501.	0	0
2502.	0	0
2503.	0	0
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).....	0	0
2901.	0	0
2902.	0	0
2903.	0	0
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).....	0	0
3201.	0	0
3202.	0	0
3203.	0	0
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
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	19,947,186	27,117,243
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	(22,160,039)	(18,737,963)
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	4,146,950	5,474,166
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	3,879,031	3,689,142
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	(14,134,058)	(9,574,655)
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	34,081,244	36,691,898
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	78,490,047	80,590,798
10. Net realized capital gains (losses) less capital gains tax of \$.....36,571 (Exhibit of Capital Gains (Losses)).....	419,827,739	3,371,621
11. Net investment gain (loss) (Lines 9 + 10).....	498,317,786	83,962,419
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	0
13. Finance and service charges not included in premiums.....	0	0
14. Aggregate write-ins for miscellaneous income.....	0	0
15. Total other income (Lines 12 through 14).....	0	0
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	532,399,030	120,654,317
17. Dividends to policyholders.....	0	0
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).....	532,399,030	120,654,317
19. Federal and foreign income taxes incurred.....	7,030,319	15,381,828
20. Net income (Line 18 minus Line 19) (to Line 22).....	525,368,711	105,272,489
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	320,751,821	449,876,364
22. Net income (from Line 20).....	525,368,711	105,272,489
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	(121,399,994)	(41,100,906)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0
26. Change in net deferred income tax.....	(11,129,924)	575,660
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(454,222)	1,068,214
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	0	0
29. Change in surplus notes.....	(468,674,500)	(194,940,000)
30. Surplus (contributed to) withdrawn from Protected Cells.....	0	0
31. Cumulative effect of changes in accounting principles.....	0	0
32. Capital changes:		
32.1 Paid in.....	0	0
32.2 Transferred from surplus (Stock Dividend).....	500,000	0
32.3 Transferred to surplus.....	0	0
33. Surplus adjustments:		
33.1 Paid in.....	(168,745,746)	0
33.2 Transferred to capital (Stock Dividend).....	(500,000)	0
33.3. Transferred from capital.....	0	0
34. Net remittances from or (to) Home Office.....	0	0
35. Dividends to stockholders.....	(36,155,938)	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....	0	0
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(281,191,613)	(129,124,543)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	39,560,208	320,751,821
DETAILS OF WRITE-INS		
0501.	0	0
0502.	0	0
0503.	0	0
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.	0	0
1402.	0	0
1403.	0	0
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).....	0	0
3701.	0	0
3702.	0	0
3703.	0	0
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	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	18,848,877	27,062,611
2. Net investment income.....	78,544,837	82,036,514
3. Miscellaneous income.....	.0	.0
4. Total (Lines 1 through 3).....	97,393,714	109,099,125
5. Benefit and loss related payments.....	(17,374,359)	(15,579,064)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	.0	.0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	7,884,136	9,243,308
8. Dividends paid to policyholders.....	.0	.0
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	5,920,001	23,030,490
10. Total (Lines 5 through 9).....	(3,570,222)	16,694,734
11. Net cash from operations (Line 4 minus Line 10).....	100,963,936	92,404,391
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	13,888,345	127,127,578
12.2 Stocks.....	569,611,182	.0
12.3 Mortgage loans.....	.0	.0
12.4 Real estate.....	.0	.0
12.5 Other invested assets.....	24,965,000	.0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	.0	.0
12.7 Miscellaneous proceeds.....	.0	.0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	608,464,527	127,127,578
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	35,836,446	26,323,540
13.2 Stocks.....	.0	.0
13.3 Mortgage loans.....	.0	.0
13.4 Real estate.....	.0	.0
13.5 Other invested assets.....	.0	.0
13.6 Miscellaneous applications.....	.0	.0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	35,836,446	26,323,540
14. Net increase (decrease) in contract loans and premium notes.....	.0	.0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	572,628,081	100,804,038
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	(468,674,500)	(194,940,000)
16.2 Capital and paid in surplus, less treasury stock.....	(168,745,746)	.0
16.3 Borrowed funds.....	.0	.0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	.0	.0
16.5 Dividends to stockholders.....	36,155,938	.0
16.6 Other cash provided (applied).....	1,446,119	1,561,557
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(672,130,065)	(193,378,443)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	1,461,952	(170,014)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	6,489,579	6,659,593
19.2 End of year (Line 18 plus Line 19.1).....	7,951,531	6,489,579
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 .....	.0	.0

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.....	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0
10. Financial guaranty.....	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0
15. Other accident and health.....	.0	.0	.0	.0
16. Workers' compensation.....	.0	.0	.0	.0
17.1 Other liability - occurrence.....	.0	.0	.0	.0
17.2 Other liability - claims-made.....	.0	.0	.0	.0
17.3 Excess workers' compensation.....	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0
23. Fidelity.....	.0	.0	.0	.0
24. Surety.....	.0	.0	.0	.0
26. Burglary and theft.....	.0	.0	.0	.0
27. Boiler and machinery.....	.0	.0	.0	.0
28. Credit.....	19,872,200	174,956	99,970	19,947,186
29. International.....	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	.0	.0	.0	.0
33. Reinsurance - nonproportional assumed financial lines.....	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0
35. TOTALS.....	19,872,200	174,956	99,970	19,947,186

DETAILS OF WRITE-INS

3401. ....	.0	.0	.0	.0
3402. ....	.0	.0	.0	.0
3403. ....	.0	.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).....	.0	.0	.0	.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	0	0	0	0	0
2.	Allied lines.....	0	0	0	0	0
3.	Farmowners multiple peril.....	0	0	0	0	0
4.	Homeowners multiple peril.....	0	0	0	0	0
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	0	0	0	0
13.	Group accident and health.....	0	0	0	0	0
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.....	0	0	0	0	0
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.....	0	0	0	0	0
19.3, 19.4	Commercial auto liability.....	0	0	0	0	0
21.	Auto physical damage.....	0	0	0	0	0
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.....	99,970	0	0	0	99,970
29.	International.....	0	0	0	0	0
30.	Warranty.....	0	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability.....	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines.....	0	0	0	0	0
34.	Aggregate write-ins for other lines of business.....	0	0	0	0	0
35.	TOTALS	99,970	0	0	0	99,970
36.	Accrued retrospective premiums based on experience.....					0
37.	Earned but unbilled premiums.....					0
38.	Balance (sum of Lines 35 through 37).....					99,970

DETAILS OF WRITE-INS

3401.	.....	0	0	0	0	0
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
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

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

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.....	0	0	0	0	0	0
2. Allied lines.....	0	0	0	0	0	0
3. Farmowners multiple peril.....	0	0	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0	0	0
5. Commercial multiple peril.....	0	0	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0	0
9. Inland marine.....	0	0	0	0	0	0
10. Financial guaranty.....	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0
12. Earthquake.....	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0	0
16. Workers' compensation.....	0	0	0	0	0	0
17.1 Other liability - occurrence.....	0	0	0	0	0	0
17.2 Other liability - claims-made.....	0	0	0	0	0	0
17.3 Excess workers' compensation.....	0	0	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability.....	0	0	0	0	0	0
21. Auto physical damage.....	0	0	0	0	0	0
22. Aircraft (all perils).....	0	0	0	0	0	0
23. Fidelity.....	0	0	0	0	0	0
24. Surety.....	0	0	0	0	0	0
26. Burglary and theft.....	0	0	0	0	0	0
27. Boiler and machinery.....	0	0	0	0	0	0
28. Credit.....	20,352,336	0	0	2,399	477,737	19,872,200
29. International.....	0	0	0	0	0	0
30. Warranty.....	0	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.....	0	0	0	0	0	0
35. TOTALS.....	20,352,336	0	0	2,399	477,737	19,872,200

DETAILS OF WRITE-INS

3401.	0	0	0	0	0	0
3402.	0	0	0	0	0	0
3403.	0	0	0	0	0	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).....	0	0	0	0	0	0

(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.....	.0	.0	.0	.0	.0	.0	.0	.00
2. Allied lines.....	.0	.0	.0	.0	.0	.0	.0	.00
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0	.0	.00
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0	.0	.00
8. Ocean marine.....	.0	.0	.0	.0	.0	.0	.0	.00
9. Inland marine.....	.0	.0	.0	.0	.0	.0	.0	.00
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0	.0	.00
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
12. Earthquake.....	.0	.0	.0	.0	.0	.0	.0	.00
13. Group accident and health.....	.0	.0	.0	.0	.0	.0	.0	.00
14. Credit accident and health (group and individual).....	.0	.0	.0	.0	.0	.0	.0	.00
15. Other accident and health.....	.0	.0	.0	.0	.0	.0	.0	.00
16. Workers' compensation.....	.0	.0	.0	.0	.0	.0	.0	.00
17.1 Other liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
17.2 Other liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
17.3 Excess workers' compensation.....	.0	.0	.0	.0	.0	.0	.0	.00
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0	.0	.00
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0	.0	.00
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0	.0	.0	.0	.00
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0	.0	.00
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0	.0	.00
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0	.0	.00
23. Fidelity.....	.0	.0	.0	.0	.0	.0	.0	.00
24. Surety.....	.0	.0	.0	.0	.0	.0	.0	.00
26. Burglary and theft.....	.0	.0	.0	.0	.0	.0	.0	.00
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0	.0	.00
28. Credit.....	(17,709,216)	.0	(334,857)	(17,374,359)	10,405,233	15,190,913	(22,160,039)	(111.1)
29. International.....	.0	.0	.0	.0	.0	.0	.0	.00
30. Warranty.....	.0	.0	.0	.0	.0	.0	.0	.00
31. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	.0	.0	.0	.00
32. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	.0	.0	.0	.00
33. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	.0	.0	.0	.00
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0	.0	.00
35. TOTALS.....	(17,709,216)	.0	(334,857)	(17,374,359)	10,405,233	15,190,913	(22,160,039)	(111.1)
DETAILS OF WRITE-INS								
3401. ....	.0	.0	.0	.0	.0	.0	.0	.00
3402. ....	.0	.0	.0	.0	.0	.0	.0	.00
3403. ....	.0	.0	.0	.0	.0	.0	.0	.00
3498. Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	XXX
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	.0	.0	.0	.0	.0	.0	.0	.00

6

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.....	0	0	0	0	0	0	0	0	0
2. Allied lines.....	0	0	0	0	0	0	0	0	0
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0	0	0	0	0	0
5. Commercial multiple peril.....	0	0	0	0	0	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0	0	0	0	0
9. Inland marine.....	0	0	0	0	0	0	0	0	0
10. Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0	0	0	0
12. Earthquake.....	0	0	0	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	0	0	(a).....0	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0	0	0	(a).....0	0
16. Workers' compensation.....	0	0	0	0	0	0	0	0	0
17.1 Other liability - occurrence.....	0	0	0	0	0	0	0	0	0
17.2 Other liability - claims-made.....	0	0	0	0	0	0	0	0	0
17.3 Excess workers' compensation.....	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0	0	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability.....	0	0	0	0	0	0	0	0	0
21. Auto physical damage.....	0	0	0	0	0	0	0	0	0
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23. Fidelity.....	0	0	0	0	0	0	0	0	0
24. Surety.....	0	0	0	0	0	0	0	0	0
26. Burglary and theft.....	0	0	0	0	0	0	0	0	0
27. Boiler and machinery.....	0	0	0	0	0	0	0	0	0
28. Credit.....	6,819,696	0	1,095,767	5,723,929	4,681,311	0	7	10,405,233	50,000
29. International.....	0	0	0	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	XXX	0	0	0	XXX	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	6,819,696	0	1,095,767	5,723,929	4,681,311	0	7	10,405,233	50,000
DETAILS OF WRITE-INS									
3401.	0	0	0	0	0	0	0	0	0
3402.	0	0	0	0	0	0	0	0	0
3403.	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0	0

