



2015 Global Loss Triangles

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2015 Global Loss Triangles Cautionary Language

This report is for informational purposes only and is current as of December 31, 2015. We are under no obligation, and do not expect, to update or revise this report, whether as a result of new information, future events or otherwise, even when such new data has been reflected in our filings with the U.S. Securities and Exchange Commission (the “SEC”) or otherwise. Although the loss payment and loss reporting patterns disclosed in this report are an important factor in the process used to estimate loss reserve requirements, they are not the only factors considered in establishing reserves. The process for establishing reserves is subject to considerable variability and requires the use of informed estimates and judgments. The information disclosed here represents a high-level summary of the data we use for our own reserve evaluations. Important details, such as specific loss development expectations for particular contracts, years or events, cannot be developed solely by analyzing the information provided in this report. In addition to analyzing loss development information, management incorporates additional information into the reserving process, such as pricing and market conditions. Readers must keep these and other qualifications more fully described in this report in mind when reviewing this information. This report should be read in conjunction with periodic reports filed by Arch Capital Group Ltd. (“ACGL”) with the SEC, including ACGL’s most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q.

Cautionary Note Regarding Forward-Looking Statements

The Private Securities Litigation Reform Act of 1995 (“PSLRA”) provides a “safe harbor” for forward-looking statements. This report or any other written or oral statements made by or on behalf of us may include forward-looking statements, which reflect our current views with respect to future events and financial performance. All statements other than statements of historical fact included in or incorporated by reference in this report are forward-looking statements. Forward-looking statements, for purposes of the PSLRA or otherwise, can generally be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “believe,” or “continue” and similar statements of a future or forward-looking nature or their negative or variations or similar terminology.

Forward-looking statements involve our current assessment of risks and uncertainties. Actual events and results may differ materially from those expressed or implied in these statements. Important factors that could cause actual events or results to differ materially from those indicated in such statements are discussed below, elsewhere in this report and in our periodic reports filed with the SEC, and include:

- our ability to successfully implement our business strategy during “soft” as well as “hard” markets;
- acceptance of our business strategy, security and financial condition by rating agencies and regulators, as well as by brokers and our insureds and reinsureds;
- our ability to maintain or improve our ratings, which may be affected by our ability to raise additional equity or debt financings, by ratings agencies’ existing or new policies and practices, as well as other factors described herein;

- general economic and market conditions (including inflation, interest rates, foreign currency exchange rates, prevailing credit terms and the depth and duration of a recession) and conditions specific to the reinsurance and insurance markets (including the length and magnitude of the current “soft” market) in which we operate;
- competition, including increased competition, on the basis of pricing, capacity (including alternative sources of capital), coverage terms or other factors;
- developments in the world’s financial and capital markets and our access to such markets;
- our ability to successfully enhance, integrate and maintain operating procedures (including information technology) to effectively support our current and new business;
- the loss of key personnel;
- the integration of businesses we have acquired or may acquire into our existing operations;
- accuracy of those estimates and judgments utilized in the preparation of our financial statements, including those related to revenue recognition, insurance and other reserves, reinsurance recoverables, investment valuations, intangible assets, bad debts, income taxes, contingencies and litigation, and any determination to use the deposit method of accounting, which for a relatively new insurance and reinsurance company, like our company, are even more difficult to make than those made in a mature company since relatively limited historical information has been reported to us through December 31, 2015;
- greater than expected loss ratios on business written by us and adverse development on claim and/or claim expense liabilities related to business written by our insurance and reinsurance subsidiaries;
- severity and/or frequency of losses;
- claims for natural or man-made catastrophic events in our insurance or reinsurance business could cause large losses and substantial volatility in our results of operations;
- acts of terrorism, political unrest and other hostilities or other unforecasted and unpredictable events;
- availability to us of reinsurance to manage our gross and net exposures and the cost of such reinsurance;
- the failure of reinsurers, managing general agents, third party administrators or others to meet their obligations to us;
- the timing of loss payments being faster or the receipt of reinsurance recoverables being slower than anticipated by us;
- our investment performance, including legislative or regulatory developments that may adversely affect the fair value of our investments;
- changes in general economic conditions, including new or continued sovereign debt concerns in Eurozone countries or downgrades of U.S. securities by credit rating agencies, which could affect our business, financial condition and results of operations;
- the volatility of our shareholders’ equity from foreign currency fluctuations, which could increase due to us not matching portions of our projected liabilities in foreign currencies with investments in the same currencies;

- losses relating to aviation business and business produced by a certain managing underwriting agency for which we may be liable to the purchaser of our prior reinsurance business or to others in connection with the May 5, 2000 asset sale described in our periodic reports filed with the SEC;
- changes in accounting principles or policies or in our application of such accounting principles or policies;
- changes in the political environment of certain countries in which we operate or underwrite business;
- statutory or regulatory developments, including as to tax policy and matters and insurance and other regulatory matters such as the adoption of proposed legislation that would affect Bermuda-headquartered companies and/or Bermuda-based insurers or reinsurers and/or changes in regulations or tax laws applicable to us, our subsidiaries, brokers or customers; and
- the other matters set forth under Item “1A Risk Factors”, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other sections of the Annual Report on Form 10-K, as well as the other factors set forth in ACGL’s other documents on file with the SEC, and management’s response to any of the aforementioned factors.

All subsequent written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements. The foregoing review of important factors should not be construed as exhaustive and should be read in conjunction with other cautionary statements that are included herein or elsewhere. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
I. Introduction	5
II. Data Compilation and Definitions	7
III. Classification Details	12
IV. Overview of Reserving Methodology	18
V. Reconciliations	26
VI. Data and Exhibits	30
<u>Insurance Segment</u>	
Global Loss Triangles and Inception-to-Date (“ITD”) Exhibits	
o Consolidated Insurance	30
o Property, Energy, Marine and Aviation	32
o Third Party Occurrence Business	34
o Third Party Claims-Made Business	36
o All Other	38
Large Loss Exhibit	40
<u>Reinsurance Segment</u>	
Global Loss Triangles and ITD Exhibits	
o Consolidated Reinsurance	41
o Casualty	43
o Property Catastrophe	45
o Other Property	47
o Marine/Aviation/Space	49
o Other Specialty	51
o Other Reinsurance	53
Large Loss Exhibit	55

I. INTRODUCTION

This report provides additional information on the loss development characteristics of Arch Capital Group Ltd. (“ACGL” and, together with its subsidiaries, “Arch,” the “Company,” “we,” or “us”) as of December 31, 2015. This report provides greater detail on Arch’s loss and loss adjustment expense (“LAE”) reserves by showing Global Loss Triangles (“GLT”) for paid and reported loss and allocated loss adjustment expenses (“ALAE”) at annual evaluation dates. The most recent evaluation is as of December 31, 2015. For insurance lines, the loss triangles are presented net of reinsurance on an accident year basis. For reinsurance lines, the loss triangles are presented net of retrocessions on an underwriting year basis.

In addition, summary exhibits are provided which further highlight the gross, ceded and net results by business segment and GLT classes as of December 31, 2015. These summaries include: written premiums; earned premiums; paid loss and ALAE; reported loss and ALAE; incurred but not reported (“IBNR”) loss and ALAE; ultimate unallocated loss adjustment expenses (“ULAE”); and the ultimate loss and LAE ratios as of December 31, 2015 on an inception-to-date (“ITD”) basis from January 1, 2002 through December 31, 2015.

Section II provides a discussion of the means used to compile the data, as well as definitions for many of the terms used in this report. A more detailed description of the business underlying the triangle information is given in Section III. Section IV contains a summary description of management’s loss reserving methodology. Section V provides a reconciliation of the data presented in this report to our December 31, 2015 financial statements and to last year’s GLT report.

The inherent uncertainty associated with the estimation of loss and LAE reserves is a significant risk for property and casualty specialty insurance and reinsurance companies, including Arch. Management believes the triangles and corresponding summary exhibits along with the narrative in this report provide additional insight into the loss development characteristics of Arch’s lines of business.

The process of establishing and adjusting loss and LAE reserves is a complex process containing numerous management judgments related to the segmentation of data, methodologies utilized and their associated parameters, along with the weightings applied to the various techniques used in the reserving process. Actuarial determinations of unpaid future losses and LAE are subject to potential errors of estimation, which could be significant, due to the fact that the ultimate disposition of claims incurred prior to the date of such estimation, whether reported to Arch or not, is subject to the outcome of events that have not yet occurred. Likewise, any estimate of future costs associated with claims settlement is subject to the inherent limitation on the ability to predict the course of future events. Consequently, it should be expected that the actual emergence of the ultimate loss and LAE will vary, perhaps materially, from any prior estimate. Readers should also review additional reserve disclosures and the Company’s risk factors that are provided in the Company’s most recent Annual Report on Form 10-K and other periodic reports filed with the SEC.

Readers of this report are strongly advised against projecting ultimate losses and LAE for Arch directly from the loss triangles in this report, as these calculations rarely take into account fully the true underlying nature of the liabilities. The triangle classes contained in this report are the result of the compilation of many discrete reserving groups within Arch that represent, among other things, different geographies, pricing environments, legislative climates and policy forms. Particular care should be used in any comparison of specific class results to insurance industry results, such as industry U.S. Schedule P based benchmarks. This is especially true for classes incorporating a mix of loss development tails and for classes defined as “All Other,” “Other Specialty” and “Other Reinsurance.” Also, as reinsurance business includes additional delays in reported business from ceding companies, additional caution should be used when comparing industry U.S. Schedule P based benchmarks for insurance to reinsurance classes.

Depending upon which actuarial reserving method is utilized, the presence or absence of large losses and how they are treated may also have a significant impact on the estimated ultimate loss and LAE. In addition, changes to the premium volume, mix of business and the underlying exposures within a class may have significant effects on the resulting ultimate loss estimates and overall reserve levels. Without incorporating this critical information, the results derived from a mechanical extrapolation of the loss triangles in this report have the potential of being materially inaccurate.

The triangles and summary exhibits are provided for both the insurance and reinsurance segments of the Company. The losses in the triangles represent the Company’s December 31, 2015 net reported losses, and the losses in the ITD exhibits represent the Company’s December 31, 2015 gross, ceded and net loss and LAE reserves. These exhibits represent the reserves in their entirety, with the exception of adjustments for changes in foreign currency and excluded business as shown in Section V of this report. Section V contains a reconciliation to select data from the Company’s financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”).

As discussed more fully in Section II, the data reflected in these exhibits and triangles is presented in United States dollars (“USD”) and the appropriate adjustments have been made for foreign exchange movements. Future foreign exchange fluctuations will mean that the data presented in future GLT filings will not reconcile directly to the data included in this report.

II. DATA COMPILATION AND DEFINITIONS

Numerous data elements were incorporated to prepare this report. For insurance lines, the loss triangles are presented on an accident year basis, net of reinsurance. For reinsurance lines, the loss triangles are presented on an underwriting year basis, net of retrocessions. The ITD exhibits for insurance and reinsurance lines display gross, ceded and net losses on an accident year basis and underwriting year basis, respectively.

Data Presented

The data presented in the triangles and ITD exhibits is as follows:

- **Triangles**
 - Net paid loss and ALAE
 - Net reported loss and ALAE
- **ITD Exhibits**
 - Gross premium, paid, reported and ultimate loss and LAE
 - Ceded premium, paid, reported and ultimate loss and LAE
 - Net premium, paid, reported and ultimate loss and LAE

Basis of Presentation

Information presented herein differs from that reported in Arch's financial statements prepared in accordance with GAAP due to a number of factors, including differences in foreign currency exchange rates, exclusion of commuted contracts within the reinsurance group, the impact of premium adjustments and other data adjustments, and other excluded business as shown in Section V.

All amounts are presented in thousands of USD and reflect the conversion from the original currency of the underlying business if not denominated in USD. Foreign currency denominated losses and premiums are converted based on exchange rates at the dates of the transactions to the functional currency of the legal underwriting entity, which is either USD, Euro ("EUR") or British Pound Sterling ("GBP"). Arch's reporting currency is USD. Fluctuations in currency exchange rates, between foreign functional currencies (i.e. GBP or EUR) and USD, can cause material shifts in loss development. To eliminate distortions caused by such fluctuations, data in the triangle exhibits has been restated using the December 31, 2015 rates of exchange of EUR to 1.0863 USD and GBP to 1.4739 USD.

Some (re)insurance contracts contain provisions resulting in a variation of the premium or acquisition expenses as a result of loss experience under the contract. Within the analysis, estimated reinstatement premiums are included in the premium totals.

Ceded reinsurance transactions with affiliates of the Company have not been reflected in the triangles, other than reinsurance purchased as part of an overall treaty placement. The ITD exhibits include ceded reinsurance (third party) and net schedules. Watford is treated as a third-party and not an affiliate for the purposes of this report. Therefore, ceded reinsurance transactions with Watford are reflected in both the triangles and ITD exhibits.

Global Loss Triangle Classes

Triangles and ITD exhibits are provided in ten general classes, four for the insurance segment and six for the reinsurance segment. The classes are based on the loss development characteristics for the lines of business represented by the exposures in a given triangle class. The ten triangle classes included in this report are listed below.

Insurance Segment Classes

- Property, Energy, Marine and Aviation
- Third Party Occurrence Business
- Third Party Claims-Made Business
- All Other

Reinsurance Segment Classes

- Casualty
- Property Catastrophe
- Property Excluding Property Catastrophe
- Marine/Aviation/Space
- Other Specialty
- Other Reinsurance

Further detail of the types of business contained in each triangle class is provided in Section III of this report. Section V includes a mapping of triangle classes in this report to the lines of business categories which are included in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

Large Losses and Other Adjustments

The triangles are unadjusted with respect to large losses and catastrophic losses, including losses related to the 2004, 2005 and 2008 hurricanes and 2010 to 2012 catastrophic events. Losses from specified significant catastrophic events in our Property and All Other segments (for insurance) and Property Catastrophe, Marine/Aviation/Space and Other Property segments (for reinsurance) are shown on pages 40 and 55.

The insurance triangles are net of any external reinsurance recoveries.

The reinsurance triangles are net of any retrocession recoveries and exclude losses from commuted contracts. The premium data is shown on a gross, ceded and net basis and includes any reinstatement premiums associated with the loss events and excludes premiums for commuted contracts within the reinsurance group.

Mix of Business

ACGL was formed in September 2000 and launched its underwriting initiative in October 2001. Arch commenced the substantial portion of its writings in 2002. Since that time, significant shifts in mix of business have occurred as types of business have been added or dropped, or have grown or shrunk. Typical actuarial methodologies assume

homogeneity of business within the triangles and, as a result, simple actuarial projections derived from these triangles may lead to materially misleading conclusions.

Business Not Included

For the Company as a whole, the exhibits contain approximately 88% of the loss and ALAE reserves carried by the Company as of December 31, 2015.

