



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT
FOR THE YEAR ENDED DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE

Republic-Franklin Insurance Company

NAIC Group Code	0201 (Current)	0201 (Prior)	NAIC Company Code	12475	Employer's ID Number	31-4290270
Organized under the Laws of	Ohio			State of Domicile or Port of Entry		Ohio
Country of Domicile	United States of America					
Incorporated/Organized	02/10/1949			Commenced Business		02/10/1949
Statutory Home Office	2600 Corporate Exchange Drive (Street and Number)			Columbus , OH, US 43231 (City or Town, State, Country and Zip Code)		
Main Administrative Office	180 Genesee Street (Street and Number)					
	New Hartford , NY, US 13413 (City or Town, State, Country and Zip Code)			315-734-2000 (Area Code) (Telephone Number)		
Mail Address	Post Office Box 530 (Street and Number or P.O. Box)			Utica , NY, US 13503-0530 (City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	180 Genesee Street (Street and Number)					
	New Hartford , NY, US 13413 (City or Town, State, Country and Zip Code)			315-734-2000 (Area Code) (Telephone Number)		
Internet Website Address	www.uticanational.com					
Statutory Statement Contact	Sandra Jean Giehl (Name)			315-734-2192 (Area Code) (Telephone Number)		
	sandy.giehl@uticanational.com (E-mail Address)			315-734-2994 (FAX Number)		

OFFICERS

Chairman & CEO	James Douglas Robinson	VP, CFO & Treasurer	Brian Wade Miller Jr. #
President & COO	Richard Patrick Creedon	EVP & Secretary	Kristen Holly Martin

OTHER

Steven Paul Guzski, Executive Vice President

DIRECTORS OR TRUSTEES

Clarence William Bachman	Alfred Elliot Calligaris	Richard Patrick Creedon #
Paul Alan Hagstrom, Ph.D.	Gregory Miller Harden	Alan Joseph Pope, Sr.
James Douglas Robinson	Linda Ellen Romano	Eric Keith Scholl

State of New York
County of Oneida
SS:

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

Richard Patrick Creedon President & COO	Brian Wade Miller, Jr. VP, CFO & Treasurer	Kristen Holly Martin EVP & Secretary
Subscribed and sworn to before me this		a. Is this an original filing?
day of		b. If no,
		1. State the amendment number.....
		2. Date filed
		3. Number of pages attached.....

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D)	85,211,777		85,211,777	82,439,462
2. Stocks (Schedule D):				
2.1 Preferred stocks				
2.2 Common stocks	4,305,294		4,305,294	7,558,992
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens				
3.2 Other than first liens				
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$517,732, Schedule E - Part 1), cash equivalents (\$, Schedule E - Part 2) and short-term investments (\$100,000, Schedule DA)	617,732		617,732	359,396
6. Contract loans (including \$ premium notes)				
7. Derivatives (Schedule DB)				
8. Other invested assets (Schedule BA)				
9. Receivable for securities				
10. Securities lending reinvested collateral assets (Schedule DL)				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	90,134,803		90,134,803	90,357,849
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	699,951		699,951	642,641
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	8,096,050	115,445	7,980,606	6,530,516
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$21,481 earned but unbilled premiums)	583,135	2,387	580,748	616,724
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	276,230		276,230	315,945
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	2,213,190	186,315	2,026,875	2,054,962
19. Guaranty funds receivable or on deposit	1,590,048		1,590,048	1,128,637
20. Electronic data processing equipment and software	50,679		50,679	29,413
21. Furniture and equipment, including health care delivery assets (\$)	9,780	9,780		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	1,916,616	923,879	992,737	840,481
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	105,570,483	1,237,806	104,332,678	102,517,168
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	105,570,483	1,237,806	104,332,678	102,517,168
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)				
2501. Accounts Receivable - Other	851,481	3,735	847,746	697,661
2502. Equities and Deposits in Pools and Associations	146,156	1,165	144,991	142,821
2503. Prepaid Expenses	105,640	105,640		
2598. Summary of remaining write-ins for Line 25 from overflow page	813,339	813,339		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	1,916,616	923,879	992,737	840,481