10

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

Annual Statement for the year 2017 of the **UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA**
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.....	1,333,155	0	0	1,333,155
1.2 Reinsurance assumed.....	0	0	0	0
1.3 Reinsurance ceded.....	0	0	0	0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	1,333,155	0	0	1,333,155
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	0	0	0
2.2 Reinsurance assumed, excluding contingent.....	0	0	0	0
2.3 Reinsurance ceded, excluding contingent.....	0	66,038	0	66,038
2.4 Contingent - direct.....	0	0	0	0
2.5 Contingent - reinsurance assumed.....	0	0	0	0
2.6 Contingent - reinsurance ceded.....	0	0	0	0
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	(66,038)	0	(66,038)
3. Allowances to manager and agents.....	0	0	0	0
4. Advertising.....	0	95,400	0	95,400
5. Boards, bureaus and associations.....	0	0	0	0
6. Surveys and underwriting reports.....	0	0	0	0
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	1,670,405	2,028,622	13,357	3,712,384
8.2 Payroll taxes.....	107,862	130,993	862	239,717
9. Employee relations and welfare.....	342,097	415,460	2,736	760,293
10. Insurance.....	11,746	14,266	94	26,106
11. Directors' fees.....	0	26,332	0	26,332
12. Travel and travel items.....	67,233	81,651	538	149,422
13. Rent and rent items.....	79,475	96,518	636	176,629
14. Equipment.....	159,061	193,171	1,272	353,504
15. Cost or depreciation of EDP equipment and software.....	36,194	43,955	289	80,438
16. Printing and stationery.....	6,013	7,303	48	13,364
17. Postage, telephone and telegraph, exchange and express.....	34,909	42,396	279	77,584
18. Legal and auditing.....	298,800	362,877	2,389	664,066
19. Totals (Lines 3 to 18).....	2,813,795	3,538,944	22,500	6,375,239
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....	0	412,767	0	412,767
20.2 Insurance department licenses and fees.....	0	0	0	0
20.3 Gross guaranty association assessments.....	0	0	0	0
20.4 All other (excluding federal and foreign income and real estate).....	0	0	0	0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	412,767	0	412,767
21. Real estate expenses.....	0	2,644	0	2,644
22. Real estate taxes.....	0	0	0	0
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	0	(9,286)	125,895	116,609
25. Total expenses incurred.....	4,146,950	3,879,031	148,395	(a) 8,174,376
26. Less unpaid expenses - current year.....	50,000	621,015	0	671,015
27. Add unpaid expenses - prior year.....	270,000	229,015	1,483	500,498
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	4,366,950	3,487,031	149,878	8,003,859

DETAILS OF WRITE-INS

2401. Depreciation.....	0	2,440	0	2,440
2402. Investment advisory fee.....	0	0	125,759	125,759
2403. Sundry.....	0	(11,726)	136	(11,590)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	0	(9,286)	125,895	116,609

(a) Includes management fees of \$.....6,137,563 to affiliates and \$.....3,407 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....203,349	.....282,175
1.1 Bonds exempt from U.S. tax.....	(a).....186,448	.....107,650
1.2 Other bonds (unaffiliated).....	(a).....15,220	.....23,107
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0
2.21 Common stocks of affiliates.....	.....78,141,705	.....78,141,705
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....0	.....0
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....52,592	.....56,536
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....0	.....0
9. Aggregate write-ins for investment income.....	.....27,270	.....27,270
10. Total gross investment income.....	.....78,626,584	.....78,638,442
11. Investment expenses.....		(g).....148,395
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....0
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).....		.....148,395
17. Net investment income (Line 10 minus Line 16).....		.....78,490,047

DETAILS OF WRITE-INS

0901. Misc. Investment Income.....	.....27,270	.....27,270
0902. ....	.....0	.....0
0903. ....	.....0	.....0
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).....	.....27,270	.....27,270
1501. ....		.....0
1502. ....		.....0
1503. ....		.....0
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 \$.....9,210 accrual of discount less \$.....77,340 amortization of premium and less \$.....41,414 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....148,259 investment expenses and \$.....137 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.....	.....29,421	.....0	.....29,421	.....(0)	.....0
1.1 Bonds exempt from U.S. tax.....	.....75,068	.....0	.....75,068	.....0	.....0
1.2 Other bonds (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.21 Common stocks of affiliates.....	.....419,759,821	.....0	.....419,759,821	.....(121,399,994)	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	.....0	.....0	.....0	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....0	.....0	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....419,864,311	.....0	.....419,864,311	.....(121,399,994)	.....0

DETAILS OF WRITE-INS

0901. ....	.....0	.....0	.....0	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....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	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	0	0	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	0	0	0
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	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	0	0
14. Investment income due and accrued.....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	0	0	0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	0	0	0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	0	0	0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	8,606	8,606
18.2 Net deferred tax asset.....	6,464,693	6,001,785	(462,908)
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	0	80	80
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other-than-invested assets.....	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	6,464,693	6,010,471	(454,222)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	6,464,693	6,010,471	(454,222)

DETAILS OF WRITE-INS

1101.....	0	0	0
1102.....	0	0	0
1103.....	0	0	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.....	0	0	0
2502.....	0	0	0
2503.....	0	0	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).....	0	0	0

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

The financial statements of United Guaranty Residential Insurance Company of North Carolina, (the Company), are presented on the basis of accounting practices prescribed or permitted by the North Carolina Insurance Department.

The North Carolina Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of North Carolina for determining and reporting the financial condition and results of operations of an insurance company, for determining its solvency under the North Carolina Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual, (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of North Carolina.

Changes in surplus in the accompanying financial statements due to differences between the prescribed accounting practices of the state of North Carolina those of the NAIC are as follows:

	SSAP #	F/S Page	F/S Line #	2017	2016
NET INCOME					
(1) UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 525,368,711	\$ 105,272,488
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 525,368,711	\$ 105,272,488
SURPLUS					
(5) UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 39,560,208	\$ 320,751,819
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$ 0	\$ 0
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 39,560,208	\$ 320,751,819

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

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

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed based on North Carolina statutory requirements.

Expenses incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the company uses the following accounting policies:

(1) Basis for Short-Term Investments

The Company considers all highly liquid debt securities with maturities of greater than three months but less than twelve months from the date of purchase to be short-term investments. Short-term investments are carried at amortized cost which approximates NAIC market value (as designated by the NAIC Securities Valuation Office).

(2) Basis for Bonds and Amortization Schedule

Bonds, loan backed and structured securities ("LBaSS") with an NAIC designation (as obtained from the NAIC Investment Analysis Office ("IAO")) of "1" or "2" (considered to be investment grade) are carried at amortized cost. Bonds and LBaSS with an NAIC designation of "3," "4," "5," "5*," "6" or "6*" (considered to be non-investment grade) are carried at the lower of amortized cost or fair value. LBaSS fair values are determined using independent pricing services and broker quotes. Bonds and LBaSS that have not been filed and have not received a designation in over a year, from the NAIC IAO, are assigned a 6* designation and carried at zero, with unrealized losses charged to surplus. Bond and LBaSS securities that have been filed and received a 6* designation can carry a value greater than zero. Bond and LBaSS securities are assigned a 5* designation when the following conditions are met: a) the documentation required for a full credit analysis did not exist, b) the issuer/obligor has made all contracted interest and principal payments, and c) an expectation of repayment of interest and principal exists. Amortization of premium or discount on bonds and LBaSS is calculated using the effective yield method.

Additionally, mortgage-backed securities and asset backed securities prepayment assumptions were obtained from an outside vendor or internal estimates. The retrospective adjustment method is used to account for the effect of unscheduled payments affecting high credit quality securities, while securities with less than high credit quality and securities for which the collection of all contractual cash flows is not probable are both accounted for using the prospective adjustment method.

(3) Basis for Common Stocks

Not Applicable

NOTES TO FINANCIAL STATEMENTS

(4) Basis for Preferred Stocks

Not Applicable

(5) Basis for Mortgage Loans

Not Applicable

(6) Basis for Loan-Backed Securities and Adjustment Methodology

Not Applicable

(7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

Not Applicable

(8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

Not Applicable

(9) Accounting Policies for Derivatives

Not Applicable

(10) Anticipated Investment Income Used in Premium Deficiency Calculation

Not Applicable

(11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&H Contracts

Not Applicable

(12) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

Not Applicable

(13) Method Used to Estimate Pharmaceutical Rebate Receivables

Not Applicable

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

Not Applicable

Note 3 – Business Combinations and Goodwill

Not Applicable

Note 4 – Discontinued Operations

Not Applicable

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

Not Applicable

B. Debt Restructuring

Not Applicable

C. Reverse Mortgages

Not Applicable

D. Loan-Backed Securities

(1) Description of Sources Used to Determine Prepayment Assumptions

Prepayment assumptions for single class, multi-class mortgage-back and asset-backed securities are obtained from independent third party services or internal estimates. These assumptions are consistent with the current interest rate and economic environment.

(2) Securities with a recognized other-than-temporary impairment

Not Applicable

NOTES TO FINANCIAL STATEMENTS

(3) Recognized OTTI securities

Not Applicable

(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):

Not Applicable

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

Not Applicable

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not Applicable

F. Repurchase Agreements

Not Applicable

G. Real Estate

Not Applicable

H. Low-Income Housing Tax Credits (LIHTC)

Not Applicable

NOTES TO FINANCIAL STATEMENTS

I. 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	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	0.0%	0.0%
b. Collateral held under security lending arrangements	0	0	0	0	0	0	0	0	0	0.0%	0.0%
c. Subject to repurchase agreements	0	0	0	0	0	0	0	0	0	0.0%	0.0%
d. Subject to reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0.0%	0.0%
e. Subject to dollar repurchase agreements	0	0	0	0	0	0	0	0	0	0.0%	0.0%
f. Subject to dollar reverse repurchase agreements	0	0	0	0	0	0	0	0	0	0.0%	0.0%
g. Placed under option contracts	0	0	0	0	0	0	0	0	0	0.0%	0.0%
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock	0	0	0	0	0	0	0	0	0	0.0%	0.0%
i. FHLB capital stock	0	0	0	0	0	0	0	0	0	0.0%	0.0%
j. On deposit with states	5,136,319	0	0	0	5,136,319	5,659,077	(522,758)	0	5,136,319	8.5%	9.6%
k. On deposit with other regulatory bodies	0	0	0	0	0	0	0	0	0	0.0%	0.0%
l. Pledged as collateral to FHLB (including assets backing funding agreements)	0	0	0	0	0	0	0	0	0	0.0%	0.0%
m. Pledged as collateral not captured in other categories	0	0	0	0	0	0	0	0	0	0.0%	0.0%
n. Other restricted assets	0	0	0	0	0	0	0	0	0	0.0%	0.0%
o. Total Restricted Assets	\$5,136,319	\$ 0	\$ 0	\$ 0	\$5,136,319	\$5,659,077	\$(522,758)	\$ 0	\$5,136,319	8.5%	9.6%

- (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

NOTES TO FINANCIAL STATEMENTS

- J. Real Estate
Not Applicable
- K. Working Capital Finance Investments
Not Applicable
- L. Offsetting and Netting of Assets and Liabilities
Not Applicable
- M. Structured Notes
Not Applicable
- N. 5* Securities
Not Applicable
- O. Short Sales
Not Applicable
- P. Prepayment Penalty and Acceleration Fees
Not Applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

Not Applicable

Note 7 – Investment Income

- A. The bases, by category of investment income, for excluding (nonadmitting) any investment income due and accrued:
The Company does not admit investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans).

- B. The total amount excluded:

Not Applicable

Note 8 – Derivative Instruments

Not Applicable

Note 9 – Income Taxes

- A. Deferred Tax Assets/(Liabilities)

1. Components of Net Deferred Tax Asset/(Liability)

	2017			2016			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	\$11,485,233	\$ 155,067	\$11,640,300	\$23,804,366	\$ 47,158	\$23,851,524	\$(12,319,133)	\$ 107,909	\$(12,211,224)
b. Statutory valuation allowance adjustment	0	0	0	0	0	0	0	0	0
c. Adjusted gross deferred tax assets (1a-1b)	\$11,485,233	\$ 155,067	\$11,640,300	\$23,804,366	\$ 47,158	\$23,851,524	\$(12,319,133)	\$ 107,909	\$(12,211,224)
d. Deferred tax assets nonadmitted	6,464,693	0	6,464,693	6,001,785	0	6,001,785	462,908	0	462,908
e. Subtotal net admitted deferred tax asset (1c-1d)	\$ 5,020,540	\$ 155,067	\$ 5,175,607	\$17,802,581	\$ 47,158	\$17,849,739	\$(12,782,041)	\$ 107,909	(12,674,132)
f. Deferred tax liabilities	0	15,581	15,581	57,184	1,039,695	1,096,879	(57,184)	(1,024,114)	(1,081,298)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 5,020,540	\$ 139,486	\$ 5,160,026	\$17,745,397	\$ (992,537)	\$16,752,860	\$(12,724,857)	\$ 1,132,023	\$(11,592,834)

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components SSAP No. 101

	2017			2016			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	0	0	0	0	0	0	0	0	0
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:	5,020,540	139,486	5,160,026	16,752,860	0	16,752,860	(11,732,320)	139,486	(11,592,834)
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	7,320,995	0	7,320,995	16,752,860	0	16,752,860	(9,431,865)	0	(9,431,865)
Adjusted gross deferred tax assets allowed per limitation threshold			5,160,027			45,599,844			(40,439,817)
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	0	15,581	15,581	1,049,721	47,158	1,096,879	(1,049,721)	(31,577)	(1,081,298)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	5,020,540	155,067	5,175,607	17,802,581	47,158	17,849,739	(12,782,041)	107,909	(12,674,132)

3. Other Admissibility Criteria

	2017	2016
a. Ratio percentage used to determine recovery period and threshold limitation amount	1,248.0%	878.0%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	34,400,181	303,998,960

NOTES TO FINANCIAL STATEMENTS

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/2017		12/31/2016		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	11,485,233	155,067	23,804,366	47,158	(12,319,133)	107,909
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	5,020,540	155,067	17,802,581	47,158	(12,782,041)	107,909
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

There are no temporary differences for which a deferred tax liabilities (DTL) has not been established.