The following data is not included within the GLT and ITD exhibits:

- Certain insurance business written in the United Kingdom;
- Surety insurance business;
- Mortgage (re)insurance business;
- Life reinsurance business;
- Certain Denmark reinsurance business;
- Gulf Re business;
- Watford Re business (“Other” segment in SEC disclosures); and
- Miscellaneous other adjustments.

A reconciliation of the GLT and ITD exhibits to the consolidated financial statements, prepared in accordance with GAAP, is presented in Section V.

For reinsurance, approximately 3% of net earned premiums is excluded from the data due to commutations, but it is not evenly spread across segments. For Other Reinsurance, the commuted percentage is 42%; for Other Specialty, the commuted percentage is 24%; for Property Catastrophe, the commuted percentage is -8%; for Property Excluding Property Catastrophe, the commuted percentage is -6%; for Marine/Aviation/Space, the commuted percentage is -6%; and for Casualty the commuted percentage is 1%. It should be noted that negative commutation percentages arise in respect of the commutation of ceded balances. No other business has been excluded from the analysis.

Discounting

The losses in the triangles do not include a provision to reflect the time value of money. The carried loss and ALAE IBNR, as shown in the ITD exhibits, include a provision to reflect the time value of money for a portion of excess workers’ compensation and employers’ liability loss reserves within the insurance segment, valued at \$16.8 million as of December 31, 2015.

Definitions

Several key definitions are highlighted below:

Accident Year means the year in which the event occurred that triggered a claim to Arch. All years referred to are years ended December 31st.

Additional Case Reserves are amounts that are held in the reinsurance segment in addition to Case Reserves that result from Arch’s claims professionals determining that the established Case Reserves (which are often established by cedents or third

parties) are expected to be insufficient to meet the expected future settlement amounts.

ALAE means allocated loss adjustment expense, which is an estimate of the direct expenses to be incurred in settling a claim. ALAE includes the costs of third party loss assessors or legal experts.

Case Reserves are amounts set aside for loss and ALAE in relation to claims that have been made but not yet been paid and represent an assessment of the remaining amount to be paid in respect of each notified claim.

Ceded Claims are those claim costs Arch received or expects to receive from third party reinsurers to whom Arch has ceded premiums.

Ceded Premiums are those premiums paid by Arch to third party reinsurers or retrocessionaires.

Claims-Made coverage is a form of insurance contract under which only claims reported to the insurer during the contract period are covered.

Diagonals in the triangle from bottom left to top right represent evaluation dates. For example, the last diagonal in our published triangles shows the position of each Accident Year or Underwriting Year as at December 31, 2015.

Earned Premium is the amount of total premiums written over a period that have been earned based on the ratio of the time passed on the policies to their effective life.

Gross Premiums and Gross Losses are shown before the impact of any third party external reinsurance or retrocession that Arch purchases.

IBNR, or IBNR Loss and ALAE, means incurred but not reported reserve. It includes a reserve amount held to cover expected future settlements in relation to all claims that have occurred but have not yet been reported to Arch as well as a reserve amount to cover expected development (upward or downward) in existing Case Reserves and Additional Case Reserves. Arch's process for establishing IBNR is discussed further in Section IV of this document.

LAE means loss adjustment expense, which is expense incurred in settling a claim. LAE includes the costs of third party loss assessors or legal experts and the cost of internal resources necessary to settle a claim. LAE is the sum of ALAE and ULAE.

Maturity (Age) is the time measured in months from the start of the Accident Year or Underwriting Year.

Net means the retained portion of premiums written or losses paid and reported. Net Premium equals Gross Premium less Ceded Premium and Net Losses equal Gross Losses less Ceded Losses.

Paid Losses are claim amounts paid to insureds or to ceding companies.

Report Year refers to the year in which a claim is reported to Arch. All years referred to are years ending December 31st.

Reported Loss and ALAE is the sum of Paid Losses and ALAE, plus Case Reserves and any Additional Case Reserves.

Triangle is a cross tabulation of data usually showing financial quantities in respect of periods of exposure (*e.g.*, Accident or Underwriting Years), each evaluated at regular intervals (maturities).

ULAE stands for unallocated loss adjustment expenses and represents the indirect expenses required to settle claims.

Ultimate Loss and LAE is the total of all expected settlement amounts, whether paid or reserved, together with any associated settlement expenses and is the estimated total amount of loss at the measurement date. For the purposes of this report, Ultimate Loss and LAE is calculated by adding: Reported Loss and ALAE, IBNR Loss and ALAE, and Ultimate ULAE.

Ultimate ULAE is the total of all expected ULAE, whether paid or reserved, and represents the estimated total amount of indirect expenses required to settle claims at the measurement date.

Underwriting Year is the year in which an insurance policy or reinsurance treaty incepts. All years referred to are years ending December 31st.

III. CLASSIFICATION DETAILS

Insurance Segment

Our insurance group data is categorized as described below.

Property, Energy, Marine and Aviation

This category includes:

Property, Energy, Marine and Aviation: primary and excess general property insurance coverages, including catastrophe-exposed property coverage, for commercial clients. Coverages for marine include hull, war, specie and liability. Aviation and stand alone terrorism are also offered.

Contract Binding: provides property and casualty coverage through a network of appointed agents to small and medium risks. Only the property exposures from this business unit are included in this triangle class.

Of the data included in this category, on an ITD basis through December 31, 2015, the distribution of business by net earned premium and by financial reporting line is 100% Property, Energy, Marine and Aviation. Contract Binding exposures are negligible.

On an ITD basis through December 31, 2015, the distribution by net earned premium and by U.S. annual statement line of business is: 41% Fire, 22% Ocean Marine, 20% Allied Lines, 8% Aircraft, 6% Earthquake and 3% other lines.

The lines of business in this category are considered “short-tail” business with the exception of Marine which is considered “medium-tail”. On an ITD basis through December 31, 2015, the distribution by net earned premium is: 75% short-tail and 25% medium-tail.

Third Party Occurrence Business

This category includes:

Excess and Surplus Casualty: primary and excess casualty insurance coverages, including middle market energy business.

Construction and National Accounts: primary and excess casualty coverages to middle and large accounts in the construction industry and a wide range of products for middle and large national accounts, specializing in loss sensitive primary casualty insurance programs (including large deductible, self-insured retention and retrospectively rated programs).

Contract Binding: provides property and casualty coverage through a network of appointed agents to small and medium risks. Only the liability exposures from this business unit are included in this triangle class.

Other: includes alternative market risks (including captive insurance programs), excess workers’ compensation and employer’s liability insurance coverages for qualified self-insured groups, associations and trusts.

Of the data included in this category, on an ITD basis through December 31, 2015, the distribution of business by net earned premium and by financial reporting line is: 46% Construction and National Accounts, 39% Excess and Surplus Casualty, 3% Contract Binding and 13% Other.

On an ITD basis through December 31, 2015, the distribution by net earned premium and by U.S. annual statement line of business is: 42% Other Liability – Occurrence, 29% Workers' Compensation, 10% Commercial Auto – Other Liability, 8% Product Liability – Occurrence and 11% other liability lines.

The lines of business in this category contain a mixture of business considered “short-tail”, “medium-tail” and “long-tail”. On an ITD basis through December 31, 2015, the distribution by net earned premium is: 85% long-tail, 14% medium-tail and 1% short-tail.

Third Party Claims-Made Business

This category includes:

Professional Lines: directors' and officers' liability, errors and omissions liability, employment practices liability, fiduciary liability, crime, professional indemnity and other financial related coverages for corporate, private equity, venture capital, real estate investment trust, limited partnership, financial institution and not-for-profit clients of all sizes and medical professional and general liability insurance coverages for the healthcare industry.

Of the data included in this category, on an ITD basis through December 31, 2015, the distribution of business by net earned premium and by financial reporting line is 100% Professional Lines.

On an ITD basis through December 31, 2015, the distribution by net earned premium and by U.S. annual statement line of business is: 86% Other Liability – Claims-Made, 12% Medical Malpractice – Claims-Made business and 2% other liability lines.

The lines of business in this category contain a mixture of business considered “medium-tail” and “long-tail”. On an ITD basis through December 31, 2015, the distribution by net earned premium is: 93% medium-tail and 7% long-tail.

All Other

This category includes:

Programs: primarily package policies, underwriting workers' compensation and umbrella liability business in support of desirable package programs, targeting program managers with unique expertise and niche products offering general liability, commercial automobile, inland marine and property business with minimal catastrophe exposure.

Travel, Accident and Health: specialty travel and accident and related insurance products for individual, group travelers, travel agents and suppliers, as well as accident and health, which provides accident, disability and medical plan insurance coverages for employer groups, medical plan members, students and other participant groups.

Lenders products: collateral protection, debt cancellation and service contract reimbursement products to banks, credit unions, automotive dealerships and original equipment manufacturers and other specialty programs that pertain to automotive lending and leasing.

Of the data included in this category, on an ITD basis through December 31, 2015, the distribution of business by net earned premium and by financial reporting line is: 70% Programs, 16% Lenders products, 11% Travel, Accident and Health and 3% other lines.

On an ITD basis through December 31, 2015, the distribution by net earned premium and by U.S. annual statement line of business is: 21% Commercial Multi-Peril, 16% Other Liability – Occurrence, 16% Commercial Auto – Other Liability, 13% Inland Marine, 12% Credit, 7% Workers' Compensation, and 15% Other Lines.

The lines of business in this category contain a mixture of business considered “short-tail,” “medium-tail,” and “long-tail.” On an ITD basis through December 31, 2015, the distribution by net earned premium is: 28% short-tail, 36% medium-tail, and 36% long-tail business.

Reinsurance Segment

Our reinsurance group data is categorized as described below.

Casualty

Our reinsurance group reinsures third party liability exposures from ceding company clients on a quota share and excess of loss basis. The exposures that it reinsures include professional liability (including, among others, errors and omissions, directors' and officers' and medical malpractice), and other liability (including, among others, excess and umbrella liability, motor third party liability, and workers' compensation). On an ITD basis through December 31, 2015, professional liability has comprised 44% of the net earned premium.

The underlying business is written on either a claims-made or occurrence basis. On an ITD basis through December 31, 2015, 77% of the net earned premium comes from quota shares. However, a significant part of the quota share business consists of proportional shares of excess business (such as umbrella quota shares). On an ITD basis through December 31, 2015, geographical origin of net earned premium is approximately 78% U.S.

The underlying business is approximately split evenly between medium and long-tail business, but some of the medium-tail business is written on a risk attaching basis and the delay in reported business for reinsurance lengthens the development. Overall, this is considered “long-tail” business.

Casualty clash business is included in the “Other Reinsurance” segment and workers' compensation catastrophe business is included in the “Other Specialty” segment.

Property Catastrophe

Our reinsurance group reinsures catastrophic perils for our reinsureds on a treaty basis. Treaties for this type of business provide protection for most catastrophic losses that are

covered in the underlying policies written by our reinsureds. The primary perils in our reinsurance group's portfolio include hurricane, earthquake, flood, tornado, hail and fire. Our reinsurance group may also provide coverage for other perils on a case-by-case basis. Property catastrophe reinsurance provides coverage on an excess of loss basis when aggregate losses and LAE from a single occurrence of a covered peril exceed the retention specified in the contract. The multiple claimant nature of property catastrophe reinsurance requires careful monitoring and control of cumulative aggregate exposure.

This is considered “short-tail” business.

Property Excluding Property Catastrophe

Our reinsurance group's treaty reinsurance operations reinsure individual property risks of a ceding company. Property per risk treaty and quota share reinsurance contracts written by our treaty reinsurance group cover claims from individual insurance policies issued by reinsureds and include both personal lines and commercial property exposures (principally covering buildings, structures, equipment and contents). The primary perils in this business include fire, explosion, collapse, riot, vandalism, wind, tornado, flood and earthquake. Our reinsurance group's property facultative operations focus on commercial property risks on an excess of loss basis.

On an ITD basis through December 31, 2015, 32% of the net earned premium has been written on a per-risk basis, with the remainder being on a quota share basis.

This is considered “short-tail” business.

Marine/Aviation/Space

Our reinsurance group writes marine business, which includes coverages for energy, hull, cargo, specie, liability and transit, and aviation business, which includes coverages for airline and general aviation risks. Business written may also include space business, which includes coverages for satellite assembly, launch and operation for commercial space programs.

Marine: The mix of marine business has changed over time where the older years included a large proportion of marine liability business and the more recent years covered largely offshore energy exposure on a quota share basis.

Aviation: The aviation business includes coverages for airline and general aviation risks. On an ITD basis through December 31, 2015, about 90% of net earned premium is quota share business. Over time, the mix of business has generally shifted away from airline business and more towards general aviation.

Space: Space business remains a very small part of the total for this line of business.

Through 2006, aviation business made up approximately 50% to 60% of this segment, but for underwriting years 2007 – 2015 combined, it has fallen to 17% of the net earned premium.

This is considered “medium-tail” business.

Other Specialty

Our reinsurance group writes other specialty lines, including:

Surety: Pre-2011, this business is mostly U.S. business written on an excess-of-loss basis. On an ITD basis through December 31, 2015, this represents 8% of the overall Other Specialty net earned premium and from April 2012 includes premium in respect of the acquisition of Ariel Re's Credit & Surety reinsurance operations.

Accident and health catastrophe and risk: Written on a quota share and excess of loss basis. On an ITD basis through December 31, 2015, this represents 25% of the overall Other Specialty net earned premium.

Workers' compensation catastrophe: Almost all workers' compensation catastrophe exposure arises from losses that require more than one employee being injured in a workplace accident. On an ITD basis through December 31, 2015, this represents 9% of the overall Other Specialty net earned premium.

U.K. motor: Written on a quota share basis and protected by an excess of loss program for severity claims. On an ITD basis through December 31, 2015, this represents 14% of the overall Other Specialty net earned premium.

Trade credit and political risk: Written on a quota share and excess of loss basis. On an ITD basis through December 31, 2015, this represents 25% of the overall Other Specialty net earned premium and from April 2012 includes premium in respect of the acquisition of Ariel Re's Credit & Surety reinsurance operations.

Terrorism: Mostly written on an excess of loss basis. On an ITD basis through December 31, 2015, this represents 7% of the overall Other Specialty net earned premium.

Multi-peril crop: On an ITD basis through December 31, 2015, this represents 6% of the overall Other Specialty net earned premium.

Non-Standard Auto: On an ITD basis through December 31, 2015, this represents 5% of the overall Other Specialty net earned premium.

The balance of the overall Other Specialty premium comes from a variety of other disparate lines of business. This segment is considered "short-tail" business.

Other Reinsurance

Our reinsurance group also writes the following lines of business, which are aggregated into this class:

Casualty clash business: On an ITD basis through December 31, 2015, this represents 50% of the overall Other Reinsurance net earned premium.

Non-traditional business: In limited instances, we have written treaties providing insurers with risk management solutions that complement traditional reinsurance. On an ITD basis through December 31, 2015, this represents 50% of the overall Other Reinsurance net earned premium.

Through 2005, the majority of the premium in this segment consisted of non-traditional business, where the principal exposures were property catastrophe. From 2006, the premium has largely been casualty clash business. This category contains a mixture of “short-tail” and “long-tail” business.

IV. OVERVIEW OF RESERVING METHODOLOGY

We are required by applicable insurance laws and regulations and GAAP to establish reserves for losses and LAE (“Loss Reserves”) that arise from the business we underwrite. Loss Reserves for our insurance and reinsurance operations are balance sheet liabilities representing estimates of future amounts required to pay losses and LAE for insured or reinsured events which have occurred at or before the balance sheet date. Loss Reserves do not reflect contingency reserve allowances to account for future loss occurrences. Losses arising from future events will be estimated and recognized at the time the losses are incurred and could be substantial.

At December 31, 2015 and 2014, our Loss Reserves, net of unpaid losses and LAE recoverable, by type and by operating segment were as follows (all amounts in \$U.S. thousands, on a net basis):

	December 31,	
	2015	2014
Insurance:		
Case reserves	\$ 1,434,986	\$ 1,459,040
IBNR reserves	3,080,122	3,066,962
Total net reserves	<u>4,515,108</u>	<u>4,526,002</u>
Reinsurance:		
Case reserves	699,860	794,838
Additional case reserves	99,343	97,413
IBNR reserves	1,593,186	1,658,468
Total net reserves	<u>2,392,389</u>	<u>2,550,719</u>
Mortgage:		
Case reserves	86,278	96,092
IBNR reserves	23,211	21,709
Total net reserves	<u>109,489</u>	<u>117,801</u>
Other:		
Case reserves	64,875	12,010
Additional case reserves	5,199	0
IBNR reserves	209,353	51,613
Total net reserves	<u>279,427</u>	<u>63,623</u>
Total:		
Case reserves	2,285,999	2,361,980
Additional case reserves	104,542	97,413
IBNR reserves	4,905,872	4,798,752
Total net reserves	<u>\$ 7,296,413</u>	<u>\$ 7,258,145</u>

The following is a discussion of the Company's reserving methodology for its insurance and reinsurance segments. Additional explanation of the Company's reserving methodology can be found in the Company's most recent Annual Report on Form 10-K and other periodic reports filed with the SEC.

Insurance Segment

The initial reserving method for our insurance operations to date has been, to a large extent, the expected loss method, which is commonly applied when limited loss experience exists. Our insurance operations employ a number of different reserving methods depending on the line of business, the availability of historical loss experience and the stability of that loss experience. Over time, such techniques have been given more weight in the reserving process due to the continuing maturation of the loss experience and the increased availability and credibility of the historical experience. Any estimates and assumptions made as part of the reserving process could prove to be inaccurate due to several factors, including the fact that relatively limited historical information has been reported to our insurance operations through December 31, 2015 in some lines of business. (See below for a discussion of the key assumptions in our insurance operations' reserving process.)

Although Loss Reserves are initially determined based on underwriting and pricing analyses, our insurance operations apply several generally accepted actuarial methods, as discussed below, on a quarterly basis to evaluate their Loss Reserves, in addition to the expected loss method, in particular for Loss Reserves from more mature accident years (the year in which a loss occurred). As noted below, beginning in 2005, our insurance operations began to give a relatively small amount of weight to their own experience following reviews of open claims on lines of business written on a claims-made basis for which they developed a reasonable level of credible data. Each quarter, as part of the reserving process, actuaries at our insurance operations reaffirm that the assumptions used in the reserving process continue to form a sound basis for the projection of liabilities. If actual loss activity differs substantially from expectations based on historical information, an adjustment to Loss Reserves may be supported. Estimated Loss Reserves for more mature accident years are now based more on historical loss activity and patterns than on the initial assumptions based on pricing indications. More recent accident years rely more heavily on internal pricing assumptions. Our insurance operations place more or less reliance on a particular actuarial method based on the facts and circumstances at the time the estimates of Loss Reserves are made. These methods generally fall into one of the following categories or are hybrids of one or more of the following categories:

- *Expected loss methods* – these methods are based on the assumption that ultimate losses vary proportionately with premiums. Expected loss and LAE ratios are typically developed based upon the information derived by underwriters and actuaries during the initial pricing of the business, supplemented by industry data available from organizations, such as statistical bureaus and consulting firms, where appropriate. These ratios consider, among other things, rate increases and changes in terms and conditions that have been observed in the market. Expected loss methods are useful for estimating ultimate losses and LAE in the early years

of long-tailed lines of business, when little or no paid or reported loss information is available, and is commonly applied when limited loss experience exists for a company.

- *Historical reported loss development methods* – these methods assume that the ratio of losses in one period to losses in an earlier period will remain constant in the future. These methods use reported losses (*i.e.*, the sum of cumulative historical loss payments plus outstanding case reserves) over discrete periods of time to estimate future losses. Historical reported loss development methods may be preferable to historical paid loss development methods because they explicitly take into account open cases and the claims adjusters' evaluations of the cost to settle all known claims. However, historical reported loss development methods necessarily assume that case reserving practices are consistently applied over time. Therefore, when there have been significant changes in how case reserves are established, using reported loss data to project ultimate losses may be less reliable than other methods.
- *Historical paid loss development methods* – these methods, like historical reported loss development methods, assume that the ratio of losses in one period to losses in an earlier period will remain constant. These methods use historical loss payments over discrete periods of time to estimate future losses and necessarily assume that factors that have affected paid losses in the past, such as inflation or the effects of litigation, will remain constant in the future. Because historical paid loss development methods do not use reported losses to estimate ultimate losses, they may be more reliable than the other methods that use reported losses in situations where there are significant changes in how reported losses are established by a company's claims adjusters. However, historical paid loss development methods are more leveraged (meaning that small changes in payments have a larger impact on estimates of ultimate losses) than actuarial methods that use reported losses because cumulative loss payments take much longer to equal the expected ultimate losses than cumulative reported amounts. In addition, and for similar reasons, historical paid loss development methods are often slow to react to situations when new or different factors arise than those that have affected paid losses in the past.
- *Adjusted historical paid and reported loss development methods* – these methods take traditional historical paid and reported loss development methods and adjust them for the estimated impact of changes from the past in factors such as inflation, the speed of claim payments or the adequacy of case reserves. Adjusted historical paid and reported loss development methods are often more reliable methods of predicting ultimate losses in periods of significant change, provided the actuaries can develop methods to reasonably quantify the impact of changes. As such, these methods utilize more judgment than historical paid and reported loss development methods.
- *Bornhuetter-Ferguson ("B-F") paid and reported loss methods* – these methods utilize actual paid and reported losses and expected patterns of paid and reported losses, taking the initial expected ultimate losses into account to determine an estimate of expected ultimate losses. The B-F paid and reported loss methods are

useful when there are few reported claims and a relatively less stable pattern of reported losses.

- *Additional analyses* – other methodologies are often used in the reserving process for specific types of claims or events, such as catastrophic or other specific major events. These include vendor catastrophe models, which are typically used in the estimation of Loss Reserves at the early stage of known catastrophic events before information has been reported to an insurer or reinsurer, and analyses of specific industry events, such as large lawsuits or claims.

In the initial reserving process for Property, Energy, Marine and Aviation business, which are primarily short-tail exposures, our insurance operations rely on a combination of the reserving methods discussed above. For catastrophe-exposed business, our insurance operations' reserving process also includes the usage of catastrophe models for known events and a heavy reliance on analysis of individual catastrophic events and management judgment. The development of property losses can be unstable, especially for policies characterized by high severity, low frequency losses. As time passes, for a given accident year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. Our insurance operations make a number of key assumptions in their reserving process, including that historical paid and reported development patterns are stable, catastrophe models provide useful information about our exposure to catastrophic events that have occurred and our underwriters' judgment as to potential loss exposures can be relied on. The expected loss ratios used in the initial reserving process for our insurance operations' property business have varied over time due to changes in pricing, reinsurance structure, estimates of catastrophe losses, policy changes (such as attachment points, class and limits) and geographical distribution. As losses in property lines are reported relatively quickly, expected loss ratios are selected for the current accident year based upon actual attritional loss ratios for earlier accident years, adjusted for rate changes, inflation, changes in reinsurance programs and expected attritional losses based on modeling. Due to the short-tail nature of property business, reported loss experience emerges quickly and ultimate losses are known in a reasonably short period of time.

In the initial reserving process for Third Party Occurrence business, primarily consisting of primary and excess exposures written on an occurrence basis, our insurance operations primarily rely on the expected loss method. The development of our insurance operations' Third Party Occurrence business may be unstable due to its long-tail nature and the occurrence of high severity events, as a portion of our insurance operations' Third Party Occurrence business is in high excess layers. As time passes, for a given accident year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. Our insurance operations make a number of key assumptions in reserving for Third Party Occurrence business, including that the pricing loss ratio is the best estimate of the ultimate loss ratio at the time the policy is entered into, that our insurance operations' loss development patterns, which are based on a combination of company and industry loss development patterns and adjusted to reflect differences in our insurance operations' mix of business, are reasonable and that our insurance operations' claims personnel and underwriters analyses of our exposure to major events

are assumed to be our best estimate of our exposure to the known claims on those events. As noted earlier, due to the long claims reporting and settlement period for this business, additional facts regarding coverages written in prior accident years, as well as about actual claims and trends may become known and, as a result, our insurance operations may be required to adjust their reserves. The expected loss ratios used in the initial reserving process for our insurance operations' Third Party Occurrence business for recent accident years have varied, in some cases significantly, from earlier accident years. As the credibility of historical experience for earlier accident years increases, the experience from these accident years will be given a greater weighting in the actuarial analysis to determine future accident year expected loss ratios, adjusted for changes in pricing, loss trends, terms and conditions and reinsurance structure.

In the initial reserving process for Third Party Claims-Made business, primarily consisting of medium-tail exposures written on a claims-made basis, our insurance operations primarily rely on the expected loss method. As time passes, for a given accident year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. Beginning in 2005, our insurance operations began to give a relatively small amount of weight to their own experience following reviews of open claims, in particular for lines of business written on a claims-made basis for which they developed a reasonable level of credible data. Over the last few years, our insurance operations have increased their reliance on reviews of open claims. In general, the expected loss ratios established for Third Party Claims-Made business for recent accident years vary, in some cases materially, from earlier accident years based on analysis of pricing, loss cost trends and changes in policy coverage. Since this business is written on a claims-made basis and is subject to high severity, low frequency losses, a great deal of uncertainty exists in setting these initial reserves. In addition, only a limited number of years of historical experience is available for use in projecting loss experience using standard actuarial methods. As the credibility of historical experience for earlier accident years increases, the experience from these accident years will be given a greater weighting in the actuarial analysis to determine future accident year expected loss ratios, adjusted for the occurrence or lack of large losses, changes in pricing, loss trends, terms and conditions and reinsurance structure.

In the initial reserving process for All Other business, consisting primarily of property and liability exposures which are primarily written for programs on an occurrence basis, our insurance operations primarily rely on the expected loss method. As time passes, for a given accident year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. The expected loss ratios used in the initial reserving process for our insurance operations' program business have varied over time depending on the type of exposures written (casualty or property) and changes in pricing, loss trends, reinsurance structure and changes in the underlying business. Our insurance operations authorize managing general agents, general agents and other producers to write this program business on their behalf within prescribed underwriting authorities. This delegated authority process introduces additional complexity to the actuarial determination of unpaid future losses and LAE. In order to monitor adherence to the underwriting guidelines given to such parties, our insurance operations periodically perform underwriting and claims due diligence reviews.

Reinsurance Segment

Loss Reserves for our reinsurance operations are comprised of (1) Case Reserves for claims reported, (2) Additional Case Reserves (“ACRs”) and (3) IBNR reserves. Our reinsurance operations receive reports of claims notices from ceding companies and record Case Reserves based upon the amount of reserves recommended by the ceding company. Case Reserves on known events may be supplemented by ACRs, which are often estimated by our reinsurance operations’ claims personnel ahead of official notification from the ceding company, or when our reinsurance operations’ judgment regarding the size or severity of the known event differs from the ceding company. In certain instances, our reinsurance operations establish ACRs even when the ceding company does not report any liability on a known event. In addition, specific claim information reported by ceding companies or obtained through claim audits can alert our reinsurance operations to emerging trends such as changing legal interpretations of coverage and liability, claims from unexpected sources or classes of business, and significant changes in the frequency or severity of individual claims. Such information is often used in the process of estimating IBNR reserves.

The estimation of Loss Reserves for our reinsurance operations is subject to the same risk factors as the estimation of Loss Reserves for our insurance operations. In addition, the inherent uncertainties of estimating such reserves are even greater for reinsurers, due primarily to the following factors: (1) the claim-tail for reinsurers is generally longer because claims are first reported to the ceding company and then to the reinsurer through one or more intermediaries, (2) the reliance on premium estimates, where reports have not been received from the ceding company, in the reserving process, (3) the potential for writing a number of reinsurance contracts with different ceding companies with the same exposure to a single loss event, (4) the diversity of loss development patterns among different types of reinsurance contracts, (5) the necessary reliance on the ceding companies for information regarding reported claims and (6) the differing reserving practices among ceding companies.

As with our insurance operations, the process of estimating Loss Reserves for our reinsurance operations involves a considerable degree of judgment by management and, as of any given date, is inherently uncertain. As discussed above, such uncertainty is greater for reinsurers compared to insurers. As a result, our reinsurance operations obtain information from numerous sources to assist in the process. Pricing actuaries from our reinsurance operations devote considerable effort to understanding and analyzing a ceding company’s operations and loss history during the underwriting of the business, using a combination of ceding company and industry statistics. Such statistics normally include historical premium and loss data by class of business, individual claim information for larger claims, distributions of insurance limits provided, loss reporting and payment patterns, and rate change history. This analysis is used to project expected loss ratios for each treaty during the upcoming contract period.

As mentioned above, there can be a considerable time lag from the time a claim is reported to a ceding company to the time it is reported to the reinsurer. The lag can be several years in some cases and may be attributed to a number of reasons, including the time it takes to investigate a claim, delays associated with the litigation process, the deterioration in a claimant’s physical condition many years after an accident occurs, the

case reserving approach of the ceding company, etc. In the reserving process, our reinsurance operations assume that such lags are predictable, on average, over time and therefore the lags are contemplated in the loss reporting patterns used in their actuarial methods. This means that our reinsurance operations must rely on estimates for a longer period of time than does an insurance company.

Any estimates and assumptions made as part of the reserving process could prove to be inaccurate due to several factors, including the fact that relatively limited historical information has been reported to our reinsurance operations through December 31, 2015 in some lines of business. See below for a discussion of the key assumptions in our reinsurance operations' reserving process.