B. Deferred Tax Liabilities Not Recognized

Not Applicable

C. Current and Deferred Income Taxes

1. Current Income Tax

	1	2	3
	2017	2016	(Col 1-2) Change
a. Federal	7,030,319	15,390,434	(8,360,115)
b. Foreign	0	0	0
c. Subtotal	7,030,319	15,390,434	(8,360,115)
d. Federal income tax on net capital gains	36,571	249,778	(213,207)
e. Utilization of capital loss carry-forwards	0	0	0
f. Other	0	(8,606)	8,606
g. Federal and Foreign income taxes incurred	7,066,890	15,631,606	(8,564,716)

NOTES TO FINANCIAL STATEMENTS

2. Deferred Tax Assets

	1	2	3
	2017	2016	(Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	29,950	64,151	(34,201)
2. Unearned premium reserve	29,091	1,034,075	(1,004,984)
3. Policyholder reserves	0	0	0
4. Investments	0	0	0
5. Deferred acquisition costs	1,004,553	0	1,004,553
6. Policyholder dividends accrual	0	0	0
7. Fixed assets	0	0	0
8. Compensation and benefits accrual	0	0	0
9. Pension accrual	0	0	0
10. Receivables - nonadmitted	0	28	(28)
11. Net operating loss carry-forward	0	0	0
12. Tax credit carry-forward	0	0	0
13. Other (items <5% of total ordinary tax assets)	0	0	0
Other (items >=5% of total ordinary tax assets)			
14. Salvage and Subrogation	10,421,639	22,706,112	(12,284,473)
99. Subtotal	11,485,233	23,804,366	(12,319,133)
b. Statutory valuation allowance adjustment	0	0	0
c. Nonadmitted	6,464,693	6,001,785	462,908
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	5,020,540	17,802,581	(12,782,041)
e. Capital:			
1. Investments	155,067	47,158	107,909
2. Net capital loss carry-forward	0	0	0
3. Real estate	0	0	0
4. Other (items <5% of total capital tax assets)	0	0	0
Other (items >=5% of total capital tax assets)			
5.			0
99. Subtotal	155,067	47,158	107,909
f. Statutory valuation allowance adjustment	0	0	0
g. Nonadmitted	0	0	0
h. Admitted capital deferred tax assets (2e99-2f-2g)	155,067	47,158	107,909
i. Admitted deferred tax assets (2d+2h)	5,175,607	17,849,739	(12,674,132)

3. Deferred Tax Liabilities

	1	2	3
	2017	2016	(Col 1-2) Change
a. Ordinary:			
1. Investments	0	55,213	(55,213)
2. Fixed assets	0	0	0
3. Deferred and uncollected premium	0	0	0
4. Policyholder reserves	0	0	0
5. Other (items <5% of total ordinary tax liabilities)	0	1,971	(1,971)
Other (items >=5% of total ordinary tax liabilities)			
6.			0
99. Subtotal	0	57,184	(57,184)
b. Capital:			
1. Investments	15,581	1,039,695	(1,024,114)
2. Real estate	0	0	0
3. Other (items <5% of total capital tax liabilities)	0	0	0
Other (items >=5% of total capital tax liabilities)			
4.			0
99. Subtotal	15,581	1,039,695	(1,024,114)
c. Deferred tax liabilities (3a99+3b99)	15,581	1,096,879	(1,081,298)
4. Net Deferred Tax Assets (2i - 3c)	5,160,026	16,752,860	(11,592,834)

NOTES TO FINANCIAL STATEMENTS

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

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	186,352,488	35.0%
Proration of tax exempt investment income		%
Tax exempt income deduction	(28,882)	0%
Dividends received deduction	(27,349,597)	(24.3)%
Disallowed travel and entertainment	543	0%
Other permanent differences	(138,669,172)	5.5%
Temporary Differences:		
Total ordinary DTAs		%
Total ordinary DTLs	(2,108,564)	(0.1)%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment		%
Accrual adjustment – prior year		%
Other		%
Totals	18,196,816	16.1%
Federal and foreign income taxes incurred	7,030,319	6.2%
Realized capital gains (losses) tax	36,571	0%
Change in net deferred income taxes	11,129,926	10.0%
Total statutory income taxes	\$ 18,196,816	16.1%

E. Operating Loss Carryforwards and Income Taxes Available for Recoupment

1. The amounts, origination dates and expiration dates of operating loss and tax credit carry forwards available for tax purposes:

At December 31, 2017, the Company had no unused operating loss carryforwards available to offset against future income.

2. The following is income tax expense for current year and proceeding years that is available for recoupment in the event of future net losses:

Year	Amounts
2017	6,569,939
2016	-

3. The Company's did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

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

Arch Capital Group (U.S.) Inc. (Parent of Tax Group)
Arch Excess & Surplus Insurance Company
Arch Insurance Company
Arch Insurance Group Inc.
Arch Indemnity Insurance Co.
Arch Insurance Solutions Inc.
Arch US MI Services Inc.
Arch Mortgage Guaranty Company
Arch Mortgage Reinsurance Company
United Guaranty Corporation
United Guaranty Mortgage Insurance Company
United Guaranty Insurance Company
United Guaranty Partners Insurance Company
United Guaranty Services, Inc.
UG Shared Services, Inc.
Arch Reinsurance Company
Arch Re Facultative Underwriters Inc.
Arch Specialty Insurance Agency Inc.
Arch Specialty Insurance Company
First American Service Corporation
Arch US MI Holdings Inc.
Arch Mortgage Insurance Company
Arch Mortgage Assurance Company
Arch Structured Mortgage Insurance Company
United Guaranty Mortgage Insurance Company of North Carolina
United Guaranty Residential Insurance Company
United Guaranty Credit Insurance Company
United Guaranty Mortgage Indemnity Company
United Guaranty Commercial Insurance Company of North Carolina
United Guaranty Residential Insurance Company of North Carolina

NOTES TO FINANCIAL STATEMENTS

2. The manner in which the Board of Directors sets forth for allocating the consolidated federal income tax:
The method of allocation of taxes is subject to the terms of a tax sharing agreement between Arch Capital Group (U.S.) Inc. ("Arch Capital U.S.") and its subsidiaries. It is made primarily on a separate return basis with credit given to the Company for any net operating losses or other items used in the consolidated extent those tax return filed by Arch Capital U.S. to the losses or items may be utilized by the Company on a separate return basis. The Tax Cuts and Jobs Act (the "Act") was enacted in December 2017. The Act reduces the U.S. federal corporate tax rate from 35 percent to 21 percent and enacts several other provisions impacting various tax calculations. As of December 31, 2017, we have not completed our accounting for the tax effects of enactment of the Act; however, in certain cases, as described below, we have made a reasonable estimate of the effects on existing deferred tax balances. In other cases, pursuant to the guidance provided by NAIC INT 18-01, we have not been able to make a reasonable estimate and continue to account for those items based on our existing tax accounting guidance and the provisions of the tax laws that were in effect prior to enactment. Specifically, we note that additional guidance is expected on the deferred tax asset associated with the discounting required for loss reserves. The change in tax law required the Company to revalue existing net deferred tax liabilities using the lower rate in the period of enactment resulting in an income tax expense of approximately \$7.8 million to reflect these changes in the year ended December 31, 2017. We are still analyzing the Act and refining our calculations, which could potentially impact the measurement of our tax balances.
- G. Federal or Foreign Federal Income Tax Loss Contingencies:
The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of the Relationship Involved

On August 15, 2016, American International Group Incorporated (AIG), entered into a definitive agreement to sell its 100 percent interest in United Guaranty Corporation (UGC) and certain related affiliates, including the Company, to Arch Capital Group Ltd. (ACGL) for total consideration of \$3.4 billion, consisting of \$2.2 billion of cash, \$250 million of newly issued ACGL perpetual preferred stock, with terms similar to ACGL's outstanding Series C preferred stock, and approximately \$975 million of newly issued ACGL convertible non-voting common-equivalent preferred stock.

In lieu of receiving the perpetual preferred stock, AIG elected to receive \$250 million in pre-closing dividends from UGC. On September 9, 2016, UGC's board of directors declared the dividend of \$250 million payable to AIG, to be funded by \$99 million of dividends from the Company's regulated insurance affiliates and a \$115 million repayment of the Company's surplus note. Those dividends and surplus note repayment were approved by the North Carolina Department of Insurance on October 13, 2016. The \$250 million dividend was paid to AIG on November 15, 2016.

Arch U.S. MI Holdings Inc. ("Arch U.S. MI Holdings"), an indirect subsidiary of ACGL, completed the acquisition of UGC, including the Company, on December 31, 2016 for \$3.4 billion (the "UGC Acquisition"). The UGC Acquisition closed following the satisfaction of closing conditions as stipulated in the Stock Purchase Agreement, the regulatory approval from the North Carolina Department of Insurance, non-objection by the Wisconsin Department of Insurance, and federal approvals from the Federal Housing Finance Agency on behalf of the Government-Sponsored Enterprises ("GSE's") including Fannie Mae and Freddie Mac. The UGC Acquisition expanded the scale of ACGL's mortgage insurance business by combining UGC's position as market leader in the U.S. private mortgage insurance industry with ACGL's financial strength, innovative approach and superior technology platform. While the UGC Acquisition further strengthens ACGL's business profile and customer base, it does not include any current plan to change the Company's state of domicile or basic insurance operations.

See the organization chart on Schedule Y.

B. Transactions

The Company, along with its affiliated insurers, has several administrative service agreements as detailed in Note 10(f). United Guaranty Residential Insurance Company of North Carolina paid Arch Mortgage Insurance Services \$3,300,000 during 2017 for services provided.

C. Dollar Amounts of Transactions

In 2017, United Guaranty Residential Insurance Company of North Carolina repaid surplus notes of \$468,674,500 to United Guaranty Corporation.

D. Amounts Due From or To Related Parties

At December 31, 2017, the Company reported a payable of \$1,730,856. Intercompany balances are settled monthly. Details of the balances are:

Intercompany Balance	Receivable/(Payable)
Arch Mortgage Insurance Services	\$ (331,838)
United Guaranty Corporation	\$ (28,039)
United Guaranty Residential Insurance Company	\$ (1,109,728)
United Guaranty Services	\$ (166,919)
United Guaranty Credit Insurance Company	\$ (3,662)
United Guaranty Commercial Insurance Company of North Carolina	\$ (42,740)
United Guaranty Mortgage Indemnity Company	\$ (47,930)

At December 31, 2016, the Company reported a receivable of \$17,317 a payable of \$1,336,272. Intercompany balances are settled monthly. Details of the balances are:

Intercompany Balance	Receivable/(Payable)
United Guaranty Corporation	\$ (377,363)
UG Services	\$ (241,112)
United Guaranty Residential Insurance Company	\$ (691,294)
United Guaranty Credit Insurance Company	\$ 2,504
United Guaranty Commercial Insurance Company of North Carolina	\$ 14,813
United Guaranty Shared Services	\$ (26,503)

E. Guarantees or Undertakings

Not Applicable

NOTES TO FINANCIAL STATEMENTS**F. Material Management or Service Contracts and Cost-Sharing Arrangements**

The Company has administrative service agreements to provide services in the areas of administration, financial planning, advertising, clerical and other areas as the parties may agree upon with Arch Capital Service, Inc., Arch U.S. MI Service, Inc., United Guaranty Services, Inc., United Guaranty Mortgage Indemnity Company, United Guaranty Credit Insurance, United Guaranty Commercial Insurance Company of North Carolina. The company has administrative service agreements to have services provided in the areas of administration, financial planning, advertising, clerical and other areas as the parties may agree upon with United Guaranty Corporation, United Guaranty Services, Inc., and United Guaranty Residential Insurance Company. The Company also has an agreement with Arch Investment Management, LLC for investment services provided.