Although Loss Reserves are initially determined based on underwriting and pricing analysis, our reinsurance operations apply several generally accepted actuarial methods, as discussed above, on a quarterly basis to evaluate their Loss Reserves in addition to the expected loss method, in particular for Loss Reserves from more mature underwriting years (the year in which business is underwritten). Each quarter, as part of the reserving process, actuaries at our reinsurance operations reaffirm that the assumptions used in the reserving process continue to form a sound basis for projection of liabilities. If actual loss activity differs substantially from expectations based on historical information, an adjustment to Loss Reserves may be supported. Estimated Loss Reserves for more mature underwriting years are now based more on actual loss activity and historical patterns than on the initial assumptions based on pricing indications. More recent underwriting years rely more heavily on internal pricing assumptions. Our reinsurance operations place more or less reliance on a particular actuarial method based on the facts and circumstances at the time the estimates of Loss Reserves are made.

In the initial reserving process for medium-tail and long-tail lines, consisting of Casualty, the Workers' Compensation Catastrophe part of Other Specialty, Marine and Aviation and some exposures within Other Reinsurance, our reinsurance operations primarily rely on the expected loss method. The development of medium-tail and long-tail business may be unstable, especially if there are high severity major events, with business written on an excess of loss basis typically having a longer tail than business written on a quota share basis. As time passes, for a given underwriting year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. Our reinsurance operations make a number of key assumptions in reserving for medium-tail and long-tail lines, including that the pricing loss ratio is the best estimate of the ultimate loss ratio at the time the contract is entered into, historical paid and reported development patterns are stable and our reinsurance operations' claims personnel and underwriters analyses of our exposure to major events are assumed to be our best estimate of our exposure to the known claims on those events. The expected loss ratios used in our reinsurance operations' initial reserving process for medium-tail and long-tail contracts have varied over time due to changes in pricing, terms and conditions and reinsurance structure. As the credibility of historical experience for earlier underwriting years increases, the experience from these underwriting years will be used in the actuarial analysis to determine future underwriting year expected loss ratios, adjusted for changes in pricing, loss trends, terms and conditions and reinsurance structure.

In the initial reserving process for short-tail lines, consisting of Property Excluding Property Catastrophe, Property Catastrophe, Other Specialty excluding Workers' Compensation Catastrophe and some exposures within Other Reinsurance, our reinsurance operations rely on a combination of the reserving methods discussed above. For known catastrophic events, our reinsurance operations' reserving process also includes the usage of catastrophe models and a heavy reliance on analysis which includes ceding company inquiries and management judgment. The development of property losses may be unstable, especially where there is high catastrophic exposure, may be characterized by high severity, low frequency losses for excess and catastrophe-exposed business and may be highly correlated across contracts. As time passes, for a given underwriting year, additional weight is given to the paid and reported B-F loss development methods and historical paid and reported loss development methods in the reserving process. Our reinsurance operations make a number of key assumptions in reserving for short-tail lines, including that historical paid and reported development patterns are stable, catastrophe models provide useful information about our exposure to catastrophic events that have occurred and our underwriters' judgment and guidance received from ceding companies as to potential loss exposures may be relied on. The expected loss ratios used in the initial reserving process for our reinsurance operations' property exposures have varied over time due to changes in pricing, reinsurance structure, estimates of catastrophe losses, terms and conditions and geographical distribution. As losses in property lines are reported relatively quickly, expected loss ratios are selected for the current underwriting year incorporating the experience for earlier underwriting years, adjusted for rate changes, inflation, changes in reinsurance programs, expectations about present and future market conditions and expected attritional losses based on modeling. Due to the short-tail nature of property business, reported loss experience emerges quickly and ultimate losses are known in a reasonably short period of time.

V. RECONCILIATIONS

i) Reconciliation of Unpaid Losses

The following table reconciles the reserves for loss and LAE as of December 31, 2015 as reported in the Arch consolidated financial statements in accordance with GAAP to the reserves for loss and ALAE published in the triangles (all amounts in \$U.S. thousands, on a net basis).

Consolidated Net Unpaid Losses and ALAE per December 31, 2015 GLTs	\$ 6,300,443
ULAE Reserves	144,650
Excluded Business and Other Adjustments:	
Mortgage (re)insurance	109,489
Life reinsurance	12,816
Surety Insurance	87,635
Certain United Kingdom Insurance	283,919
Certain Denmark Reinsurance	2,367
Gulf Reinsurance Ltd.	70,471
Watford Re Ltd. ("Other" segment in SEC disclosures)	279,399
Other Adjustments	5,223
Net Reserves for Losses and LAE per December 31, 2015 Consolidated Financial Statements	7,296,413

ii) Reconciliation to Prior Triangles

The following tables reconcile the paid and reported loss and loss expenses published in the 2014 GLT Report with the amounts published in this report. As described in Section II of this report, fluctuations in currency exchange rates can cause material shifts in loss development. To eliminate such distortions, data in the exhibits has been restated using the year-end rate of exchange to USD. In addition, business commuted during 2015 has been excluded from the 2015 GLT Report. No other adjustments have been made to the prior data.

INSURANCE – CONSOLIDATED TOTAL

Data as of 12/31/2014 in \$U.S. thousands

	<u>Accident</u> <u>Year</u>	<u>2014 GLT</u>	<u>Currency</u> <u>Adjustment</u>	<u>2015 GLT</u>
Paid Loss & ALAE	2002	81,481	0	81,481
	2003	462,751	0	462,751
	2004	690,754	-81	690,672
	2005	771,525	-893	770,632
	2006	644,815	-1,626	643,189
	2007	771,787	-2,530	769,256
	2008	830,015	-4,840	825,175
	2009	699,089	-4,961	694,128
	2010	568,724	-2,781	565,658
	2011	588,724	-4,362	584,362
	2012	537,997	-7,813	530,184
	2013	388,070	-3,405	384,664
	2014	179,713	-571	179,142

Reported Loss & ALAE	2002	85,442	0	85,442
	2003	496,170	0	496,170
	2004	715,929	-81	715,848
	2005	794,741	-451	794,290
	2006	689,784	-3	689,781
	2007	823,107	-2,111	820,996
	2008	932,745	-3,913	928,832
	2009	792,073	-2,417	789,657
	2010	670,650	-1,508	669,142
	2011	750,525	-2,623	747,902
	2012	744,271	-3,978	740,293
	2013	585,447	-2,379	583,068
	2014	364,365	-1,357	363,008

REINSURANCE – CONSOLIDATED TOTAL

Data as of 12/31/2014 in \$U.S. thousands

	<u>U/W</u> <u>Year</u>	<u>2014 GLT</u>	<u>Currency</u> <u>Adjustment</u>	<u>Additional</u> <u>Commuta-</u> <u>tions</u>	<u>2015 GLT</u>
Paid Loss & ALAE	2002	463,135	-7,823	6,687	461,999
	2003	456,374	-9,433	-265	446,676
	2004	607,875	-13,101	0	594,774
	2005	554,254	-8,674	0	545,580
	2006	411,228	-5,198	69,410	475,440
	2007	376,352	-7,056	60,775	430,071
	2008	626,260	-7,608	0	618,652
	2009	255,971	-3,867	0	252,104
	2010	317,063	-14,610	0	302,454
	2011	360,100	-12,290	-16,030	331,780
	2012	322,293	-10,793	-6,007	305,493
	2013	181,226	-8,014	0	173,212
	2014	53,574	-1,172	0	52,402

Reported Loss & ALAE	2002	493,196	-7,886	6,687	491,997
	2003	477,353	-9,599	-265	467,489
	2004	671,729	-15,661	0	656,068
	2005	585,391	-9,678	0	575,713
	2006	447,429	-6,407	70,199	511,221
	2007	430,481	-9,165	61,696	483,013
	2008	698,976	-10,585	0	688,391
	2009	315,457	-6,675	0	308,781
	2010	370,687	-17,848	0	352,839
	2011	444,643	-15,674	-18,121	410,847
	2012	430,950	-14,531	-9,304	407,115
	2013	304,606	-13,448	0	291,158
	2014	177,902	-5,451	0	172,450

iii) Reconciliation of Triangle Classes to Reported Lines of Business

The following tables map triangle classes in this report to the lines of business categories which are included in our most recent Annual Report on Form 10-K and Quarterly Report on Form 10-Q.

Insurance Segment

SEC Lines of Business	Triangle Classes			
	Property, Energy, Marine and Aviation	Third Party Occurrence Business	Third Party Claims-Made Business	All Other
Construction and National Accounts		X		
Excess and Surplus Casualty	X	X		
Lenders				X
Professional Lines			X	
Programs				X
Property, Energy, Marine and Aviation	X			
Travel, Accident and Health				X
Other		X		

Reinsurance Segment

SEC Lines of Business	Triangle Classes					
	Casualty	Property Catastrophe	Other Property	Marine/Aviation/Space	Other Specialty	Other Reinsurance
Casualty	X					
Marine and Aviation				X		
Other Specialty					X	
Property Catastrophe		X				
Property excl. Property Catastrophe			X			
Other						X

ACGL GLOBAL LOSS TRIANGLES
 Development Triangles - Net Basis
 Data as of 12/31/2015 in \$US thousands

INSURANCE - CONSOLIDATED TOTAL

ACCIDENT YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	3,928	7,977	28,872	36,561	49,443	60,198	62,874	65,681	72,776	75,237	77,820	80,482	81,481	84,114
2003	57,000	131,028	186,778	239,308	289,618	328,593	352,055	396,379	420,320	434,769	442,720	462,751	473,980	
2004	89,075	229,881	328,012	414,482	474,967	553,808	595,052	640,939	659,554	675,847	690,672	704,393		
2005	82,270	321,733	415,674	516,464	588,722	635,450	686,317	717,991	745,253	770,632	786,328			
2006	93,138	226,940	346,706	451,051	507,177	566,790	596,309	622,071	643,189	680,310				
2007	107,464	278,352	432,671	525,548	597,259	689,439	740,277	769,250	792,432					
2008	131,169	319,206	472,407	593,524	701,994	775,791	825,182	872,045						
2009	118,373	303,502	428,194	523,488	621,596	694,128	756,309							
2010	107,207	261,075	374,616	482,082	565,658	606,043								
2011	121,409	313,892	455,290	584,362	702,311									
2012	125,957	368,095	530,184	652,271										
2013	162,654	384,664	538,782											
2014	179,142	428,663												
2015	216,538													

Reported Loss & ALAE	12	24	36	48	60	72	84	96	108	120	132	144	156	168
	2002	9,300	16,849	42,867	50,865	60,236	69,231	71,912	73,342	79,391	81,849	84,763	84,875	85,442
2003	118,988	210,986	276,678	325,911	355,371	383,276	407,879	455,236	466,391	478,733	485,212	496,170	505,015	
2004	212,346	364,371	457,848	522,575	569,368	609,747	648,967	675,540	690,236	700,611	715,848	723,407		
2005	239,317	534,086	573,822	640,382	672,321	726,028	752,392	776,738	784,207	794,290	804,987			
2006	235,523	393,926	487,523	558,068	599,002	635,880	647,298	680,287	689,781	701,999				
2007	253,324	477,970	598,616	675,200	728,595	780,316	800,433	820,990	849,106					
2008	371,908	609,909	708,943	770,406	829,751	887,394	928,839	964,418						
2009	302,374	506,829	595,249	666,166	734,341	789,657	825,614							
2010	237,420	450,996	543,013	618,819	669,142	699,391								
2011	312,087	544,739	648,583	747,902	815,467									
2012	303,941	591,655	740,293	814,503										
2013	313,277	583,068	713,113											
2014	363,008	660,112												
2015	372,902													

INSURANCE - CONSOLIDATED TOTAL

GROSS	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	701,014	351,881	183,598	188,900				
	2003	1,628,575	1,260,284	641,204	690,835				
	2004	1,943,723	1,852,833	1,004,639	1,026,533				
	2005	2,118,193	2,095,634	1,742,370	1,768,859				
	2006	2,336,631	2,302,131	1,001,352	1,029,656				
	2007	2,378,822	2,428,893	1,153,489	1,241,087				
	2008	2,194,103	2,258,454	1,338,191	1,462,792				
	2009	2,249,874	2,262,555	1,017,911	1,114,902				
	2010	2,130,441	2,170,292	913,577	1,045,450				
	2011	2,162,616	2,135,769	1,005,125	1,149,430				
	2012	2,322,177	2,261,236	966,297	1,216,785				
	2013	2,539,340	2,382,461	701,822	927,444				
	2014	2,847,169	2,600,266	555,038	876,189				
	2015	2,759,969	2,626,822	273,514	507,203				
	All Years	30,312,648	28,989,510	12,498,128	14,246,066	4,015,154	559,320	18,820,534	64.9%

CEDED	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	354,328	232,591	99,484	101,215				
	2003	507,026	410,346	167,225	185,820				
	2004	634,507	572,223	300,246	303,126				
	2005	773,889	810,422	956,042	963,873				
	2006	876,482	860,471	321,042	327,657				
	2007	862,495	888,743	361,056	391,981				
	2008	771,329	802,374	466,145	498,374				
	2009	791,173	775,234	261,602	289,288				
	2010	724,665	731,166	307,534	346,059				
	2011	673,921	688,796	302,814	333,963				
	2012	745,555	728,485	314,027	402,282				
	2013	725,649	703,314	163,040	214,331				
	2014	828,199	743,137	126,376	216,076				
	2015	832,802	771,070	56,976	134,301				
	All Years	10,102,020	9,718,372	4,203,611	4,708,346	1,269,397	18,675	5,996,419	61.7%

NET	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	346,686	119,289	84,114	87,685				
	2003	1,121,550	849,939	473,980	505,015				
	2004	1,309,216	1,280,610	704,393	723,407				
	2005	1,344,304	1,285,212	786,328	804,987				
	2006	1,460,149	1,441,660	680,310	701,999				
	2007	1,516,327	1,540,149	792,432	849,106				
	2008	1,422,774	1,456,081	872,045	964,418				
	2009	1,458,701	1,487,321	756,309	825,614				
	2010	1,405,776	1,439,126	606,043	699,391				
	2011	1,488,695	1,446,973	702,311	815,467				
	2012	1,576,622	1,532,751	652,271	814,503				
	2013	1,813,692	1,679,146	538,782	713,113				
	2014	2,018,970	1,857,129	428,663	660,112				
	2015	1,927,167	1,855,752	216,538	372,902				
	All Years	20,210,628	19,271,138	8,294,517	9,537,719	2,745,757	540,644	12,824,121	66.5%