G. Nature of the Control Relationship

See 10A above.

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

Not Applicable

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

The Company repaid a partial repayment of Certificate of Contribution on May 29, 2017 in the amount of \$79,000,000. This was for the repayment of Certificate of Contribution #5.

The Company received approval from the North Carolina Department of Insurance to repay its outstanding Certificates of Contribution totaling \$389,674,500. This repayment was accomplished through UGRIC-NC's exchange of its 24.965% ownership interest in United Guaranty Residential Insurance Company (UGRIC) on October 1, 2017 at the fair value of UGRIC's common stock as of September 30, 2017 with any excess fair value of the common stock being issued as a dividend or distributed by UGRIC-NC to United Guaranty Corporation. The following Certificates of Contribution were repaid for a total of \$389,674,500:

No. UGRIC-NC #2 - \$75,000,000
 No. UGRIC-NC #3 - \$24,965,000
 No. UGRIC-NC #5 - \$256,000,000
 No. UGRIC-NC #6 - \$33,709,500

J. Investments in Impaired SCAs

Not Applicable

K. Investment in Foreign Insurance Subsidiary

Not Applicable

L. Investment in Downstream Noninsurance Holding Company

Not Applicable

M. All SCA Investments

Not Applicable

Note 11 – Debt**A. Debt, Including Capital Notes**

Not Applicable

B. FHLB (Federal Home Loan Bank) Agreements**(1) Nature of the FHLB Agreement**

Not Applicable

(2) FHLB Capital Stock

Not Applicable

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

Not Applicable

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**(1) Number of Share and Par or State Value of Each Class**

The Company has 3,000,000 shares authorized, 2,500,000 shares issued and outstanding. All shares are common stock with a par value of \$1.00.

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

Not Applicable

NOTES TO FINANCIAL STATEMENTS

(3) Dividend Restrictions

Under the Insurance Code of its domiciliary state, without prior approval of the Commissioner of Insurance, the Company cannot pay annual dividends/distributions exceeding the greater of (1) 10% of the Company's capital and surplus as of the preceding December 31, or (2) net income, excluding realized gains, for the twelve month period ending the preceding December 31. The Company's ability to pay dividends is also restricted by other state surplus requirements that must be considered at the time of the dividend payment. Under North Carolina statute GS 58-19-30c, the calculated maximum amount of dividends available to be paid during 2018 would be \$105,540,972.

(4) Dates and Amounts of Dividends Paid

Not Applicable

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

Notwithstanding the limitations of (3) above, there are no restrictions placed on the portion of Company profits that may be paid as ordinary dividends to stockholders.

(6) Restrictions Plans on Unassigned Funds (Surplus)

There were no restrictions placed on the Company's surplus, including for whom the surplus is being held

(7) Amount of Advances to Surplus not Repaid

Not Applicable

(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: \$0.

(11) Surplus Notes

The Company repaid a partial repayment of Certificate of Contribution on May 29, 2017 in the amount of \$79,000,000. This was for the repayment of Certificate of Contribution #5.

The Company received approval from the North Carolina Department of Insurance to repay its outstanding Certificates of Contribution totaling \$389,674,500. This repayment was accomplished through UGRIC-NC's exchange of its 24.965% ownership interest in United Guaranty Residential Insurance Company (UGRIC) on October 1, 2017 at the fair value of UGRIC's common stock as of September 30, 2017 with any excess fair value of the common stock being issued as a dividend or distributed by UGRIC-NC to United Guaranty Corporation. The following Certificates of Contribution were repaid for a total of \$389,674,500:

No. UGRIC-NC #2 - \$75,000,000
 No. UGRIC-NC #3 - \$24,965,000
 No. UGRIC-NC #5 - \$256,000,000
 No. UGRIC-NC #6 - \$33,709,500

(12) (13) Quasi-reorganization information

Not Applicable

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

Not Applicable

B. Assessments

Not Applicable

C. Gain Contingencies

Not Applicable

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

Not Applicable

E. Product Warranties

Not Applicable

NOTES TO FINANCIAL STATEMENTS

F. Joint and Several Liabilities

Not Applicable

G. All Other Contingencies

In the normal course of business, various commitments and contingent liabilities are entered into by the Company. It is possible that such liability could have a material adverse effect on the Company's financial condition or its result of operations or cash flows for an individual reporting period.

Note 15 – Leases

A. Lessee Operating Lease

(1) Lessee's Leasing Arrangements

The Company was party to leases for office facilities and equipment under various cancelable and non-cancelable operating lease agreements that expired. Rental expense for 2017 and 2016 was approximately \$0 and \$55 thousand, respectively.

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

Not Applicable

(3) For Sale-Leaseback Transactions

Not Applicable

B. Lessor Leases

Not Applicable

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

Not Applicable

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

A. Transfers of Receivables Reported as Sales

Not Applicable

B. Transfer and Servicing of Financial Assets

Not Applicable

C. Wash Sales

Not Applicable

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

Not Applicable

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

Not Applicable

Note 20 – Fair Value Measurements

A. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
Assets at Fair Value					
Exempt MM Mutual Fund	\$ 4,717,100	\$ 0	\$ 0	\$ 4,717,100	\$
Total	\$ 4,717,100	\$ 0	\$ 0	\$ 4,717,100	\$ 0
Liabilities at Fair Value					
	\$ 0	\$ 0	\$ 0	\$ 0	\$
Total	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

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

Not Applicable

(3) Policies when Transfers Between Levels are Recognized

The Company's policy is to recognize transfers in and out at the end of the reporting period, consistent with the date of the determination of fair value.

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

Not Applicable

NOTES TO FINANCIAL STATEMENTS

(5) Fair Value Disclosures

Not Applicable

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

Not Applicable

C. Fair Value Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$ 38,316,085	\$ 37,728,609	\$ 32,953,800	\$ 5,362,285	\$ 0	\$ 0	\$
Cash, cash equivalents and short-term investments	\$ 7,951,531	\$ 7,951,531	\$ 7,951,531	\$ 0	\$ 0	\$ 0	\$

D. Not Practicable to Estimate Fair Value

Not Applicable

Note 21 – Other Items

A. Unusual or Infrequent Items

United Guaranty Residential Insurance Company of North Carolina writes insurance covering second-lien mortgages. Beginning in 2007, United Guaranty Residential Insurance Company of North Carolina (the "Company") experienced increasing levels of losses on its second-lien business. As these losses continued to increase the Company began adjusting its management and market practices by tightening underwriting requirements and increasing premium rates. In early 2008 the Company "restructured" its second-lien business by further tightening its underwriting requirements and limiting its second-lien distribution to credit unions and community banks. New business in second-liens decreased significantly during 2008 with the business virtually ceasing. With the significant decline in the second-lien business, the general contraction of the credit markets and the continuing increase in losses, management concluded that the second-lien business was not viable under the current market conditions. Accordingly, in September 2008 management decided to withdraw from the second-lien business and placed its second-lien portfolio into run-off. While in run-off, the Company will continue to service its remaining insurance in force, including collecting premiums on the remaining business in force and paying claims resulting from loans currently in default or loans that may go into default in the future.

B. Troubled Debt Restructuring Debtors

Not Applicable

C. Other Disclosures

There are no other pledged assets other than amounts reported on Schedule E.

D. Business Interruption Insurance Recoveries-Not Applicable

E. State Transferable and Non-Transferable Tax Credits

Not Applicable

F. Subprime Mortgage Related Risk Exposure

1. Subprime Mortgage Exposures

This disclosure is provided pursuant to Note 20 to SSAP No. 1- Disclosure of Accounting Policies, Risks and Uncertainties, and Other Disclosures ("SSAP No. 1") adopted on December 2, 2007. This disclosure relates specifically to "subprime mortgage" related risk exposure and related risk management practices of United Guaranty Residential Insurance Company of North Carolina (the "Company"). The Company is a direct writer of private mortgage guaranty insurance coverage on residential mortgage loans in the United States. For purposes of this disclosure, the Company defines a "subprime mortgage" as a mortgage loan with a FICO credit score less than 575. Effective 12/31/07, the Company ceased writing insurance on subprime mortgages through all channels.

2. Direct Exposure – Mortgage Loans

Not Applicable

3. Securities with Underlying Subprime Exposure

Not Applicable

4. Underwriting Risk on Mortgage Guaranty Insurance Policies Issued by the Company

The private mortgage guaranty insurance business faces significant direct and indirect exposure to subprime mortgage risk. If the homeowner defaults, private mortgage insurance reduces and, in some instances, eliminates the loss to the insured lending institution. The private mortgage insurance business has direct exposure in providing mortgage insurance coverage on subprime mortgage loans, and it has indirect exposure to the extent its insurance on other mortgage loans is affected by conditions in the housing and mortgage markets that result from the performance of subprime mortgages, whether or not insured under mortgage insurance coverage. The Company is limited to only what has previously been insured. The Company no longer writes insurance on subprime mortgages.

Private mortgage insurance companies' subprime exposure can be managed and mitigated by its underwriting guidelines that limit the risk factors associated with an insured loan and by higher premium rates on its coverage.

(a) The Company believes that mortgage credit risk is materially affected by the following underwriting factors:

- The borrower's credit strength, including the borrower's credit history, debt-to-income ratios and cash reserves.

NOTES TO FINANCIAL STATEMENTS

- The loan product, which includes the ratio of the original principal balance of the loan to the value of the property at origination (the "LTV"), the type of loan instrument (including whether the instrument provides for fixed or variable payments and the amortization schedule), the type of property, the purpose of the loan, and the borrower's documentation for the loan.

Excluding other factors, claim incidence increases for loans with lower FICO credit scores compared to loans with higher FICO credit scores; for reduced documentation loans compared to loans with full underwriting documentation; for loans with higher LTV ratios compared to loans with lower LTV ratios; for adjustable rate mortgage loans during a prolonged period of rising interest rates compared to fixed rate loans in such a rate environment; for loans that permit the deferral of principal amortization compared to loans that require principal amortization with each monthly payment; for loans in which the original loan amount exceeds the conforming loan limit compared to loans below such limit; and for cash out refinance loans compared to rate and term refinance loans.

There are also other types of loan characteristics relating to the individual loan or borrower which affect the risk potential for a loan, including the origination practices of the lender and the condition of the housing market in the area in which the property is located. The presence of a number of higher-risk characteristics in a loan materially increases the likelihood of a claim on such a loan unless there are other characteristics to lower the risk. From time to time the Company changes its underwriting guidelines to reflect its assessment of risk on insured loans.

(b) The Company's premium rates vary, not only on the basis of the level of coverage provided, but also on the perceived risk of a claim on the insured loan and, thus, take into account the LTV, the loan type (fixed payment versus non-fixed payment) and mortgage term, the location of the borrower's credit score within a range of credit scores, and whether the loan is a reduced documentation loan.

The Company charges higher premium rates to reflect the increased risk of claim incidence that it perceives is associated with certain types of loans, although not all higher risk characteristics are reflected in the premium rate. There can be no assurance that the Company's premium rates adequately reflect the increased risk, particularly in a period of economic recession or decline in housing values.

To recognize the liability for unpaid losses related to reported defaults (known as the "default inventory"), the Company, similar to other private mortgage guaranty insurers, establishes loss reserves, representing the estimated percentage of defaults which will ultimately result in a claim (known as the "claim rate") and the estimated severity of the claims which will arise from the defaults included in the default inventory (known as the "severity rate"). In accordance with industry accounting practices, the Company does not establish loss reserves for future claims on insured loans which are not currently in default.

The Company also establishes reserves to provide for the estimated costs of settling claims, including legal and other fees, and general expenses of administering the claims settlement process ("loss adjustment expenses"), and for losses and loss adjustment expenses from defaults which have occurred, but which have not yet been reported to the Company ("IBNR").