ACCIDENT YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	9	754	1,113	1,114	1,112	1,112	1,112	1,114	1,115	1,114	1,114	1,114	1,114	1,114
2003	4,229	7,500	13,640	15,298	16,115	16,893	17,081	17,759	18,320	18,325	18,563	18,574	18,573	
2004	13,495	66,376	100,699	108,920	112,822	114,618	115,911	117,048	116,090	116,685	116,630	116,679		
2005	21,273	178,864	204,813	229,463	248,067	248,602	249,506	250,673	247,204	244,894	244,745			
2006	22,578	74,567	103,492	124,824	137,495	142,930	142,844	140,952	141,765	142,786				
2007	42,330	104,709	155,295	168,217	174,472	190,531	189,908	193,877	197,494					
2008	50,426	127,455	188,712	212,509	240,558	243,089	244,920	248,033						
2009	39,970	121,459	147,118	154,473	163,431	172,003	179,391							
2010	30,327	69,336	84,369	102,712	110,745	117,456								
2011	34,122	93,577	135,046	163,730	188,496									
2012	21,385	96,742	138,229	164,002										
2013	35,591	85,888	106,210											
2014	23,065	66,607												
2015	29,918													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	1,181	1,326	1,129	1,114	1,112	1,112	1,112	1,114	1,115	1,114	1,114	1,114	1,114	1,114
2003	12,120	17,222	19,291	18,339	18,338	17,926	18,041	19,102	18,722	18,634	18,646	18,663	18,646	
2004	72,186	104,491	119,654	119,604	118,566	118,866	119,574	119,369	117,357	117,034	116,871	116,988		
2005	115,119	303,165	257,638	259,071	256,494	254,125	253,618	251,728	247,420	245,007	244,835			
2006	102,966	148,440	148,403	152,358	154,221	152,791	144,977	142,680	143,133	143,283				
2007	120,127	188,164	197,047	196,296	193,985	194,590	195,312	197,529	199,910					
2008	209,136	262,202	255,722	254,730	256,630	255,551	253,250	253,598						
2009	138,428	189,827	187,276	182,348	181,177	184,532	185,671							
2010	85,021	133,192	125,727	125,165	126,295	129,180								
2011	137,921	199,746	190,611	199,038	207,004									
2012	107,894	201,041	207,127	211,891										
2013	82,667	119,342	122,072											
2014	87,018	112,196												
2015	77,101													

INSURANCE - PROPERTY, ENERGY, MARINE AND AVIATION

GROSS	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	70,809	23,606	4,257	4,257				
	2003	208,821	151,090	27,837	27,910				
	2004	337,516	280,845	215,297	215,615				
	2005	454,861	441,300	902,974	903,112				
	2006	703,326	644,414	236,595	237,133				
	2007	747,397	763,941	341,850	344,960				
	2008	709,811	718,517	444,271	451,357				
	2009	725,132	713,970	278,720	289,132				
	2010	643,248	669,694	210,560	228,879				
	2011	598,467	592,536	300,407	321,869				
	2012	591,269	592,403	302,180	388,665				
	2013	554,178	560,415	164,097	185,060				
	2014	460,868	474,193	110,405	174,090				
	2015	415,568	420,214	51,528	130,156				
	All Years	7,221,272	7,047,137	3,590,978	3,902,194	233,421	44,542	4,180,158	59.3%

CEDED	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	20,037	6,968	3,142	3,142				
	2003	87,429	65,891	9,264	9,264				
	2004	159,647	125,282	98,618	98,627				
	2005	231,709	249,170	658,229	658,277				
	2006	391,152	360,160	93,808	93,850				
	2007	433,981	441,688	144,356	145,050				
	2008	393,328	401,337	196,237	197,758				
	2009	406,444	389,146	99,329	103,461				
	2010	334,356	335,073	93,104	99,699				
	2011	262,392	270,425	111,911	114,865				
	2012	287,128	281,858	138,178	176,774				
	2013	258,498	258,595	57,887	62,988				
	2014	211,993	231,418	43,798	61,893				
	2015	191,725	192,932	21,610	53,054				
	All Years	3,669,818	3,609,944	1,769,472	1,878,702	112,934	0	1,991,636	55.2%

NET	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	50,772	16,638	1,114	1,114				
	2003	121,393	85,199	18,573	18,646				
	2004	177,869	155,562	116,679	116,988				
	2005	223,152	192,129	244,745	244,835				
	2006	312,175	284,254	142,786	143,283				
	2007	313,416	322,252	197,494	199,910				
	2008	316,483	317,180	248,033	253,598				
	2009	318,688	324,824	179,391	185,671				
	2010	308,892	334,622	117,456	129,180				
	2011	336,076	322,112	188,496	207,004				
	2012	304,141	310,544	164,002	211,891				
	2013	295,680	301,820	106,210	122,072				
	2014	248,875	242,774	66,607	112,196				
	2015	223,843	227,281	29,918	77,101				
	All Years	3,551,454	3,437,193	1,821,506	2,023,492	120,487	44,542	2,188,521	63.7%

ACCIDENT YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	502	1,941	5,371	8,170	16,868	22,747	25,289	26,342	29,797	30,165	30,447	30,521	31,087	31,452
2003	4,078	18,490	33,259	58,214	82,748	102,258	118,176	139,003	155,265	161,737	166,543	173,886	178,963	
2004	4,582	16,089	32,630	65,344	97,729	144,513	172,666	194,411	207,055	220,995	232,497	243,339		
2005	5,760	19,996	42,862	81,975	120,759	143,662	172,693	190,289	207,239	229,499	243,047			
2006	7,669	22,790	44,097	71,324	95,644	122,513	142,702	157,053	167,880	191,870				
2007	6,235	29,310	57,956	92,289	128,024	168,436	197,394	209,402	222,987					
2008	6,251	21,646	50,034	85,681	119,539	164,989	190,677	204,433						
2009	5,684	21,666	46,941	82,628	122,572	153,388	171,403							
2010	6,768	27,000	52,430	83,834	120,172	139,710								
2011	6,315	25,272	46,577	82,192	126,436									
2012	7,182	32,471	63,290	89,897										
2013	7,280	32,119	78,575											
2014	10,937	49,368												
2015	13,243													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	1,146	5,377	10,145	16,816	23,800	27,489	31,335	30,720	31,398	31,663	31,773	31,429	31,933	32,081
2003	13,158	33,969	67,510	93,801	111,766	126,637	142,120	163,475	171,745	175,500	177,356	182,753	189,187	
2004	11,392	37,042	67,462	108,475	144,442	173,386	196,630	216,068	228,136	237,800	249,273	254,493		
2005	20,026	59,268	96,401	135,947	167,408	188,274	204,391	226,068	238,353	247,124	257,164			
2006	21,307	52,047	82,202	112,187	131,008	151,432	164,005	176,406	184,795	204,001				
2007	21,856	72,589	110,969	152,171	183,258	219,115	234,456	245,022	263,083					
2008	32,726	69,203	115,825	149,499	183,700	216,843	236,103	248,065						
2009	21,065	53,631	92,238	135,784	171,727	193,208	203,380							
2010	20,608	64,113	103,344	136,493	169,819	192,336								
2011	22,763	61,981	107,118	151,830	183,982									
2012	26,890	69,071	112,727	139,266										
2013	28,871	86,183	127,557											
2014	36,513	97,380												
2015	40,392													

INSURANCE - THIRD PARTY OCCURRENCE BUSINESS

GROSS	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	177,976	53,032	48,310	48,970				
	2003	525,227	383,966	273,764	287,602				
	2004	637,855	593,930	373,753	385,470				
	2005	637,283	647,626	390,289	410,682				
	2006	601,927	629,717	281,943	295,517				
	2007	623,444	622,423	339,421	396,963				
	2008	552,980	594,508	343,664	388,630				
	2009	555,265	574,219	264,118	301,857				
	2010	540,839	536,444	309,613	380,124				
	2011	607,725	585,211	267,174	344,892				
	2012	632,472	631,110	208,984	291,108				
	2013	730,221	662,517	148,999	229,529				
	2014	954,089	860,531	112,338	204,153				
	2015	1,002,045	979,434	41,260	106,040				
	All Years	8,779,348	8,354,667	3,403,629	4,071,537	2,028,610	224,719	6,324,867	75.7%

CEDED	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	78,514	25,637	16,858	16,890				
	2003	184,218	153,457	94,801	98,415				
	2004	225,850	210,727	130,414	130,977				
	2005	219,949	223,605	147,242	153,518				
	2006	210,435	218,879	90,074	91,516				
	2007	198,256	205,525	116,434	133,881				
	2008	185,392	191,778	139,231	140,565				
	2009	184,716	187,044	92,714	98,476				
	2010	207,233	197,221	169,903	187,789				
	2011	240,083	230,050	140,738	160,910				
	2012	259,323	256,138	119,087	151,842				
	2013	237,719	232,372	70,424	101,972				
	2014	341,043	301,008	62,970	106,773				
	2015	380,719	364,376	28,018	65,648				
	All Years	3,153,449	2,997,817	1,418,907	1,639,172	642,277	15,690	2,297,138	76.6%

NET	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	99,462	27,395	31,452	32,081				
	2003	341,009	230,508	178,963	189,187				
	2004	412,006	383,202	243,339	254,493				
	2005	417,334	424,021	243,047	257,164				
	2006	391,492	410,838	191,870	204,001				
	2007	425,188	416,898	222,987	263,083				
	2008	367,587	402,730	204,433	248,065				
	2009	370,549	387,175	171,403	203,380				
	2010	333,606	339,223	139,710	192,336				
	2011	367,641	355,161	126,436	183,982				
	2012	373,149	374,972	89,897	139,266				
	2013	492,502	430,146	78,575	127,557				
	2014	613,047	559,523	49,368	97,380				
	2015	621,326	615,058	13,243	40,392				
	All Years	5,625,899	5,356,851	1,984,722	2,432,366	1,386,334	209,028	4,027,728	75.2%

ACCIDENT YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	2	297	618	1,110	1,195	1,210	1,201	2,734	2,647	2,691	2,813	2,897	2,961	3,066
2003	1,074	6,761	9,523	11,930	16,886	20,290	24,445	28,709	30,604	30,960	31,541	32,050	32,075	
2004	6,777	24,740	45,354	65,392	74,975	91,294	98,856	116,884	119,148	120,263	120,244	120,316		
2005	671	28,353	52,894	68,166	76,159	84,225	98,205	108,746	121,611	125,119	125,558			
2006	6,306	39,528	89,360	131,036	146,806	167,011	174,635	178,965	187,981	197,266				
2007	7,075	43,782	90,531	118,705	137,714	165,572	183,147	189,855	192,003					
2008	13,881	54,715	102,334	137,902	164,215	186,610	197,443	224,027						
2009	7,373	39,650	76,451	107,579	142,908	155,899	184,659							
2010	9,614	52,124	91,571	115,933	134,041	140,125								
2011	10,202	52,536	97,352	122,668	147,445									
2012	11,557	45,852	78,556	111,249										
2013	12,734	61,667	95,160											
2014	10,746	52,352												
2015	5,917													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	80	638	3,563	1,572	1,303	2,867	3,094	5,406	5,355	5,355	5,540	3,010	3,010	3,482
2003	7,861	18,791	23,366	30,305	33,607	37,591	47,195	49,756	50,190	50,552	51,413	44,577	42,970	
2004	28,035	58,547	82,982	95,830	97,678	106,654	118,950	122,654	123,921	123,951	123,835	123,890		
2005	24,942	53,153	79,351	86,096	86,816	113,851	122,318	125,821	125,600	127,186	126,581			
2006	31,435	79,307	123,641	151,939	175,528	191,178	195,315	211,607	212,192	204,212				
2007	32,299	77,763	128,611	161,004	181,113	193,031	196,112	198,785	203,244					
2008	41,599	124,917	165,404	179,609	195,002	220,029	237,193	258,538						
2009	33,542	89,213	118,246	140,316	169,661	186,357	208,331							
2010	40,178	97,284	128,557	148,008	151,489	156,092								
2011	38,401	91,297	124,426	145,380	162,959									
2012	35,852	70,482	122,448	142,997										
2013	44,405	102,457	137,927											
2014	38,700	102,591												
2015	28,061													

INSURANCE - THIRD PARTY CLAIMS-MADE BUSINESS

GROSS	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	136,024	43,746	3,759	4,174				
	2003	433,612	314,217	45,335	64,523				
	2004	548,350	527,561	153,530	157,660				
	2005	588,115	561,332	195,735	197,035				
	2006	626,154	616,206	288,546	300,142				
	2007	586,776	599,715	277,062	300,756				
	2008	527,090	542,127	343,648	407,311				
	2009	539,588	540,761	250,244	291,666				
	2010	494,204	516,833	182,669	212,669				
	2011	466,412	487,656	195,885	219,299				
	2012	521,826	505,211	156,883	204,703				
	2013	569,477	539,009	118,660	175,278				
	2014	597,307	555,707	61,939	137,350				
	2015	600,985	559,507	7,590	36,632				
	All Years	7,235,918	6,909,587	2,281,486	2,709,198	1,218,687	144,593	4,072,477	58.9%

CEDED	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	42,484	14,379	693	693				
	2003	175,569	117,998	13,260	21,553				
	2004	193,517	187,132	33,214	33,769				
	2005	204,749	202,930	70,177	70,455				
	2006	191,691	188,311	91,280	95,930				
	2007	189,964	190,742	85,059	97,512				
	2008	174,642	181,512	119,621	148,772				
	2009	192,026	187,970	65,585	83,335				
	2010	173,415	189,264	42,544	56,577				
	2011	157,408	175,164	48,440	56,340				
	2012	172,204	168,821	45,634	61,705				
	2013	183,822	173,314	23,500	37,351				
	2014	191,557	172,243	9,587	34,759				
	2015	202,737	184,679	1,673	8,570				
	All Years	2,445,785	2,334,459	650,267	807,321	477,030	0	1,284,351	55.0%

NET	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	93,540	29,368	3,066	3,482				
	2003	258,043	196,219	32,075	42,970				
	2004	354,833	340,429	120,316	123,890				
	2005	383,367	358,401	125,558	126,581				
	2006	434,463	427,895	197,266	204,212				
	2007	396,812	408,973	192,003	203,244				
	2008	352,448	360,615	224,027	258,538				
	2009	347,561	352,792	184,659	208,331				
	2010	320,788	327,569	140,125	156,092				
	2011	309,003	312,491	147,445	162,959				
	2012	349,622	336,390	111,249	142,997				
	2013	385,654	365,695	95,160	137,927				
	2014	405,750	383,463	52,352	102,591				
	2015	398,248	374,829	5,917	28,061				
	All Years	4,790,133	4,575,129	1,631,218	1,901,877	741,657	144,593	2,788,126	60.9%

ACCIDENT YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	3,415	4,985	21,770	26,167	30,267	35,129	35,271	35,492	39,218	41,267	43,445	45,949	46,318	48,481
2003	47,619	98,277	130,356	153,866	173,869	189,152	192,352	210,908	216,131	223,748	226,072	238,241	244,368	
2004	64,221	122,675	149,329	174,826	189,441	203,383	207,618	212,595	217,260	217,904	221,300	224,059		
2005	54,565	94,520	115,106	136,860	143,737	158,961	165,913	168,284	169,200	171,120	172,978			
2006	56,586	90,056	109,757	123,867	127,232	134,335	136,127	145,100	145,562	148,388				
2007	51,824	100,550	128,890	146,337	157,049	164,900	169,828	176,116	179,949					
2008	60,611	115,391	131,327	157,431	177,682	181,103	192,142	195,551						
2009	65,346	120,726	157,684	178,808	192,686	212,837	220,855							
2010	60,498	112,616	146,245	179,603	200,700	208,752								
2011	70,769	142,507	176,315	215,771	239,934									
2012	85,832	193,030	250,109	287,123										
2013	107,050	204,990	258,837											
2014	134,394	260,336												
2015	167,460													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	6,893	9,507	28,030	31,364	34,021	37,764	36,371	36,102	41,523	43,717	46,335	49,321	49,384	51,009
2003	85,848	141,004	166,510	183,466	191,661	201,123	200,524	222,903	225,735	234,046	237,797	250,177	254,212	
2004	100,733	164,291	187,750	198,666	208,683	210,841	213,813	217,449	220,821	221,827	225,869	228,036		
2005	79,231	118,500	140,432	159,268	161,604	169,777	172,065	173,121	172,834	174,973	176,406			
2006	79,815	114,132	133,277	141,584	138,245	140,478	143,001	149,593	149,661	150,502				
2007	79,041	139,453	161,989	165,730	170,239	173,580	174,553	179,653	182,869					
2008	88,447	153,586	171,991	186,568	194,419	194,971	202,293	204,217						
2009	109,339	174,158	197,488	207,717	211,776	225,560	228,231							
2010	91,612	156,406	185,385	209,152	221,539	221,783								
2011	113,002	191,715	226,428	251,653	261,522									
2012	133,305	251,061	297,992	320,348										
2013	157,334	275,086	325,557											
2014	200,777	347,945												
2015	227,347													

INSURANCE - ALL OTHER

GROSS	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	316,205	231,496	127,272	131,498				
	2003	460,915	411,012	294,268	310,799				
	2004	420,002	450,498	262,060	267,789				
	2005	437,934	445,376	253,372	258,030				
	2006	405,223	411,794	194,268	196,864				
	2007	421,206	442,814	195,155	198,408				
	2008	404,223	403,302	206,608	215,496				
	2009	429,889	433,604	224,829	232,247				
	2010	452,150	447,321	210,734	223,777				
	2011	490,013	470,367	241,659	263,370				
	2012	576,610	532,512	298,251	332,308				
	2013	685,465	620,519	270,067	337,577				
	2014	834,905	709,835	270,356	360,596				
	2015	741,371	667,667	173,135	234,376				
	All Years	7,076,110	6,678,117	3,222,035	3,563,137	534,436	145,466	4,243,032	63.5%

CEDED	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	213,293	185,607	78,791	80,490				
	2003	59,810	73,000	49,900	56,587				
	2004	55,494	49,082	38,001	39,753				
	2005	117,483	134,717	80,394	81,623				
	2006	83,204	93,120	45,880	46,362				
	2007	40,294	50,788	15,207	15,539				
	2008	17,967	27,747	11,056	11,279				
	2009	7,986	11,075	3,974	4,016				
	2010	9,661	9,609	1,982	1,995				
	2011	14,038	13,157	1,725	1,849				
	2012	26,900	21,667	11,128	11,960				
	2013	45,609	39,034	11,230	12,020				
	2014	83,606	38,467	10,020	12,651				
	2015	57,621	29,083	5,676	7,029				
	All Years	832,968	776,153	364,964	383,152	37,156	2,985	423,293	54.5%

NET	Accident Year	Written Premium	Earned Premium	Paid Loss & ALAE	Reported Loss & ALAE	IBNR Loss & ALAE	Ultimate ULAE	Ultimate Loss & LAE	Ultimate Loss & LAE %
	2002	102,912	45,889	48,481	51,009				
	2003	401,105	338,012	244,368	254,212				
	2004	364,508	401,416	224,059	228,036				
	2005	320,451	310,660	172,978	176,406				
	2006	322,019	318,674	148,388	150,502				
	2007	380,911	392,026	179,949	182,869				
	2008	386,256	375,555	195,551	204,217				
	2009	421,903	422,530	220,855	228,231				
	2010	442,489	437,712	208,752	221,783				
	2011	475,975	457,209	239,934	261,522				
	2012	549,710	510,845	287,123	320,348				
	2013	639,856	581,485	258,837	325,557				
	2014	751,299	671,368	260,336	347,945				
	2015	683,749	638,583	167,460	227,347				
	All Years	6,243,142	5,901,965	2,857,071	3,179,984	497,280	142,481	3,819,745	64.7%

Accident Year Basis

GROSS	Paid Loss & ALAE			Reported Loss & ALAE			
	<u>Accident Year</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>
	2004	128,596	155	128,750	128,596	155	128,750
	2005	718,504	3,944	722,448	718,526	3,944	722,470
	2008	155,360	1,718	157,078	155,666	1,718	157,384
	2010	11,404	0	11,404	11,439	0	11,439
	2011	82,941	719	83,660	84,220	719	84,939
	2012	121,044	12,943	133,987	167,102	13,031	180,133
	All Acc Years	1,217,849	19,478	1,237,327	1,265,549	19,566	1,285,115
	CEDED						
	<u>Accident Year</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>
	2004	76,811	19	76,830	76,811	19	76,830
	2005	583,838	1,961	585,799	583,860	1,961	585,821
	2008	83,914	33	83,947	84,187	33	84,220
	2010	3,384	0	3,384	3,410	0	3,410
	2011	26,623	2	26,625	26,754	2	26,756
	2012	63,517	59	63,576	90,423	59	90,482
	All Acc Years	838,087	2,074	840,161	865,444	2,074	867,519
	NET						
	<u>Accident Year</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>	<u>Property Segment*</u>	<u>"All Other" Segment</u>	<u>Total</u>
	2004	51,785	136	51,921	51,785	136	51,921
	2005	134,666	1,983	136,649	134,666	1,983	136,649
	2008	71,446	1,684	73,131	71,480	1,684	73,164
	2010	8,020	0	8,020	8,029	0	8,029
	2011	56,318	717	57,035	57,466	717	58,183
	2012	57,527	12,883	70,411	76,679	12,972	89,651
	All Acc Years	379,762	17,403	397,165	400,104	17,492	417,596

Note:

* Refers to the Property, Energy, Marine and Aviation Insurance segment

Specific Accident Year 2004 events include: Charley, Frances, Ivan and Jeanne

Specific Accident Year 2005 events include: Katrina, Rita and Wilma

Specific Accident Year 2008 events include: Gustav and Ike

Specific Accident Year 2010 events include: Chilean and New Zealand Darfield Earthquakes

Specific Accident Year 2011 events include: Severe flooding in Thailand and Queensland, Australia, the Japanese Earthquake and Tsunami, the New Zealand Lyttelton Earthquake and various U.S. wind/rain events

Specific Accident Year 2012 events include: Sandy

ACGL GLOBAL LOSS TRIANGLES
 Development Triangles - Net Basis
 Data as of 12/31/2015 in \$US thousands

REINSURANCE - CONSOLIDATED TOTAL

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	26,525	116,655	190,251	262,025	322,225	363,235	390,654	417,889	436,381	442,410	447,231	453,550	461,999	466,949
2003	41,962	146,476	219,411	277,722	335,006	364,841	387,059	407,327	424,811	433,456	440,157	446,676	450,131	
2004	90,372	211,709	301,690	376,171	442,056	488,871	534,789	563,948	574,257	588,641	594,774	610,672		
2005	54,678	176,469	293,913	379,536	435,116	467,120	501,974	523,721	539,305	545,580	560,089			
2006	31,854	132,398	224,635	312,347	361,707	410,072	428,694	456,217	475,440	484,518				
2007	36,195	115,742	212,798	272,726	344,558	382,096	411,166	430,071	452,905					
2008	92,317	267,149	381,936	451,944	507,027	569,112	618,652	640,413						
2009	24,725	103,141	161,937	203,983	232,014	252,104	264,486							
2010	14,144	147,204	225,170	273,382	302,454	331,847								
2011	47,612	156,266	269,231	331,780	363,353									
2012	65,304	228,682	305,493	358,995										
2013	46,091	173,212	275,265											
2014	52,402	194,186												
2015	18,354													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	111,882	229,692	326,135	399,453	437,854	462,112	470,419	469,530	472,302	468,486	481,428	487,928	491,997	486,401
2003	103,652	246,158	322,101	391,600	419,284	436,823	447,135	462,518	465,391	470,190	470,543	467,489	466,722	
2004	143,653	380,348	478,857	556,385	599,130	621,097	631,811	636,883	646,045	649,798	656,068	655,020		
2005	187,021	349,778	436,650	496,498	522,292	549,286	570,001	575,967	579,887	575,713	580,903			
2006	82,685	244,182	360,434	423,854	444,416	481,003	488,199	502,402	511,221	517,932				
2007	95,942	220,066	353,302	385,103	421,175	439,974	453,364	483,013	498,100					
2008	203,911	486,338	569,431	597,976	629,769	661,634	688,391	690,490						
2009	78,072	208,237	262,179	288,163	293,161	308,781	311,789							
2010	77,082	281,062	329,892	339,244	352,839	367,631								
2011	168,528	291,885	384,031	410,847	435,165									
2012	217,931	354,512	407,115	433,586										
2013	112,892	291,158	382,816											
2014	172,450	314,773												
2015	92,236													

ACGL GLOBAL LOSS TRIANGLES
 ITD Underwriting Year Exhibit
 Data as of 12/31/2015 in \$US thousands

REINSURANCE - CONSOLIDATED TOTAL

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	1,120,667	1,120,667	471,473	490,927				
	2003	1,401,416	1,401,416	463,043	481,156				
	2004	1,427,905	1,427,903	712,675	757,802				
	2005	1,372,425	1,372,425	741,617	763,784				
	2006	1,434,243	1,434,242	505,803	540,912				
	2007	1,354,241	1,354,247	483,983	534,052				
	2008	1,092,057	1,092,057	659,423	709,558				
	2009	957,547	957,536	266,598	313,911				
	2010	847,857	847,729	403,970	445,957				
	2011	1,041,157	1,039,745	366,327	449,080				
	2012	1,008,276	1,078,983	372,262	447,383				
	2013	1,346,546	1,336,381	281,190	393,442				
	2014	1,422,810	1,269,116	223,174	386,399				
	2015	1,104,989	613,330	35,469	133,665				
	All Years	16,932,134	16,345,776	5,987,007	6,848,028	1,707,231	22,844	8,578,103	52.5%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	19,344	19,344	4,525	4,526				
	2003	40,372	40,372	12,911	14,434				
	2004	69,698	69,698	102,003	102,782				
	2005	94,523	94,523	181,527	182,881				
	2006	38,783	38,794	21,285	22,980				
	2007	23,234	23,234	31,078	35,952				
	2008	19,553	19,542	19,010	19,068				
	2009	28,264	28,264	2,112	2,122				
	2010	26,969	26,969	72,124	78,326				
	2011	44,656	44,656	2,975	13,916				
	2012	29,606	41,271	13,267	13,797				
	2013	69,309	69,278	5,925	10,626				
	2014	319,675	299,096	28,988	71,626				
	2015	310,278	178,318	17,115	41,430				
	All Years	1,134,264	993,360	514,845	614,466	157,147	0	771,613	77.7%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	1,101,323	1,101,323	466,949	486,401				
	2003	1,361,044	1,361,044	450,131	466,722				
	2004	1,358,206	1,358,205	610,672	655,020				
	2005	1,277,902	1,277,902	560,089	580,903				
	2006	1,395,460	1,395,448	484,518	517,932				
	2007	1,331,008	1,331,013	452,905	498,100				
	2008	1,072,504	1,072,514	640,413	690,490				
	2009	929,282	929,272	264,486	311,789				
	2010	820,887	820,760	331,847	367,631				
	2011	996,501	995,089	363,353	435,165				
	2012	978,670	1,037,712	358,995	433,586				
	2013	1,277,237	1,267,103	275,265	382,816				
	2014	1,103,135	970,021	194,186	314,773				
	2015	794,711	435,011	18,354	92,236				
	All Years	15,797,870	15,352,416	5,472,162	6,233,562	1,550,084	22,844	7,806,490	50.8%

ACGL GLOBAL LOSS TRIANGLES
 Development Triangles - Net Basis
 Data as of 12/31/2015 in \$US thousands

REINSURANCE - CASUALTY

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	7,531	26,278	46,538	80,310	121,750	149,795	173,418	195,145	211,677	216,686	220,792	227,045	235,365	240,331
2003	3,465	17,734	33,101	62,362	103,507	127,807	146,336	164,494	180,987	189,114	194,970	200,333	203,929	
2004	2,510	25,173	51,264	91,169	134,514	171,150	212,262	238,012	246,767	260,597	266,488	281,789		
2005	1,076	18,250	42,799	72,304	101,756	123,989	149,695	166,970	182,140	189,293	202,882			
2006	1,667	20,253	40,594	74,303	100,301	138,138	149,115	169,949	186,672	195,353				
2007	-186	11,344	33,035	65,777	116,465	142,106	166,644	184,566	206,009					
2008	-660	9,570	25,111	41,543	60,861	97,508	139,426	156,745						
2009	-429	8,031	26,572	48,440	68,378	82,652	89,735							
2010	-5,741	3,635	13,509	23,821	39,998	56,574								
2011	-228	3,395	10,525	22,480	35,413									
2012	45	4,526	10,445	21,576										
2013	567	6,881	17,493											
2014	600	8,919												
2015	79													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	21,891	59,934	110,629	159,416	194,996	222,411	233,061	235,470	237,110	234,029	250,089	257,467	261,991	256,746
2003	11,014	46,752	86,408	133,396	162,228	181,881	194,587	210,210	214,461	220,277	218,108	215,819	216,750	
2004	17,308	114,283	142,432	215,260	257,090	283,333	295,322	302,678	311,482	315,753	322,461	324,940		
2005	35,940	39,162	84,260	128,630	153,431	179,282	197,915	205,333	212,151	213,763	218,629			
2006	12,923	47,563	82,824	127,832	150,688	188,756	194,559	208,265	218,509	225,002				
2007	10,950	32,501	90,687	133,382	164,286	184,800	199,235	230,254	245,762					
2008	5,450	50,296	83,797	107,045	131,724	163,193	194,777	196,538						
2009	14,607	44,223	72,133	94,043	105,013	118,812	119,545							
2010	2,109	19,970	40,934	50,891	62,607	78,120								
2011	4,505	16,964	29,621	48,788	69,438									
2012	4,168	18,580	32,502	49,551										
2013	8,031	24,359	42,472											
2014	15,290	46,407												
2015	17,282													