The Company's reserving process is based upon the assumption that past experience provides a reasonable basis for estimating future events. However, estimation of loss reserves is inherently judgmental. Conditions that have affected the development of the loss reserves in the past may not necessarily affect development patterns in the future, in either a similar manner or degree.

SSAP No. 1 requires disclosures illustrating exposure related to the subprime mortgage sector and specifically requires disclosure of the related losses paid, losses incurred, case reserves, and IBNR reserves for subprime loans for the current year. The Company's reserving process is not designed to segregate prime loan reserves from subprime loan reserves, as defined in this disclosure. However, the Company does capture losses paid for subprime loans.

As of 12/31/2017, 0% of the default inventory was for sub-prime related policies.

Direct losses are as follows:

December 31, 2017			
<i>(\$ in thousands)</i>	Total	Subprime	Subprime percentage of Total
Losses Paid	\$(17,709)	\$ 0	(0)%
Losses Incurred (1)	(22,365)	0	(0)%

(1) For purposes of this disclosure, the Company defines a "subprime mortgage" as a mortgage loan with a FICO credit score less than 575.

G. Insurance-Linked Securities (ILS) Contracts

Not Applicable

Note 22 – Events Subsequent

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]
B.	ACA fee assessment payable for the upcoming year	0	0
C.	ACA fee assessment paid	0	0
D.	Premium written subject to ACA 9010 assessment	0	0
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 28)	39,560,208	
F.	Total adjusted capital (Five-Year Historical Line 28 minus 22B above)	39,560,208	
G.	Authorized control level (Five-Year Historical Line 29)	2,755,814	

On February 8, 2018 the NAIC released INT 18-01: Updated Tax Estimate under the Tax Cuts and Jobs Act (the "Bulletin") which provides accounting guidance regarding accounting for income taxes for the reporting period that includes the enactment of the Tax Act. As noted in the Bulletin, a recalculation of the deferred tax assets and/or liabilities from 35% to 21% is required under SSAP 101.

The Bulletin also provides limited guidance in those situations where the accounting for certain income tax effects of the Tax Act will be incomplete by the time financial statements are issued for the reporting period that includes the enactment date. For those elements of the Tax Act that cannot be reasonably estimated, reporting entities shall continue to apply existing guidance in SSAP No. 101 based on the provisions of the tax laws that were in effect prior to the Act being enacted. Reasonable estimates updated and or established after the issuance of the 2017 statutory financial statements, but before the issuance of the year-end 2017 audited financial statements, shall not be recognized as Type I subsequent events. Instead, these changes, as well as future changes in estimates shall be recognized as a change in accounting estimate, pursuant to SSAP No. 3, when the information necessary to update the estimate becomes available. This is a limited-time exception to the Type I subsequent event requirements in SSAP No. 9. The exception to SSAP No. 9 is effective for year-end 2017 audited financial statements only. All accounting impacts

NOTES TO FINANCIAL STATEMENTS

shall be completed within one year from the enactment date.

Subsequent events have been considered through 2/23/2018 for the statutory statement issued 2/28/2018.

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

Not Applicable

B. Reinsurance Recoverable in Dispute

Not Applicable

C. Reinsurance Assumed and Ceded

(1) Maximum Amount of Return Commission

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$ 0	\$ 0	\$ 810	\$ 120	\$ (810)	\$ (120)
b. All Other	0	0	0	65,918	0	(65,918)
c. Total	\$ 0	\$ 0	\$ 810	\$ 66,038	\$ (810)	\$ (66,038)
d. Direct Unearned Premium Reserves						\$ 100,780

(2) Additional or Return Commission

Not Applicable

(3) Types of Risks Attributed to Protected Cell

Not Applicable

D. Uncollectible Reinsurance

Not Applicable

E. Commutation of Ceded Reinsurance

Not Applicable

F. Retroactive Reinsurance

Not Applicable

G. Reinsurance Accounted for as a Deposit

Not Applicable

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

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

In general, the Company estimates accrued retrospective premium adjustments by using the application of historical ratios of retrospective rated premium development. Retrospective premiums are booked through earned premiums. Accrued retrospective premiums and accrued return premiums are netted on an individual contract basis. Retrospective premiums earned in 2017 and 2016 were \$0 and \$0, respectively.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

A. Change in Incurred Losses and Loss Adjustment Expenses

Incurred loss and loss adjustment expenses attributable to insured events of prior years decreased by \$26.2 million in 2017, and decreased by \$19.7 million in 2016 as a result of re-estimation of unpaid losses and loss adjustment expenses. The change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

No additional premiums or return premiums have been accrued as a result of prior-year effects.

NOTES TO FINANCIAL STATEMENTS

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

Not Applicable

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 Insuranc

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 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 No N/A
- 1.3 State regulating? STATE OF NORTH CAROLINA
- 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
- 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. 12/31/2012
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 01/24/2014
- 3.4 By what department or departments?
STATE OF NORTH CAROLINA
- 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
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 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
- 4.12 renewals? Yes No
- 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
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 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 Name of Entity	2 NAIC Company Code	3 State of Domicile
	0	

- 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
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No
- 7.2 If yes,
- 7.21 State the percentage of foreign control 100.0%
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).

1 Nationality	2 Type of Entity
Bermuda	Public Limited Liability Company

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes No
- 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
- 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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PRICEWATERHOUSECOOPERS, LLP 214 NORTH TRYON STREET, SUITE 3600 CHARLOTTE, NC 28202
- 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
- 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
- 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:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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?
DAVID WILLIAM MCLAUGHRY, SENIOR VICE PRESIDENT & CHIEF ACTUARY, UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA, 230 NORTH ELM STREET, GREENSBORO, NC 27401
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value \$ 0
- 12.2 If yes, provide explanation
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 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 [X] No []
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
0			\$ 0

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$ 0
- 20.12 To stockholders not officers \$ 0
- 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at 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 [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$ 0
- 21.22 Borrowed from others \$ 0
- 21.23 Leased from others \$ 0
- 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0
- 22.22 Amount paid as expenses \$ 0
- 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes No
- 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).
As of 12/31/17, the Company does not participate in a securities lending program.
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes No N/A
- 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
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 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
- 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 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 \$ 5,136,319
- 25.29 On deposit with other regulatory bodies \$ 0
- 25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$ 0
- 25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$ 0
- 25.32 Other \$ 0
- 25.3 For category (25.26) provide the following:
- | 1
Nature of Restriction | 2
Description | 3
Amount |
|----------------------------|------------------|-------------|
| | | \$ <u>0</u> |
- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes No
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes No
- 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 *Financial Condition Examiners Handbook*? Yes No
- 28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:
- | 1
Name of Custodian(s) | 2
Custodian's Address |
|---------------------------|---|
| Bank of New York Mellon | One Mellon Center-Room 1072, Pittsburgh, PA 15258 |
- 28.02 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation
- | 1
Name(s) | 2
Location(s) | 3
Complete Explanation(s) |
|-----------------|------------------|------------------------------|
| Not Applicable. | | |
- 28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes No
- 28.04 If yes, give full and complete information relating thereto:
- | 1
Old Custodian | 2
New Custodian | 3
Date of Change | 4
Reason |
|--------------------|--------------------|---------------------|-------------|
| | | | |
- 28.05 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 |
|---------------------------------|------------------|
| Arch Investment Management, LLC | A |
- 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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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 []

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 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
129060	Arch Investment Management, LLC		SEC	DS

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
		\$ 0
29.2999 TOTAL		\$ 0

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
		\$ 0	

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	\$ 37,728,609	\$ 38,316,085	\$ 587,476
30.2	Preferred Stocks	\$ 0	\$ 0	\$ 0
30.3	Totals	\$ 37,728,609	\$ 38,316,085	\$ 587,476

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

Clearwater uses a waterfall logic system to determine which price is used as the market price for the day. They contract with many vendors and our Investment Managers to establish significant coverage of pricing on all our assets and use our pre-defined hierarchy to assign the price from the highest source available.

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

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

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 5*GI securities, the reporting entity is certifying the following elements for each self-designation 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- 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 5*GI securities? Yes [] No [X]

OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 0

34.2 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
	\$ 0

35.1 Amount of payments for legal expenses, if any? \$ 0

35.2 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
	\$ 0

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

36.2 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
	\$ 0

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	\$ 19,947,186	\$ 27,117,243		
2.3	Premium Ratio (2.1/2.2)	0.0%	0.0%		
2.4	Reserve Numerator	\$ 0	\$ 0		
2.5	Reserve Denominator	\$ 10,555,203	\$ 15,635,869		
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?				0.0%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		\$		0
5.	FOR RECIPROCAL EXCHANGES ONLY:				
5.1	Does the exchange appoint local agents?			Yes []	No []
5.2	If yes, is the commission paid:				
5.21	Out of Attorney's-in-fact compensation			Yes []	No []
5.22	As a direct expense of the exchange			Yes []	No []
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 []
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 Company does not write worker's compensation insurance.</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 Company writes credit insurance. Loss exposures are on second lien loans and are limited by the coverage percentage.</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 Company is currently in runoff and no new insurance is being written.</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 []	No [X]
6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss: <u>See 6.2 and 6.3.</u>				
7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?			Yes []	No [X]

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

7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	0
7.3	If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?	Yes [] No []
8.1	Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?	Yes [] No [X]
8.2	If yes, give full information	
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?	Yes [] No [X]
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes [] No [X]
9.3	If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.	
9.4	Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	Yes [] No [X]
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.	
9.6	The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria: (a) The entity does not utilize reinsurance; or, (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes [] No [X] Yes [] No [X] Yes [] No [X]
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	Yes [] No [] N/A [X]
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes [] No [X]
11.2	If yes, give full information	
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$ 0 \$ 0
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$ 0
12.3	If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?	Yes [] No [] N/A [X]
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To	0.0% 0.0%
12.5	Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?	Yes [] No [X]
12.6	If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds	\$ 0 \$ 0
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$ 250,000
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes [] No [X]
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic	0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

facilities or facultative obligatory contracts) considered in the calculation of the amount.

14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract? Yes [] No [X]

14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []

14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []

14.5 If the answer to 14.4 is no, please explain:

15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [X]

15.2 If yes, give full information

16.1 Does the reporting entity write any warranty business? Yes [] No [X]

If yes, disclose the following information for each of the following types of warranty coverage:

		1	2	3	4	5
		Direct Losses Incurred	Direct Losses Unpaid	Direct Written Premium	Direct Premium Unearned	Direct Premium Earned
16.11	Home	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.12	Products	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.13	Automobile	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
16.14	Other*	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

* Disclose type of coverage:

17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5. Yes [] No [X]

Included but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5. Provide the following information for this exemption:

17.11	Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5	\$ 0
17.12	Unfunded portion of Interrogatory 17.11	\$ 0
17.13	Paid losses and loss adjustment expenses portion of Interrogatory 17.11	\$ 0
17.14	Case reserves portion of Interrogatory 17.11	\$ 0
17.15	Incurred but not reported portion of Interrogatory 17.11	\$ 0
17.16	Unearned premium portion of Interrogatory 17.11	\$ 0
17.17	Contingent commission portion of Interrogatory 17.11	\$ 0

Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above.