REINSURANCE - CASUALTY

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	450,065	450,065	240,767	257,184				
	2003	705,698	705,698	206,590	219,463				
	2004	802,277	802,276	289,627	332,879				
	2005	674,962	674,962	229,677	245,924				
	2006	488,607	488,607	212,658	243,746				
	2007	447,685	447,685	229,376	273,512				
	2008	304,527	304,527	168,745	208,538				
	2009	251,750	251,739	89,735	119,545				
	2010	170,486	170,484	56,574	78,120				
	2011	182,637	182,386	35,413	69,438				
	2012	192,976	192,412	21,576	49,551				
	2013	313,654	310,164	17,493	42,472				
	2014	503,183	455,306	22,201	91,085				
	2015	397,173	186,055	806	30,358				
	All Years	5,885,679	5,622,367	1,821,238	2,261,816	1,126,936	16,399	3,405,152	60.6%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	819	819	436	438				
	2003	5,268	5,268	2,661	2,713				
	2004	6,404	6,404	7,838	7,939				
	2005	14,486	14,486	26,794	27,295				
	2006	8,409	8,409	17,305	18,745				
	2007	7,047	7,047	23,366	27,750				
	2008	3,485	3,485	12,000	12,000				
	2009	112	112	0	0				
	2010	104	104	0	0				
	2011	0	0	0	0				
	2012	0	0	0	0				
	2013	1	1	0	0				
	2014	197,834	183,988	13,282	44,679				
	2015	196,917	86,663	728	13,076				
	All Years	440,885	316,785	104,411	154,634	125,606	0	280,240	88.5%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	449,246	449,246	240,331	256,746				
	2003	700,430	700,430	203,929	216,750				
	2004	795,874	795,872	281,789	324,940				
	2005	660,476	660,476	202,882	218,629				
	2006	480,198	480,198	195,353	225,002				
	2007	440,638	440,638	206,009	245,762				
	2008	301,042	301,042	156,745	196,538				
	2009	251,638	251,628	89,735	119,545				
	2010	170,382	170,380	56,574	78,120				
	2011	182,637	182,386	35,413	69,438				
	2012	192,976	192,412	21,576	49,551				
	2013	313,652	310,163	17,493	42,472				
	2014	305,349	271,318	8,919	46,407				
	2015	200,256	99,393	79	17,282				
	All Years	5,444,794	5,305,582	1,716,827	2,107,182	1,001,331	16,399	3,124,912	58.9%

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	7,903	18,414	22,002	23,365	23,803	24,047	24,210	24,217	24,324	24,358	24,372	24,373	24,375	24,355
2003	8,972	23,524	25,689	26,028	26,004	26,512	26,654	26,921	26,946	26,946	26,946	26,946	26,946	26,946
2004	27,738	50,039	57,598	57,773	57,519	57,367	57,369	57,274	57,318	57,286	57,292	57,279		
2005	26,325	43,457	68,085	74,783	79,514	81,001	81,543	81,953	83,054	82,959	83,136			
2006	6,661	12,597	16,798	18,309	18,630	18,816	18,966	19,002	19,024	19,024				
2007	12,897	27,991	35,610	36,197	36,895	38,577	39,030	39,105	39,130					
2008	49,977	83,687	94,827	103,169	116,500	123,667	125,011	125,652						
2009	2,574	7,715	14,078	17,658	19,018	19,352	19,515							
2010	5,061	60,769	67,780	90,819	96,865	100,790								
2011	12,867	30,294	40,844	51,971	55,260									
2012	27,279	76,129	87,675	94,930										
2013	8,687	15,395	20,453											
2014	13,126	18,508												
2015	-4,273													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	35,220	33,072	31,093	29,726	27,325	26,465	25,685	24,929	24,858	24,884	24,865	24,855	24,838	24,792
2003	33,966	32,183	28,233	28,236	27,666	26,883	26,903	27,095	27,102	26,989	26,989	26,965	26,965	
2004	47,382	64,200	65,846	61,014	59,499	58,005	57,838	57,841	57,428	57,395	57,369	57,334		
2005	51,566	99,031	97,702	93,010	89,005	89,388	86,970	85,716	85,314	84,832	84,916			
2006	12,470	23,693	22,564	19,958	19,420	19,230	19,321	19,150	19,161	19,161				
2007	34,190	38,356	42,925	38,876	38,946	40,881	40,081	40,061	39,724					
2008	83,682	113,718	123,863	131,615	132,952	129,227	128,856	128,434						
2009	7,817	25,556	22,188	21,678	21,512	21,223	20,641							
2010	36,597	109,129	112,461	107,505	107,857	107,120								
2011	74,735	71,722	69,055	65,418	64,176									
2012	104,692	117,015	110,137	104,877										
2013	27,284	29,205	26,551											
2014	23,144	25,781												
2015	15,956													

REINSURANCE - PROPERTY CATASTROPHE

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	110,275	110,275	24,355	24,792				
	2003	103,515	103,515	26,946	26,965				
	2004	106,002	106,002	75,833	75,980				
	2005	105,658	105,658	130,657	132,626				
	2006	261,242	261,242	19,024	19,161				
	2007	332,588	332,595	39,130	39,724				
	2008	223,794	223,794	125,652	128,434				
	2009	237,719	237,719	19,515	20,641				
	2010	208,532	208,532	164,866	177,354				
	2011	241,543	241,543	55,260	64,176				
	2012	286,887	286,887	94,930	104,877				
	2013	245,853	245,853	21,948	29,078				
	2014	199,660	196,317	24,368	37,700				
	2015	169,330	117,754	3,780	34,879				
	All Years	2,832,598	2,777,685	826,263	916,385	41,921	605	958,910	34.5%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	575	575	0	0				
	2003	3,837	3,837	0	0				
	2004	12,175	12,175	18,554	18,646				
	2005	19,775	19,775	47,521	47,709				
	2006	13,460	13,460	0	0				
	2007	0	0	0	0				
	2008	0	0	0	0				
	2009	2,500	2,500	0	0				
	2010	14,312	14,312	64,076	70,234				
	2011	12,052	12,052	0	0				
	2012	7,650	7,650	0	0				
	2013	36,481	36,486	1,494	2,527				
	2014	73,439	72,945	5,859	11,919				
	2015	79,072	70,705	8,053	18,922				
	All Years	275,327	266,472	145,558	169,957	13,171	0	183,128	68.7%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	109,700	109,700	24,355	24,792				
	2003	99,678	99,678	26,946	26,965				
	2004	93,827	93,827	57,279	57,334				
	2005	85,883	85,883	83,136	84,916				
	2006	247,782	247,782	19,024	19,161				
	2007	332,588	332,595	39,130	39,724				
	2008	223,794	223,794	125,652	128,434				
	2009	235,219	235,219	19,515	20,641				
	2010	194,220	194,220	100,790	107,120				
	2011	229,491	229,491	55,260	64,176				
	2012	279,237	279,237	94,930	104,877				
	2013	209,372	209,368	20,453	26,551				
	2014	126,221	123,372	18,508	25,781				
	2015	90,258	47,049	-4,273	15,956				
	All Years	2,557,271	2,511,214	680,705	746,428	28,750	605	775,783	30.9%

REINSURANCE - OTHER PROPERTY

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	5,588	35,603	55,935	72,510	79,600	81,985	82,778	85,056	85,090	85,615	86,004	86,092	86,104	86,103
2003	23,613	70,013	96,833	114,127	122,851	126,257	128,631	129,547	130,089	130,759	131,099	131,334	131,169	
2004	57,880	101,363	122,189	141,995	148,122	154,999	157,082	157,627	158,263	158,623	158,736	158,827		
2005	21,917	65,215	97,466	116,728	128,800	132,067	137,612	140,247	138,960	138,430	138,900			
2006	22,418	78,933	124,731	161,182	175,903	181,275	185,694	189,784	190,336	190,352				
2007	21,854	59,483	89,160	99,413	110,006	114,360	115,912	115,673	116,041					
2008	40,024	131,951	173,976	190,681	197,247	202,589	204,162	205,181						
2009	20,251	63,692	90,331	103,462	108,899	112,715	114,327							
2010	15,013	52,407	94,488	101,663	104,113	105,724								
2011	27,241	70,576	105,919	114,558	116,725									
2012	13,553	52,355	66,580	81,542										
2013	17,739	36,684	53,100											
2014	23,754	74,947												
2015	21,176													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	28,407	68,937	89,116	87,204	89,442	88,431	87,446	88,620	88,016	88,023	87,097	86,630	86,339	86,334
2003	42,195	108,532	119,300	134,656	133,098	133,112	132,643	133,060	132,087	132,090	132,091	131,777	131,571	
2004	58,272	119,003	149,832	158,152	159,325	160,595	160,295	160,124	160,465	159,935	159,069	159,090		
2005	34,237	103,498	125,625	137,116	140,368	141,014	144,554	144,619	144,374	140,401	140,426			
2006	50,117	134,995	186,666	197,811	194,028	191,801	192,286	192,123	191,578	191,697				
2007	42,951	99,596	117,446	114,551	120,689	118,263	118,579	117,725	117,307					
2008	78,836	177,762	202,618	206,020	208,687	209,597	208,725	209,094						
2009	51,469	104,969	124,387	130,123	126,374	128,228	128,449							
2010	29,952	96,223	109,466	109,005	108,502	108,398								
2011	71,526	103,915	117,797	120,201	119,480									
2012	53,858	83,891	95,438	97,426										
2013	38,667	67,584	78,120											
2014	100,012	107,614												
2015	42,361													

REINSURANCE - OTHER PROPERTY

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	255,044	255,044	88,924	89,156				
	2003	303,993	303,993	138,087	138,553				
	2004	258,977	258,977	206,703	207,133				
	2005	326,673	326,673	198,724	200,509				
	2006	434,357	434,357	190,508	191,853				
	2007	337,063	337,063	116,312	117,578				
	2008	396,654	396,654	205,688	209,602				
	2009	310,441	310,441	116,366	130,488				
	2010	242,420	242,295	111,221	113,895				
	2011	240,531	240,477	119,634	122,389				
	2012	247,717	245,470	83,718	99,602				
	2013	269,726	269,567	56,213	81,826				
	2014	333,234	275,934	81,385	116,285				
	2015	252,314	142,836	21,581	43,532				
	All Years	4,209,144	4,039,782	1,735,064	1,862,398	117,195	3,398	1,982,991	49.1%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	12,391	12,391	2,821	2,821				
	2003	14,716	14,716	6,918	6,982				
	2004	26,050	26,050	47,875	48,042				
	2005	28,712	28,712	59,823	60,083				
	2006	5,980	5,980	156	156				
	2007	6,207	6,207	271	271				
	2008	11,850	11,850	507	507				
	2009	13,010	13,010	2,039	2,039				
	2010	11,290	11,290	5,497	5,497				
	2011	11,914	11,914	2,909	2,909				
	2012	13,203	13,203	2,176	2,176				
	2013	15,770	15,775	3,112	3,706				
	2014	23,292	19,730	6,438	8,670				
	2015	19,230	10,217	405	1,171				
	All Years	213,616	201,045	140,949	145,031	4,788	0	149,819	74.5%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	242,653	242,653	86,103	86,334				
	2003	289,277	289,277	131,169	131,571				
	2004	232,927	232,927	158,827	159,090				
	2005	297,961	297,961	138,900	140,426				
	2006	428,377	428,377	190,352	191,697				
	2007	330,856	330,856	116,041	117,307				
	2008	384,804	384,804	205,181	209,094				
	2009	297,431	297,431	114,327	128,449				
	2010	231,130	231,005	105,724	108,398				
	2011	228,617	228,563	116,725	119,480				
	2012	234,514	232,267	81,542	97,426				
	2013	253,956	253,792	53,100	78,120				
	2014	309,942	256,205	74,947	107,614				
	2015	233,084	132,619	21,176	42,361				
	All Years	3,995,528	3,838,737	1,594,115	1,717,368	112,407	3,398	1,833,172	47.8%

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	140	5,975	11,416	14,381	16,561	18,461	19,673	20,378	20,534	20,954	21,017	20,857	20,866	20,911
2003	316	6,642	14,535	20,868	25,035	26,277	27,183	27,500	27,908	27,761	28,262	28,431	28,468	
2004	1,153	19,184	37,299	48,422	53,605	57,306	59,970	63,469	63,514	63,861	64,028	64,404		
2005	2,004	31,890	58,853	83,988	92,619	98,251	100,982	102,198	103,022	103,751	103,832			
2006	883	13,912	30,670	42,030	48,614	52,390	54,996	57,012	58,783	59,156				
2007	900	10,294	41,596	56,890	65,461	71,086	73,008	74,107	75,093					
2008	2,412	29,274	61,998	89,050	104,085	115,225	117,621	119,988						
2009	1,706	12,056	17,631	21,330	22,555	23,947	24,701							
2010	-1,879	1,685	10,433	14,766	17,120	23,545								
2011	29	1,348	5,023	13,420	17,045									
2012	243	9,101	22,675	28,043										
2013	947	8,438	13,066											
2014	70	7,036												
2015	-7,860													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	7,416	16,998	20,097	22,573	24,087	23,911	23,912	23,389	23,660	23,927	22,640	22,398	22,366	22,396
2003	5,172	16,387	27,491	34,061	33,476	32,540	32,026	31,359	31,508	30,903	30,979	31,045	30,905	
2004	11,116	45,478	65,038	67,722	70,256	69,396	68,956	68,093	67,563	66,660	66,439	64,953		
2005	46,447	78,775	95,352	103,317	105,495	106,714	106,946	106,580	105,429	105,513	105,541			
2006	3,705	27,808	54,563	59,776	60,529	60,963	61,082	60,383	60,979	61,036				
2007	5,493	39,244	85,921	81,539	80,004	78,871	77,750	77,638	78,001					
2008	34,194	119,513	130,463	122,284	122,838	123,546	121,167	122,632						
2009	2,621	20,489	28,359	27,541	25,459	25,442	25,313							
2010	4,140	20,843	24,805	26,300	27,148	26,491								
2011	3,014	17,625	23,856	24,858	24,879									
2012	12,920	25,327	33,801	34,227										
2013	2,004	14,835	18,567											
2014	688	17,197												
2015	-6,438													

REINSURANCE - MARINE/AVIATION/SPACE

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	66,132	66,132	20,911	22,396				
	2003	100,565	100,565	31,552	35,395				
	2004	107,622	107,622	89,760	90,728				
	2005	147,118	147,118	151,221	153,334				
	2006	142,425	142,425	62,980	65,116				
	2007	152,544	152,544	82,533	85,932				
	2008	90,284	90,284	126,491	129,194				
	2009	79,315	79,315	24,701	25,313				
	2010	84,809	84,809	25,921	28,866				
	2011	79,177	78,177	17,045	24,879				
	2012	80,965	80,133	28,043	34,227				
	2013	68,420	67,824	13,841	19,670				
	2014	80,130	59,878	7,338	18,100				
	2015	38,495	21,716	68	1,775				
	All Years	1,318,000	1,278,540	682,405	734,926	91,034	869	826,828	64.7%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	1,039	1,039	0	0				
	2003	8,192	8,192	3,084	4,490				
	2004	19,648	19,648	25,356	25,775				
	2005	31,519	31,519	47,389	47,793				
	2006	10,836	10,848	3,824	4,079				
	2007	9,961	9,961	7,440	7,931				
	2008	4,211	4,201	6,503	6,561				
	2009	9,742	9,742	0	0				
	2010	1,147	1,147	2,375	2,375				
	2011	6,879	6,879	0	0				
	2012	1,826	1,826	0	0				
	2013	6,116	6,086	776	1,102				
	2014	11,564	9,129	302	903				
	2015	7,616	6,039	7,929	8,214				
	All Years	130,296	126,255	104,977	109,225	5,310	0	114,534	90.7%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	65,093	65,093	20,911	22,396				
	2003	92,373	92,373	28,468	30,905				
	2004	87,974	87,974	64,404	64,953				
	2005	115,599	115,599	103,832	105,541				
	2006	131,589	131,577	59,156	61,036				
	2007	142,583	142,583	75,093	78,001				
	2008	86,073	86,083	119,988	122,632				
	2009	69,573	69,573	24,701	25,313				
	2010	83,662	83,662	23,545	26,491				
	2011	72,298	71,298	17,045	24,879				
	2012	79,139	78,307	28,043	34,227				
	2013	62,305	61,738	13,066	18,567				
	2014	68,566	50,748	7,036	17,197				
	2015	30,879	15,677	-7,860	-6,438				
	All Years	1,187,704	1,152,285	577,427	625,701	85,724	869	712,294	61.8%