17.18	Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5	\$ 0
17.19	Unfunded portion of Interrogatory 17.18	\$ 0
17.20	Paid losses and loss adjustment expenses portion of Interrogatory 17.18	\$ 0
17.21	Case reserves portion of Interrogatory 17.18	\$ 0
17.22	Incurred but not reported portion of Interrogatory 17.18	\$ 0
17.23	Unearned premium portion of Interrogatory 17.18	\$ 0
17.24	Contingent commission portion of Interrogatory 17.18	\$ 0

18.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0

18.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0

FIVE-YEAR HISTORICAL DATA

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

	1 2017	2 2016	3 2015	4 2014	5 2013
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	0	0	0	0	0
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	20,352,336	28,835,707	40,442,597	77,565,287	92,706,111
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
6. Total (Line 35).....	20,352,336	28,835,707	40,442,597	77,565,287	92,706,111
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	0	0	0	0	0
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	19,872,200	27,068,799	38,295,934	75,621,174	92,535,949
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
12. Total (Line 35).....	19,872,200	27,068,799	38,295,934	75,621,174	92,535,949
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	34,081,244	36,691,897	43,033,646	85,006,613	53,445,281
14. Net investment gain (loss) (Line 11).....	498,317,786	83,962,419	3,440,004	2,997,495	1,211,077
15. Total other income (Line 15).....	0	0	0	0	0
16. Dividends to policyholders (Line 17).....	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19).....	7,030,319	15,381,828	22,617,613	25,403,641	14,700,351
18. Net income (Line 20).....	525,368,711	105,272,488	23,856,037	62,600,467	39,956,007
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	53,756,704	338,499,772	477,199,177	461,106,721	448,483,696
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	2,555,718	1,723,679	1,099,828	1,266	1,444,223
20.2 Deferred and not yet due (Line 15.2).....	0	0	0	0	0
20.3 Accrued retrospective premiums (Line 15.3).....	0	0	0	16,769	0
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	14,196,496	17,747,953	27,322,813	28,823,223	70,630,121
22. Losses (Page 3, Line 1).....	10,405,233	15,190,913	18,349,812	19,697,380	38,221,864
23. Loss adjustment expenses (Page 3, Line 3).....	50,000	270,000	350,000	360,000	930,000
24. Unearned premiums (Page 3, Line 9).....	99,970	174,956	223,400	543,183	795,154
25. Capital paid up (Page 3, Lines 30 & 31).....	2,500,000	2,000,000	2,000,000	2,000,000	2,000,000
26. Surplus as regards policyholders (Page 3, Line 37).....	39,560,208	320,751,819	449,876,364	432,283,498	377,853,575
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	100,963,936	92,404,390	28,539,655	19,318,246	1,504,775
Risk-Based Capital Analysis					
28. Total adjusted capital.....	39,560,208	320,751,819	449,876,364	432,283,498	377,853,575
29. Authorized control level risk-based capital.....	2,755,814	34,674,760	39,521,222	40,858,826	44,350,078
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	82.6	4.9	24.8	20.3	15.2
31. Stocks (Lines 2.1 & 2.2).....	0.0	85.2	68.3	72.1	76.8
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5).....	17.4	2.0	1.5	1.9	2.4
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7).....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8).....	0.0	7.8	5.5	5.6	5.6
38. Receivables for securities (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11).....	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	0	271,251,355	312,384,736	320,513,579	340,955,815
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....	0	0	0	0	0
46. Affiliated mortgage loans on real estate.....	0	0	0	0	0
47. All other affiliated.....	0	0	0	0	0
48. Total of above lines 42 to 47.....	0	271,251,355	312,384,736	320,513,579	340,955,815
49. Total investment in parent included in Lines 42 to 47 above.....	0	0	0	0	0
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	84.6	69.4	74.1	90.2

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2017	2016	2015	2014	2013
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	(121,399,994)	(41,100,906)	(8,157,801)	(20,445,752)	20,656,010
52. Dividends to stockholders (Line 35).....	(36,155,938)	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38).....	(281,191,613)	(129,124,544)	17,592,866	54,429,923	58,051,441
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	0	0	0	0	0
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(17,709,216)	(15,785,168)	(11,960,369)	1,159,696	87,604,797
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
59. Total (Line 35).....	(17,709,216)	(15,785,168)	(11,960,369)	1,159,696	87,604,797
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	0	0	0	0	0
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	0	0	0	0	0
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	(17,374,359)	(15,579,064)	(11,842,642)	1,104,572	96,250,651
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
65. Total (Line 35).....	(17,374,359)	(15,579,064)	(11,842,642)	1,104,572	96,250,651
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	(111.1)	(69.1)	(34.2)	(23.0)	25.5
68. Loss expenses incurred (Line 3).....	20.8	20.2	13.0	6.4	5.7
69. Other underwriting expenses incurred (Line 4).....	19.4	13.6	9.7	4.5	11.4
70. Net underwriting gain (loss) (Line 8).....	170.9	135.3	111.4	112.0	57.4
Other Percentages					
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).....	19.5	13.6	9.8	4.5	11.4
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	(90.3)	(48.9)	(21.2)	(16.5)	31.2
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).....	50.2	8.4	8.5	17.5	24.5
One Year Loss Development (\$000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(26,216)	(19,742)	(20,562)	(30,922)	1,100
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).....	(8.2)	(4.4)	(4.8)	(8.2)	0.3
Two Year Loss Development (\$000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(44,884)	(41,618)	(50,661)	(39,829)	60,411
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).....	(10.0)	(9.6)	(13.4)	(12.5)	23.4

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							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		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	(2,277)	(38)	60	0	137	0	2,446	(2,042)	XXX
2. 2008.....	242,951	14,326	228,625	1,178,874	381,411	5,760	497	17,921	0	50,872	820,647	XXX
3. 2009.....	243,440	47,438	196,002	474,554	60,863	16,038	275	9,804	0	33,194	439,258	XXX
4. 2010.....	201,987	(4,377)	206,364	276,036	37,055	23,201	112	5,256	0	23,513	267,326	XXX
5. 2011.....	144,857	4,216	140,641	110,711	(24,256)	16,937	1	3,065	0	42,318	154,968	XXX
6. 2012.....	103,118	12,807	90,311	54,250	(3,034)	8,724	0	1,499	0	28,783	67,507	XXX
7. 2013.....	93,235	167	93,068	28,636	(365)	5,444	0	822	0	12,726	35,267	XXX
8. 2014.....	77,820	1,947	75,873	9,258	(62)	3,711	0	500	0	2,189	13,531	XXX
9. 2015.....	40,763	2,147	38,616	5,602	(157)	4,420	0	358	0	1,388	10,537	XXX
10. 2016.....	28,885	1,768	27,117	2,695	(51)	1,761	0	1,415	0	386	5,922	XXX
11. 2017.....	20,427	480	19,947	1,044	0	379	0	862	0	19	2,285	XXX
12. Totals.....	XXX	XXX	XXX	2,139,383	451,366	86,435	885	41,639	0	197,834	1,815,206	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.....	93	0	53	0	1	0	0	0	0	0	0	147	XXX
2. 2008.....	104	0	58	0	1	0	0	0	0	0	0	163	XXX
3. 2009.....	217	0	123	0	1	0	0	0	0	0	0	341	XXX
4. 2010.....	483	0	273	0	4	0	0	0	0	0	0	760	XXX
5. 2011.....	531	0	300	0	4	0	0	0	0	0	0	835	XXX
6. 2012.....	254	157	143	0	2	0	0	0	0	0	0	242	XXX
7. 2013.....	1,384	393	783	0	11	0	0	0	0	0	0	1,785	XXX
8. 2014.....	571	150	323	0	4	0	0	0	0	0	0	748	XXX
9. 2015.....	609	143	344	0	5	0	0	0	0	0	0	815	XXX
10. 2016.....	471	87	267	0	4	0	0	0	0	0	0	655	XXX
11. 2017.....	2,103	166	2,014	0	13	0	0	0	0	0	0	3,964	XXX
12. Totals.....	6,820	1,096	4,681	0	50	0	0	0	0	0	0	10,455	XXX

	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	0	0	XXX	146	1
2. 2008..	1,202,718	381,908	820,810	495.0	2,665.8	359.0	0	0	0.00	162	1
3. 2009..	500,737	61,138	439,599	205.7	128.9	224.3	0	0	0.00	340	1
4. 2010..	305,253	37,167	268,086	151.1	(849.1)	129.9	0	0	0.00	756	4
5. 2011..	131,548	(24,255)	155,803	90.8	(575.3)	110.8	0	0	0.00	831	4
6. 2012..	64,872	(2,877)	67,749	62.9	(22.5)	75.0	0	0	0.00	240	2
7. 2013..	37,080	28	37,052	39.8	16.8	39.8	0	0	0.00	1,774	11
8. 2014..	14,367	88	14,279	18.5	4.5	18.8	0	0	0.00	744	4
9. 2015..	11,338	(14)	11,352	27.8	(0.7)	29.4	0	0	0.00	810	5
10. 2016..	6,613	36	6,577	22.9	2.0	24.3	0	0	0.00	651	4
11. 2017..	6,415	166	6,249	31.4	34.6	31.3	0	0	0.00	3,951	13
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	10,405	50

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
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	One Year	Two Year
1. Prior.....	492	4,285	(1,639)	(8,056)	(13,432)	(4,530)	(5,280)	(8,046)	(10,459)	(12,491)	(2,032)	(4,445)
2. 2008.....	864,658	809,867	808,222	800,002	791,503	814,183	813,494	809,901	806,252	802,889	(3,363)	(7,012)
3. 2009.....	XXX	497,882	387,654	424,807	440,719	442,790	442,181	438,260	433,792	429,795	(3,997)	(8,465)
4. 2010.....	XXX	XXX	313,601	298,232	280,682	274,597	273,610	270,048	266,116	262,830	(3,286)	(7,218)
5. 2011.....	XXX	XXX	XXX	123,594	183,064	171,951	160,008	157,324	155,146	152,738	(2,408)	(4,586)
6. 2012.....	XXX	XXX	XXX	XXX	112,838	97,484	71,532	69,532	68,124	66,250	(1,874)	(3,282)
7. 2013.....	XXX	XXX	XXX	XXX	XXX	32,751	42,758	41,545	39,428	36,230	(3,198)	(5,315)
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	18,120	17,297	16,406	13,779	(2,627)	(3,518)
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12,037	13,351	10,994	(2,357)	(1,043)
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,236	5,162	(1,074)	XXX
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,387	XXX	XXX
12. Totals.....											(26,216)	(44,884)

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
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
1. Prior.....	000	2,051	(1,639)	(8,056)	(13,909)	(4,725)	(5,427)	(8,104)	(10,459)	(12,638)	XXX	XXX
2. 2008.....	172,156	627,696	805,584	800,002	790,072	813,937	813,364	809,795	806,225	802,726	XXX	XXX
3. 2009.....	XXX	201,638	380,597	404,427	437,769	442,330	441,742	437,794	433,440	429,454	XXX	XXX
4. 2010.....	XXX	XXX	112,026	244,696	275,460	273,394	272,956	269,229	265,478	262,070	XXX	XXX
5. 2011.....	XXX	XXX	XXX	87,726	165,644	169,350	158,335	155,938	154,117	151,903	XXX	XXX
6. 2012.....	XXX	XXX	XXX	XXX	29,454	71,860	70,843	69,220	68,116	66,008	XXX	XXX
7. 2013.....	XXX	XXX	XXX	XXX	XXX	24,777	37,706	36,461	35,760	34,445	XXX	XXX
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	7,217	13,793	13,317	13,031	XXX	XXX
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,371	10,571	10,179	XXX	XXX
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,584	4,507	XXX	XXX
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,423	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
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1. Prior.....	(2,946)	0	0	0	294	84	55	23	0	53
2. 2008.....	528,728	6,407	1,585	0	879	106	48	43	11	58
3. 2009.....	XXX	304,227	3,652	7,953	1,812	199	163	186	140	123
4. 2010.....	XXX	XXX	119,526	22,389	3,208	520	243	327	254	273
5. 2011.....	XXX	XXX	XXX	38,778	10,701	1,125	622	553	409	300
6. 2012.....	XXX	XXX	XXX	XXX	51,224	10,828	256	124	3	143
7. 2013.....	XXX	XXX	XXX	XXX	XXX	3,709	1,879	2,028	1,458	783
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	4,054	1,398	1,228	323
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,660	1,105	344
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,452	267
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,014