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	5,225	27,210	47,889	56,668	60,881	61,314	61,778	63,893	64,243	64,052	64,079	63,757	63,594	63,535
2003	5,596	28,564	46,249	50,430	50,225	50,449	50,695	51,101	51,116	51,084	51,087	50,839	50,827	
2004	1,090	15,949	33,332	33,228	34,196	33,558	33,449	32,668	33,498	33,376	33,324	33,139		
2005	3,355	16,537	24,361	27,019	27,798	27,184	27,512	27,723	27,498	26,575	26,554			
2006	224	6,703	11,442	16,122	17,782	18,972	18,817	18,978	19,133	19,141				
2007	731	6,630	13,397	14,450	15,732	15,968	16,573	16,621	16,632					
2008	564	12,667	26,024	27,500	28,334	30,122	29,680	30,094						
2009	623	11,647	13,326	13,093	13,165	13,439	14,111							
2010	1,691	28,707	38,959	42,312	44,260	45,107								
2011	7,703	50,653	106,920	129,350	138,910									
2012	24,186	86,572	118,118	132,903										
2013	18,150	105,815	171,152											
2014	14,852	84,775												
2015	9,232													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	14,387	43,580	61,442	67,515	64,647	64,957	64,880	65,676	65,906	65,758	64,965	64,592	64,481	64,179
2003	10,985	41,223	55,459	54,803	53,151	52,435	52,348	52,067	52,007	51,960	51,962	51,732	51,721	
2004	9,575	32,384	42,593	40,562	38,261	34,901	34,454	33,223	33,965	33,625	33,534	33,464		
2005	13,049	26,676	28,602	29,710	29,363	28,259	27,987	28,090	27,990	26,631	26,606			
2006	3,470	10,123	13,343	18,076	19,267	19,740	19,458	19,414	19,502	19,494				
2007	2,357	10,369	16,324	16,755	16,997	16,907	17,467	17,336	17,307					
2008	1,749	25,043	28,670	31,007	30,812	33,320	31,359	31,032						
2009	1,558	13,000	14,372	13,980	13,999	14,142	15,695							
2010	4,284	34,897	42,226	45,542	46,625	47,395								
2011	14,747	81,659	143,702	151,582	157,191									
2012	42,293	109,168	134,704	146,972										
2013	36,907	155,174	217,105											
2014	33,315	117,771												
2015	23,067													

REINSURANCE - OTHER SPECIALTY

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	172,447	172,447	63,535	64,179				
	2003	156,784	156,784	51,056	51,950				
	2004	126,809	126,809	35,449	35,775				
	2005	97,164	97,164	26,554	26,606				
	2006	102,283	102,282	19,141	19,494				
	2007	79,160	79,159	16,632	17,307				
	2008	72,474	72,474	30,094	31,032				
	2009	73,951	73,951	14,184	15,778				
	2010	137,498	137,498	45,282	47,615				
	2011	292,594	292,486	138,976	168,197				
	2012	192,396	266,746	143,994	158,594				
	2013	443,825	437,905	171,695	220,396				
	2014	302,242	277,327	87,882	123,226				
	2015	243,667	142,600	9,233	23,113				
	All Years	2,493,294	2,435,631	853,707	1,003,262	289,668	1,168	1,294,099	53.1%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	1,843	1,843	0	0				
	2003	5,793	5,793	229	229				
	2004	4,042	4,042	2,310	2,310				
	2005	0	0	0	0				
	2006	0	0	0	0				
	2007	0	0	0	0				
	2008	0	0	0	0				
	2009	2,895	2,895	73	83				
	2010	116	116	175	220				
	2011	13,811	13,811	66	11,007				
	2012	6,927	18,592	11,091	11,621				
	2013	10,941	10,930	543	3,291				
	2014	13,545	13,303	3,107	5,455				
	2015	7,253	4,683	1	47				
	All Years	67,165	76,007	17,593	34,263	8,268	0	42,531	56.0%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	170,604	170,604	63,535	64,179				
	2003	150,991	150,991	50,827	51,721				
	2004	122,767	122,767	33,139	33,464				
	2005	97,164	97,164	26,554	26,606				
	2006	102,283	102,282	19,141	19,494				
	2007	79,160	79,159	16,632	17,307				
	2008	72,474	72,474	30,094	31,032				
	2009	71,056	71,056	14,111	15,695				
	2010	137,382	137,382	45,107	47,395				
	2011	278,783	278,675	138,910	157,191				
	2012	185,470	248,155	132,903	146,972				
	2013	432,884	426,975	171,152	217,105				
	2014	288,696	264,024	84,775	117,771				
	2015	236,414	137,917	9,232	23,067				
	All Years	2,426,128	2,359,624	836,113	968,999	281,400	1,168	1,251,567	53.0%

ACGL GLOBAL LOSS TRIANGLES
Development Triangles - Net Basis
Data as of 12/31/2015 in \$US thousands

REINSURANCE - OTHER REINSURANCE

UNDERWRITING YEAR TRIANGLE

Paid Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	138	3,175	6,471	14,790	19,631	27,632	28,798	29,200	30,512	30,746	30,967	31,425	31,694	31,713
2003	0	0	3,003	3,906	7,385	7,539	7,561	7,765	7,765	7,792	7,792	8,792	8,792	
2004	0	0	8	3,584	14,100	14,491	14,657	14,897	14,897	14,897	14,906	15,233		
2005	0	1,121	2,349	4,715	4,629	4,629	4,629	4,629	4,629	4,572	4,785			
2006	0	0	399	401	477	480	1,106	1,493	1,493	1,493				
2007	0	0	0	0	0	0	0	0	0					
2008	0	0	0	0	0	1	2,751	2,753						
2009	0	0	0	0	0	0	2,096							
2010	0	0	0	0	98	107								
2011	0	0	0	0	0									
2012	0	0	0	0										
2013	0	0	0											
2014	0	1												
2015	0													

Reported Loss & ALAE	Age in Months													
	12	24	36	48	60	72	84	96	108	120	132	144	156	168
2002	4,561	7,172	13,759	33,018	37,356	35,937	35,435	31,446	32,751	31,864	31,772	31,987	31,982	31,953
2003	320	1,081	5,210	6,449	9,665	9,972	8,628	8,727	8,227	7,971	10,414	10,151	8,811	
2004	0	5,000	13,116	13,675	14,699	14,865	14,946	14,924	15,141	16,430	17,197	15,237		
2005	5,782	2,636	5,111	4,715	4,629	4,629	5,629	5,629	4,629	4,572	4,785			
2006	0	0	474	401	484	513	1,493	3,067	1,493	1,543				
2007	0	0	0	0	252	252	252	0	0					
2008	0	5	21	5	2,755	2,751	3,506	2,758						
2009	0	0	740	799	804	934	2,146							
2010	0	0	0	0	98	107								
2011	0	0	0	0	0									
2012	0	530	534	534										
2013	0	0	0											
2014	1	3												
2015	8													

REINSURANCE - OTHER REINSURANCE

GROSS	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	66,704	66,704	32,981	33,220				
	2003	30,862	30,862	8,811	8,830				
	2004	26,218	26,218	15,303	15,307				
	2005	20,849	20,849	4,785	4,785				
	2006	5,329	5,329	1,493	1,543				
	2007	5,201	5,201	0	0				
	2008	4,324	4,324	2,753	2,758				
	2009	4,371	4,371	2,096	2,146				
	2010	4,112	4,112	107	107				
	2011	4,675	4,675	0	0				
	2012	7,336	7,336	0	534				
	2013	5,067	5,067	0	0				
	2014	4,361	4,354	1	3				
	2015	4,010	2,369	0	8				
	All Years	193,418	191,771	68,330	69,241	40,476	405	110,122	57.4%

CEDED	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	2,677	2,677	1,267	1,267				
	2003	2,566	2,566	19	19				
	2004	1,380	1,380	70	70				
	2005	31	31	0	0				
	2006	97	97	0	0				
	2007	19	19	0	0				
	2008	7	7	0	0				
	2009	7	7	0	0				
	2010	0	0	0	0				
	2011	0	0	0	0				
	2012	0	0	0	0				
	2013	0	0	0	0				
	2014	0	0	0	0				
	2015	190	12	0	0				
	All Years	6,973	6,796	1,356	1,356	5	0	1,361	20.0%

NET	<u>Underwriting Year</u>	<u>Written Premium</u>	<u>Earned Premium</u>	<u>Paid Loss & ALAE</u>	<u>Reported Loss & ALAE</u>	<u>IBNR Loss & ALAE</u>	<u>Ultimate ULAE</u>	<u>Ultimate Loss & LAE</u>	<u>Ultimate Loss & LAE %</u>
	2002	64,027	64,027	31,713	31,953				
	2003	28,296	28,296	8,792	8,811				
	2004	24,838	24,838	15,233	15,237				
	2005	20,818	20,818	4,785	4,785				
	2006	5,232	5,232	1,493	1,543				
	2007	5,182	5,182	0	0				
	2008	4,317	4,317	2,753	2,758				
	2009	4,364	4,364	2,096	2,146				
	2010	4,112	4,112	107	107				
	2011	4,675	4,675	0	0				
	2012	7,336	7,336	0	534				
	2013	5,067	5,067	0	0				
	2014	4,361	4,354	1	3				
	2015	3,820	2,356	0	8				
	All Years	186,445	184,975	66,974	67,885	40,472	405	108,762	58.8%

REINSURANCE LARGE LOSS EXHIBIT

Underwriting Year Basis

GROSS	Reported Losses & ALAE						
	Underwriting Year	Casualty	Property Catastrophe	Other Property	Marine/Aviation/Space	Other Specialty	Other Reinsurance
2002	0	0	219	0	0	0	219
2003	0	0	6,162	1,493	570	0	8,224
2004	2,470	50,979	83,475	44,679	1,016	13,986	196,606
2005	87	99,937	95,476	98,185	5,633	0	299,319
2006	2	0	4,959	76	0	0	5,037
2007	0	2,028	17,810	29,507	0	0	49,344
2008	0	105,034	33,746	101,289	0	0	240,069
2009	0	8,939	6,614	0	0	0	15,553
2010	0	152,265	37,170	0	5,986	0	195,420
2011	0	39,283	28,020	0	425	0	67,728
2012	0	61,243	21,085	4,204	0	0	86,533
2013	0	0	165	0	0	0	165
2014	0	0	16	0	0	0	16
2015	0	0	0	0	0	0	0
All Years	2,559	519,708	334,918	279,433	13,629	13,986	1,164,233

CEDED	Reported Losses & ALAE						
	Underwriting Year	Casualty	Property Catastrophe	Other Property	Marine/Aviation/Space	Other Specialty	Other Reinsurance
2002	0	0	0	0	0	0	0
2003	0	0	0	0	155	0	155
2004	0	18,646	33,899	18,847	0	0	71,392
2005	0	47,709	75,832	40,859	0	0	164,399
2006	0	0	0	5	0	0	5
2007	0	0	0	1,771	0	0	1,771
2008	0	0	0	6,079	0	0	6,079
2009	0	0	0	0	0	0	0
2010	0	70,234	2,586	0	0	0	72,820
2011	0	0	0	0	0	0	0
2012	0	0	0	0	0	0	0
2013	0	0	11	0	0	0	11
2014	0	0	1	0	0	0	1
2015	0	0	0	0	0	0	0
All Years	0	136,589	112,329	67,716	0	0	316,634

NET	Reported Losses & ALAE						
	Underwriting Year	Casualty	Property Catastrophe	Other Property	Marine/Aviation/Space	Other Specialty	Other Reinsurance
2002	0	0	219	0	0	0	219
2003	0	0	6,162	1,337	570	0	8,069
2004	2,470	32,333	49,577	25,832	1,016	13,986	125,214
2005	87	52,228	19,645	57,326	5,633	0	134,919
2006	2	0	4,959	72	0	0	5,033
2007	0	2,028	17,810	27,736	0	0	47,573
2008	0	105,034	33,746	95,209	0	0	233,989
2009	0	8,939	6,614	0	0	0	15,553
2010	0	82,031	34,584	0	5,986	0	122,600
2011	0	39,283	28,020	0	425	0	67,728
2012	0	61,243	21,085	4,204	0	0	86,533
2013	0	0	154	0	0	0	154
2014	0	0	15	0	0	0	15
2015	0	0	0	0	0	0	0
All Years	2,559	383,119	222,589	211,717	13,629	13,986	847,600

Note: Underwriting Year 2002 - Ivan, Jeanne
Underwriting Year 2003 - Charley, Frances, Ivan, Jeanne, Katrina, Rita
Underwriting Year 2004 - Charley, Frances, Ivan, Jeanne, Katrina, Rita, Wilma
Underwriting Year 2005 - Katrina, Rita, Wilma
Underwriting Year 2006 - Gustav, Ike
Underwriting Year 2007 - Gustav, Ike
Underwriting Year 2008 - Gustav, Ike, Chilean EQ, NZ (Darfield and Lyttelton) Quakes
Underwriting Year 2009 - Chilean EQ, NZ (Darfield and Lyttelton) Quakes, April US Wind (Tuscaloosa, PCS-46), Brisbane Floods, Japanese EQ and Tsunami, Sandy
Underwriting Year 2010 - Chilean EQ, NZ (Darfield and Lyttelton) Quakes, April US Wind (Tuscaloosa, PCS-46), May US Wind (Joplin, PCS-48), Brisbane Floods, Japanese EQ and Tsunami, Thailand Flood, Sandy
Underwriting Year 2011 - NZ (Darfield and Lyttelton) Quakes, April US Wind (Tuscaloosa, PCS-46), May US Wind (Joplin, PCS-48), Brisbane Floods, Japanese EQ and Tsunami, Thailand Flood, Sandy
Underwriting Year 2012 - Sandy
Underwriting Year 2013-2014 figures represent Sandy losses assumed as part of an inward loss portfolio transfer