UNITED GUARANTY RESIDENTIAL INSURANCE COMPANY OF NORTH CAROLINA
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	L	34,556	34,287	0	(19,708)	(20,907)	29,281	0	0
2. Alaska.....AK	L	0	0	0	0	0	0	0	0
3. Arizona.....AZ	N	0	0	0	0	0	0	0	0
4. Arkansas.....AR	L	737	1,887	0	6,592	6,592	0	0	0
5. California.....CA	N	0	0	0	0	0	0	0	0
6. Colorado.....CO	L	2,109	2,109	0	53,194	52,844	4,065	0	0
7. Connecticut.....CT	L	13,245	14,678	0	(3,486)	(4,756)	14,775	0	0
8. Delaware.....DE	L	3,859,931	3,860,425	0	(934,518)	(996,226)	602,204	0	0
9. District of Columbia.....DC	L	951,908	956,070	0	(490,414)	(1,080,329)	914,844	0	0
10. Florida.....FL	L	43,644	81,194	0	(11,380)	(64,583)	23,341	0	0
11. Georgia.....GA	L	51,398	51,789	0	7,156	(24,379)	140,871	0	0
12. Hawaii.....HI	L	0	0	0	0	0	0	0	0
13. Idaho.....ID	L	0	0	0	0	0	0	0	0
14. Illinois.....IL	L	0	0	0	0	0	0	0	0
15. Indiana.....IN	L	29,552	30,261	0	(33,888)	(54,339)	49,434	0	0
16. Iowa.....IA	L	1,928	1,567	0	0	0	0	0	0
17. Kansas.....KS	L	66,529	76,361	0	(28,815)	(175,947)	45,174	0	0
18. Kentucky.....KY	L	5,557	5,557	0	(8,198)	(8,198)	0	0	0
19. Louisiana.....LA	L	0	0	0	0	0	0	0	0
20. Maine.....ME	L	7,589	7,589	0	0	0	0	0	0
21. Maryland.....MD	L	262,609	262,609	0	(10,659)	(307,357)	1,059,790	0	0
22. Massachusetts.....MA	L	19,947	19,359	0	(4,389)	(63,503)	15,969	0	0
23. Michigan.....MI	L	52,462	52,517	0	197,499	199,609	93,796	0	0
24. Minnesota.....MN	L	1,553,256	1,556,540	0	(645,927)	(724,921)	203,564	0	0
25. Mississippi.....MS	L	0	0	0	0	0	0	0	0
26. Missouri.....MO	L	31,219	31,058	0	10,976	(35,285)	14,498	0	0
27. Montana.....MT	L	1,301	1,301	0	0	0	0	0	0
28. Nebraska.....NE	L	0	0	0	0	0	0	0	0
29. Nevada.....NV	L	33,383	33,383	0	(13,289)	(9,104)	10,001	0	0
30. New Hampshire.....NH	L	48	48	0	0	0	0	0	0
31. New Jersey.....NJ	L	4,884,771	4,884,771	0	(1,775,747)	(1,952,010)	386,578	0	0
32. New Mexico.....NM	L	0	0	0	0	0	0	0	0
33. New York.....NY	N	0	0	0	0	0	0	0	0
34. North Carolina.....NC	L	35,484	36,203	0	(4,520,530)	(4,541,982)	2,610	0	0
35. North Dakota.....ND	L	0	0	0	0	0	0	0	0
36. Ohio.....OH	L	1,786,308	1,791,341	0	(832,280)	(809,986)	6,569,466	0	0
37. Oklahoma.....OK	L	36,157	36,005	0	1,632	(24,988)	21,544	0	0
38. Oregon.....OR	L	0	0	0	0	0	0	0	0
39. Pennsylvania.....PA	L	1,260,853	1,260,327	0	(1,845,436)	(4,661,310)	956,559	0	0
40. Rhode Island.....RI	L	0	0	0	(911)	(59,309)	14,869	0	0
41. South Carolina.....SC	L	14,135	14,139	0	(218,643)	(218,643)	0	0	0
42. South Dakota.....SD	L	0	0	0	0	0	0	0	0
43. Tennessee.....TN	L	0	13	0	(34,541)	(48,120)	0	0	0
44. Texas.....TX	L	5,121,389	5,119,617	0	(3,266,470)	(3,399,354)	74,661	0	0
45. Utah.....UT	L	0	0	0	0	0	0	0	0
46. Vermont.....VT	L	0	0	0	0	0	0	0	0
47. Virginia.....VA	L	160,992	173,199	0	(3,278,189)	(3,326,402)	230,608	0	0
48. Washington.....WA	L	22,115	22,793	0	(6,682)	(10,201)	22,505	0	0
49. West Virginia.....WV	L	0	0	0	0	0	0	0	0
50. Wisconsin.....WI	L	7,224	8,454	0	(2,165)	(2,165)	0	0	0
51. Wyoming.....WY	N	0	0	0	0	0	0	0	0
52. American Samoa.....AS	N	0	0	0	0	0	0	0	0
53. Guam.....GU	N	0	0	0	0	0	0	0	0
54. Puerto Rico.....PR	N	0	0	0	0	0	0	0	0
55. US Virgin Islands.....VI	N	0	0	0	0	0	0	0	0
56. Northern Mariana Islands.....MP	N	0	0	0	0	0	0	0	0
57. Canada.....CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....	(a)...47	20,352,336	20,427,451	0	(17,709,216)	(22,365,259)	11,501,007	0	0

DETAILS OF WRITE-INS

58001.....	XXX	0	0	0	0	0	0	0	0
58002.....	XXX	0	0	0	0	0	0	0	0
58003.....	XXX	0	0	0	0	0	0	0	0
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

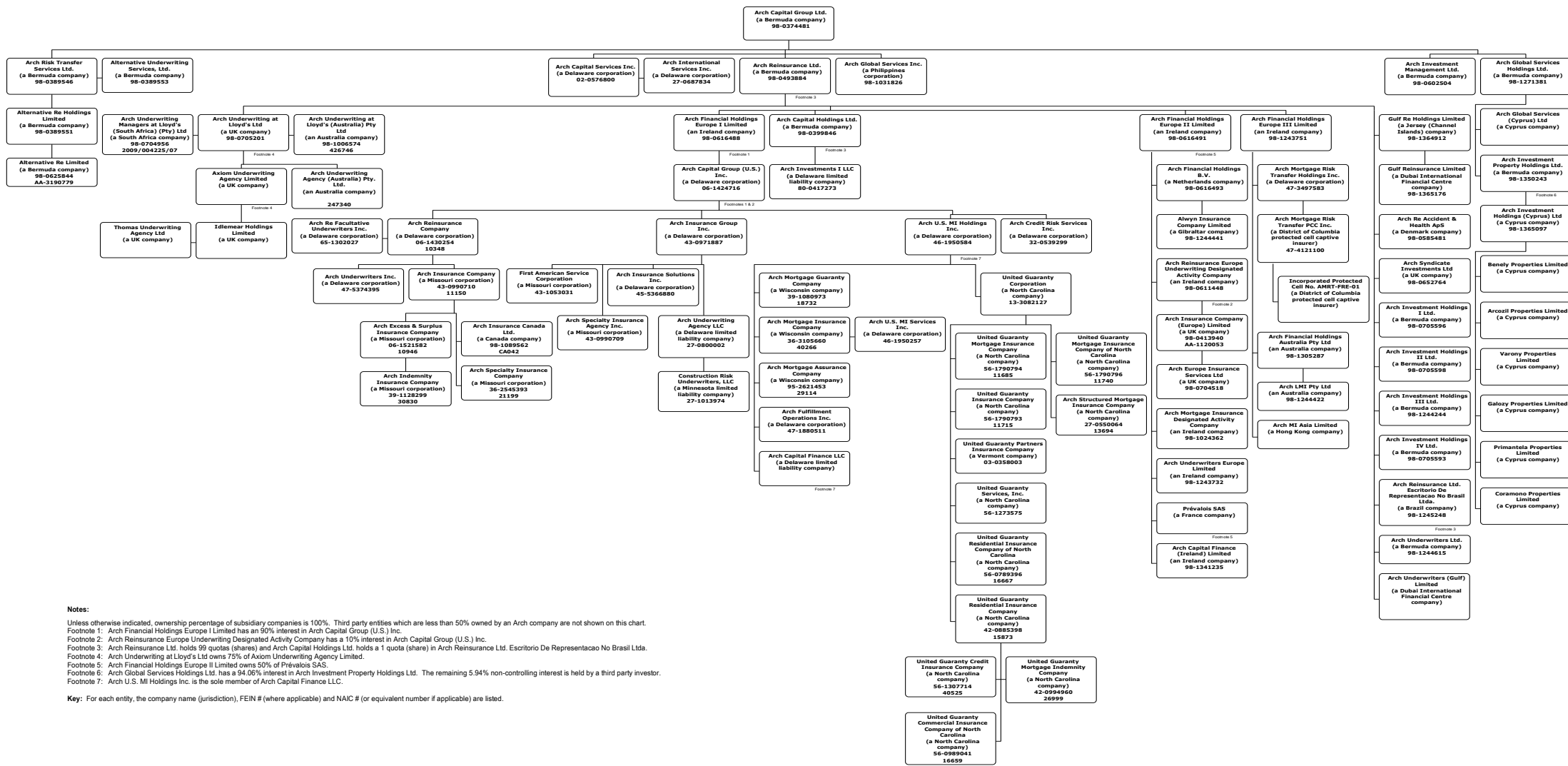
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer; (E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state (other than their state of domicile see DSLI); (D) - DSLI - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write Surplus Lines in the state of domicile; (N) - None of the above - Not allowed to write business in the state.

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

State of residence of insured

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

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

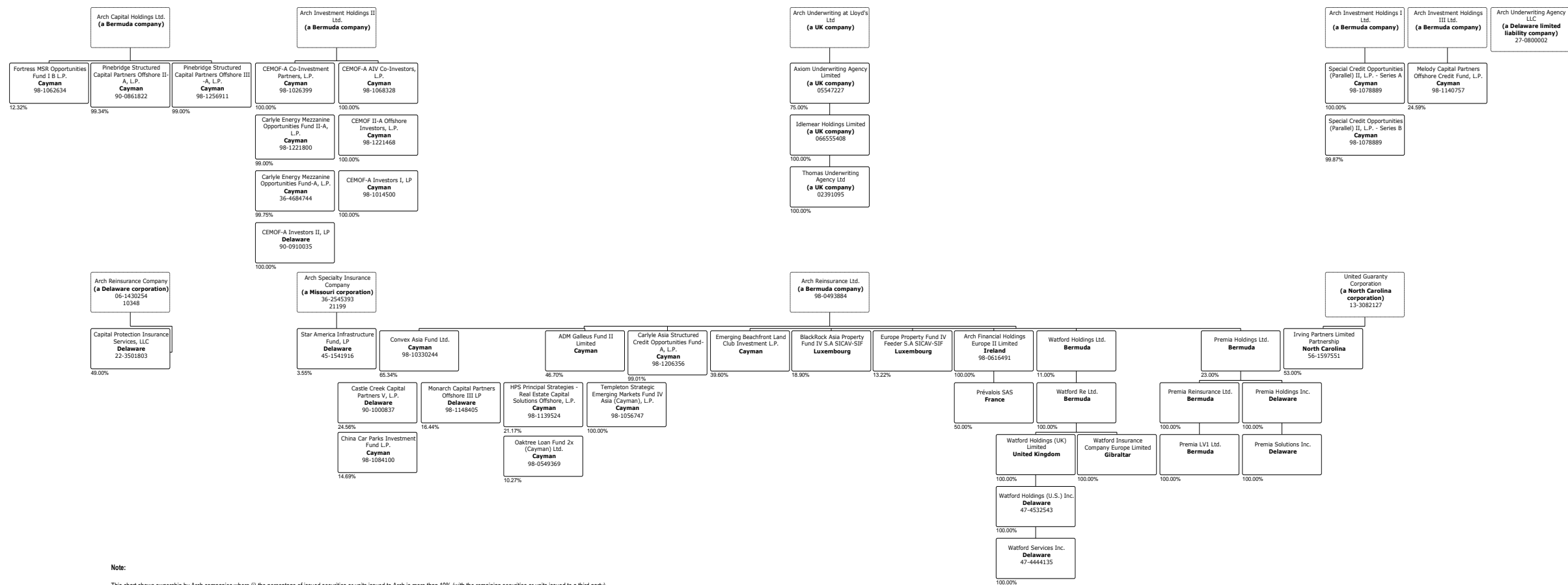


Notes:

- Unless otherwise indicated, ownership percentage of subsidiary companies is 100%. Third party entities which are less than 50% owned by an Arch company are not shown on this chart.
- Footnote 1: Arch Financial Holdings Europe I Limited has a 90% interest in Arch Capital Group (U.S.) Inc.
- Footnote 2: Arch Reinsurance Europe Underwriting Designated Activity Company has a 10% interest in Arch Capital Group (U.S.) Inc.
- Footnote 3: Arch Reinsurance Ltd. holds 99 quotas (shares) and Arch Capital Holdings Ltd. holds a 1 quota (share) in Arch Reinsurance Ltd. Escritorio De Representacao No Brasil Ltda.
- Footnote 4: Arch Underwriting at Lloyd's Ltd owns 75% of Axiom Underwriting Agency Limited.
- Footnote 5: Arch Financial Holdings Europe II Limited owns 50% of Prévalois SAS.
- Footnote 6: Arch Global Services Holdings Ltd. has a 94.06% interest in Arch Investment Property Holdings Ltd. The remaining 5.94% non-controlling interest is held by a third party investor.
- Footnote 7: Arch U.S. MI Holdings Inc. is the sole member of Arch Capital Finance LLC.

Key: For each entity, the company name (jurisdiction), FEIN # (where applicable) and NAIC # (or equivalent number if applicable) are listed.

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



Note:
 This chart shows ownership by Arch companies where (i) the percentage of issued securities or units issued to Arch is more than 10% (with the remaining securities or units issued to a third party) or (ii) the ownership is 100% by Arch, but represents ownership in an entity formed for a particular investment purpose where such investment entity has no operations other than to hold an investment. Each Arch entity is in a "dotted line" box with entities owned by it meeting the criteria set forth in the prior sentence in "solid line" boxes below; there is no ownership relationship between "solid line" boxes.

Key: For each entity, the company name (jurisdiction), FEIN # (where applicable) and NAIC # (or equivalent number if applicable) are listed.

The figures in the chart are at December 31, 2016; such figures are updated on an annual basis in line with normal practices.

2017 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

Assets	2	Schedule P-Part 2G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	58
Cash Flow	5	Schedule P-Part 2H-Section 1-Other Liability-Occurrence	58
Exhibit of Capital Gains (Losses)	12	Schedule P-Part 2H-Section 2-Other Liability-Claims-Made	58
Exhibit of Net Investment Income	12	Schedule P-Part 2I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	59
Exhibit of Nonadmitted Assets	13	Schedule P-Part 2J-Auto Physical Damage	59
Exhibit of Premiums and Losses (State Page)	19	Schedule P-Part 2K-Fidelity, Surety	59
Five-Year Historical Data	17	Schedule P-Part 2L-Other (Including Credit, Accident and Health)	59
General Interrogatories	15	Schedule P-Part 2M-International	59
Jurat Page	1	Schedule P-Part 2N-Reinsurance - Nonproportional Assumed Property	60
Liabilities, Surplus and Other Funds	3	Schedule P-Part 2O-Reinsurance - Nonproportional Assumed Liability	60
Notes To Financial Statements	14	Schedule P-Part 2P-Reinsurance - Nonproportional Assumed Financial Lines	60
Overflow Page For Write-ins	100	Schedule P-Part 2R-Section 1-Products Liability-Occurrence	61
Schedule A-Part 1	E01	Schedule P-Part 2R-Section 2-Products Liability-Claims-Made	61
Schedule A-Part 2	E02	Schedule P-Part 2S-Financial Guaranty/Mortgage Guaranty	61
Schedule A-Part 3	E03	Schedule P-Part 2T-Warranty	61
Schedule A-Verification Between Years	SI02	Schedule P-Part 3A-Homeowners/Farmowners	62
Schedule B-Part 1	E04	Schedule P-Part 3B-Private Passenger Auto Liability/Medical	62
Schedule B-Part 2	E05	Schedule P-Part 3C-Commercial Auto/Truck Liability/Medical	62
Schedule B-Part 3	E06	Schedule P-Part 3D-Workers' Compensation (Excluding Excess Workers Compensation)	62
Schedule B-Verification Between Years	SI02	Schedule P-Part 3E-Commercial Multiple Peril	62
Schedule BA-Part 1	E07	Schedule P-Part 3F-Section 1-Medical Professional Liability-Occurrence	63
Schedule BA-Part 2	E08	Schedule P-Part 3F-Section 2-Medical Professional Liability-Claims-Made	63
Schedule BA-Part 3	E09	Schedule P-Part 3G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	63
Schedule BA-Verification Between Years	SI03	Schedule P-Part 3H-Section 1-Other Liability-Occurrence	63
Schedule D-Part 1	E10	Schedule P-Part 3H-Section 2-Other Liability-Claims-Made	63
Schedule D-Part 1A-Section 1	SI05	Schedule P-Part 3I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	64
Schedule D-Part 1A-Section 2	SI08	Schedule P-Part 3J-Auto Physical Damage	64
Schedule D-Part 2-Section 1	E11	Schedule P-Part 3K-Fidelity/Surety	64
Schedule D-Part 2-Section 2	E12	Schedule P-Part 3L-Other (Including Credit, Accident and Health)	64
Schedule D-Part 3	E13	Schedule P-Part 3M-International	64
Schedule D-Part 4	E14	Schedule P-Part 3N-Reinsurance - Nonproportional Assumed Property	65
Schedule D-Part 5	E15	Schedule P-Part 3O-Reinsurance - Nonproportional Assumed Liability	65
Schedule D-Part 6-Section 1	E16	Schedule P-Part 3P-Reinsurance - Nonproportional Assumed Financial Lines	65
Schedule D-Part 6-Section 2	E16	Schedule P-Part 3R-Section 1-Products Liability-Occurrence	66
Schedule D-Summary By Country	SI04	Schedule P-Part 3R-Section 2-Products Liability-Claims-Made	66
Schedule D-Verification Between Years	SI03	Schedule P-Part 3S-Financial Guaranty/Mortgage Guaranty	66
Schedule DA-Part 1	E17	Schedule P-Part 3T-Warranty	66
Schedule DA-Verification Between Years	SI10	Schedule P-Part 4A-Homeowners/Farmowners	67
Schedule DB-Part A-Section 1	E18	Schedule P-Part 4B-Private Passenger Auto Liability/Medical	67
Schedule DB-Part A-Section 2	E19	Schedule P-Part 4C-Commercial Auto/Truck Liability/Medical	67
Schedule DB-Part A-Verification Between Years	SI11	Schedule P-Part 4D-Workers' Compensation (Excluding Excess Workers Compensation)	67
Schedule DB-Part B-Section 1	E20	Schedule P-Part 4E-Commercial Multiple Peril	67
Schedule DB-Part B-Section 2	E21	Schedule P-Part 4F-Section 1-Medical Professional Liability-Occurrence	68
Schedule DB-Part B-Verification Between Years	SI11	Schedule P-Part 4F-Section 2-Medical Professional Liability-Claims-Made	68
Schedule DB-Part C-Section 1	SI12	Schedule P-Part 4G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	68
Schedule DB-Part C-Section 2	SI13	Schedule P-Part 4H-Section 1-Other Liability-Occurrence	68
Schedule DB-Part D-Section 1	E22	Schedule P-Part 4H-Section 2-Other Liability-Claims-Made	68
Schedule DB-Part D-Section 2	E23	Schedule P-Part 4I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	69
Schedule DB-Verification	SI14	Schedule P-Part 4J-Auto Physical Damage	69
Schedule DL-Part 1	E24	Schedule P-Part 4K-Fidelity/Surety	69
Schedule DL-Part 2	E25	Schedule P-Part 4L-Other (Including Credit, Accident and Health)	69
Schedule E-Part 1-Cash	E26	Schedule P-Part 4M-International	69
Schedule E-Part 2-Cash Equivalents	E27	Schedule P-Part 4N-Reinsurance - Nonproportional Assumed Property	70
Schedule E-Part 3-Special Deposits	E28	Schedule P-Part 4O-Reinsurance - Nonproportional Assumed Liability	70
Schedule E-Verification Between Years	SI15	Schedule P-Part 4P-Reinsurance - Nonproportional Assumed Financial Lines	70
Schedule F-Part 1	20	Schedule P-Part 4R-Section 1-Products Liability-Occurrence	71
Schedule F-Part 2	21	Schedule P-Part 4R-Section 2-Products Liability-Claims-Made	71
Schedule F-Part 3	22	Schedule P-Part 4S-Financial Guaranty/Mortgage Guaranty	71
Schedule F-Part 4	23	Schedule P-Part 4T-Warranty	71
Schedule F-Part 5	24	Schedule P-Part 5A-Homeowners/Farmowners	72
Schedule F-Part 6-Section 1	25	Schedule P-Part 5B-Private Passenger Auto Liability/Medical	73
Schedule F-Part 6-Section 2	26	Schedule P-Part 5C-Commercial Auto/Truck Liability/Medical	74
Schedule F-Part 7	27	Schedule P-Part 5D-Workers' Compensation (Excluding Excess Workers Compensation)	75
Schedule F-Part 8	28	Schedule P-Part 5E-Commercial Multiple Peril	76
Schedule F-Part 9	29	Schedule P-Part 5F-Medical Professional Liability-Claims-Made	78
Schedule H-Accident and Health Exhibit-Part 1	30	Schedule P-Part 5F-Medical Professional Liability-Occurrence	77
Schedule H-Part 2, Part 3 and Part 4	31	Schedule P-Part 5H-Other Liability-Claims-Made	80
Schedule H-Part 5-Health Claims	32	Schedule P-Part 5H-Other Liability-Occurrence	79
Schedule P-Part 1-Summary	33	Schedule P-Part 5R-Products Liability-Claims-Made	82
Schedule P-Part 1A-Homeowners/Farmowners	35	Schedule P-Part 5R-Products Liability-Occurrence	81
Schedule P-Part 1B-Private Passenger Auto Liability/Medical	36	Schedule P-Part 5T-Warranty	83
Schedule P-Part 1C-Commercial Auto/Truck Liability/Medical	37	Schedule P-Part 6C-Commercial Auto/Truck Liability/Medical	84
Schedule P-Part 1D-Workers' Compensation (Excluding Excess Workers Compensation)	38	Schedule P-Part 6D-Workers' Compensation (Excluding Excess Workers Compensation)	84
Schedule P-Part 1E-Commercial Multiple Peril	39	Schedule P-Part 6E-Commercial Multiple Peril	85
Schedule P-Part 1F-Section 1-Medical Professional Liability-Occurrence	40	Schedule P-Part 6H-Other Liability-Claims-Made	86
Schedule P-Part 1F-Section 2-Medical Professional Liability-Claims-Made	41	Schedule P-Part 6H-Other Liability-Occurrence	85
Schedule P-Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery)	42	Schedule P-Part 6M-International	86
Schedule P-Part 1H-Section 1-Other Liability-Occurrence	43	Schedule P-Part 6N-Reinsurance - Nonproportional Assumed Property	87
Schedule P-Part 1H-Section 2-Other Liability-Claims-Made	44	Schedule P-Part 6O-Reinsurance - Nonproportional Assumed Liability	87
Schedule P-Part 1I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45	Schedule P-Part 6R-Products Liability-Claims-Made	88
Schedule P-Part 1J-Auto Physical Damage	46	Schedule P-Part 6R-Products Liability-Occurrence	88
Schedule P-Part 1K-Fidelity/Surety	47	Schedule P-Part 7A-Primary Loss Sensitive Contracts	89
Schedule P-Part 1L-Other (Including Credit, Accident and Health)	48	Schedule P-Part 7B-Reinsurance Loss Sensitive Contracts	91
Schedule P-Part 1M-International	49	Schedule P Interrogatories	93
Schedule P-Part 1N-Reinsurance - Nonproportional Assumed Property	50	Schedule T-Exhibit of Premiums Written	94
Schedule P-Part 1O-Reinsurance - Nonproportional Assumed Liability	51	Schedule T-Part 2-Interstate Compact	95
Schedule P-Part 1P-Reinsurance - Nonproportional Assumed Financial Lines	52	Schedule Y-Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule P-Part 1R-Section 1-Products Liability-Occurrence	53	Schedule Y-Detail of Insurance Holding Company System	97
Schedule P-Part 1R-Section 2-Products Liability-Claims-Made	54	Schedule Y-Part 2-Summary of Insurer's Transactions With Any Affiliates	98
Schedule P-Part 1S-Financial Guaranty/Mortgage Guaranty	55	Statement of Income	4
Schedule P-Part 1T-Warranty	56	Summary Investment Schedule	SI01
Schedule P-Part 2, Part 3 and Part 4 - Summary	34	Supplemental Exhibits and Schedules Interrogatories	99
Schedule P-Part 2A-Homeowners/Farmowners	57	Underwriting and Investment Exhibit Part 1	6
Schedule P-Part 2B-Private Passenger Auto Liability/Medical	57	Underwriting and Investment Exhibit Part 1A	7
Schedule P-Part 2C-Commercial Auto/Truck Liability/Medical	57	Underwriting and Investment Exhibit Part 1B	8
Schedule P-Part 2D-Workers' Compensation (Excluding Excess Workers Compensation)	57	Underwriting and Investment Exhibit Part 2	9
Schedule P-Part 2E-Commercial Multiple Peril	57	Underwriting and Investment Exhibit Part 2A	10
Schedule P-Part 2F-Section 1-Medical Professional Liability-Occurrence	58	Underwriting and Investment Exhibit Part 3	11
Schedule P-Part 2F-Section 2-Medical Professional Liability-Claims-Made	58		