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	28,537,561	28,801,741
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	7,307,825	7,415,803
4. Commissions payable, contingent commissions and other similar charges	584,066	544,270
5. Other expenses (excluding taxes, licenses and fees)	1,264,882	1,147,027
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,061,756	730,388
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	461,261	2,121,091
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$95,758,604 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	12,054,079	11,226,279
10. Advance premium	101,159	119,136
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	190,471	89,844
12. Ceded reinsurance premiums payable (net of ceding commissions)	235,199	220,135
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	18,456	13,472
14. Amounts withheld or retained by company for account of others	1,212,005	943,516
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 8)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	987,426	406,898
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	(129,103)	(298,234)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	53,887,043	53,481,367
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	53,887,043	53,481,367
29. Aggregate write-ins for special surplus funds	180,750	211,381
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	5,139,802	5,139,802
35. Unassigned funds (surplus)	41,625,083	40,184,618
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	50,445,635	49,035,801
38. TOTALS (Page 2, Line 28, Col. 3)	104,332,678	102,517,168
DETAILS OF WRITE-INS		
2501. Contingent Balances in Safety Groups	32,691	29,310
2502. Miscellaneous Accounts Payable	27,809	
2503. Liability for Pension Benefits	(189,603)	(327,544)
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	(129,103)	(298,234)
2901. Reserve for Undeclared Dividends	180,750	211,381
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	180,750	211,381
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4)	23,810,260	21,490,674
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	12,614,193	11,512,269
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	2,975,434	2,709,189
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	8,457,050	7,852,481
5. Aggregate write-ins for underwriting deductions		
6. Total underwriting deductions (Lines 2 through 5)	24,046,677	22,073,940
7. Net income of protected cells		
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7)	(236,417)	(583,266)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,768,544	2,817,083
10. Net realized capital gains or (losses) less capital gains tax of \$ (Exhibit of Capital Gains (Losses))	(129,733)	43,607
11. Net investment gain (loss) (Lines 9 + 10)	2,638,811	2,860,690
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ 2,655 amount charged off \$ 41,860)	(39,205)	(41,736)
13. Finance and service charges not included in premiums	217,600	457,036
14. Aggregate write-ins for miscellaneous income	(34,962)	(23,796)
15. Total other income (Lines 12 through 14)	143,434	391,504
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	2,545,828	2,668,928
17. Dividends to policyholders	300,198	234,432
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	2,245,631	2,434,496
19. Federal and foreign income taxes incurred	49,702	1,321,333
20. Net income (Line 18 minus Line 19)(to Line 22)	2,195,928	1,113,163
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	49,035,801	47,592,877
22. Net income (from Line 20)	2,195,928	1,113,163
23. Net transfers (to) from Protected Cell accounts		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (79,921)	(157,038)	191,827
25. Change in net unrealized foreign exchange capital gain (loss)		
26. Change in net deferred income tax	(142,191)	316,267
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(345,544)	(24,597)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		6,322
29. Change in surplus notes		
30. Surplus (contributed to) withdrawn from protected cells		
31. Cumulative effect of changes in accounting principles		
32. Capital changes:		
32.1 Paid in		
32.2 Transferred from surplus (Stock Dividend)		
32.3 Transferred to surplus		
33. Surplus adjustments:		
33.1 Paid in		
33.2 Transferred to capital (Stock Dividend)		
33.3 Transferred from capital		
34. Net remittances from or (to) Home Office		
35. Dividends to stockholders		
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37. Aggregate write-ins for gains and losses in surplus	(141,322)	(160,057)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	1,409,834	1,442,924
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	50,445,635	49,035,801
DETAILS OF WRITE-INS		
0501.		
0502.		
0503.		
0598. Summary of remaining write-ins for Line 5 from overflow page		
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above)		
1401. Gain/Loss on Sale of Assets	518	1,089
1402. Miscellaneous Income	(35,479)	(24,885)
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page		
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	(34,962)	(23,796)
3701. Contingent Balance in Safety Groups	(3,381)	24,330
3702. Pension Expense		(115,144)
3703. Pension Benefit Obligation	(137,941)	(69,243)
3798. Summary of remaining write-ins for Line 37 from overflow page		
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above)	(141,322)	(160,057)

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	23,199,198	20,881,032
2. Net investment income	3,033,014	3,003,911
3. Miscellaneous income	143,434	391,504
4. Total (Lines 1 through 3)	26,375,646	24,276,447
5. Benefit and loss related payments	12,838,658	10,922,193
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	11,458,536	11,376,802
8. Dividends paid to policyholders	199,572	252,548
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	1,709,532	129,611
10. Total (Lines 5 through 9)	26,206,297	22,681,154
11. Net cash from operations (Line 4 minus Line 10)	169,348	1,595,293
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	13,276,447	9,214,474
12.2 Stocks	3,311,582	
12.3 Mortgage loans		
12.4 Real estate		
12.5 Other invested assets		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
12.7 Miscellaneous proceeds	46,681	186
12.8 Total investment proceeds (Lines 12.1 to 12.7)	16,634,710	9,214,660
13. Cost of investments acquired (long-term only):		
13.1 Bonds	16,732,342	16,126,809
13.2 Stocks	89,283	77,730
13.3 Mortgage loans		
13.4 Real estate		
13.5 Other invested assets		
13.6 Miscellaneous applications		
13.7 Total investments acquired (Lines 13.1 to 13.6)	16,821,625	16,204,538
14. Net increase (decrease) in contract loans and premium notes		
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(186,915)	(6,989,879)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes		
16.2 Capital and paid in surplus, less treasury stock		
16.3 Borrowed funds		
16.4 Net deposits on deposit-type contracts and other insurance liabilities		
16.5 Dividends to stockholders		
16.6 Other cash provided (applied)	275,903	5,317,367
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	275,903	5,317,367
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	258,336	(77,218)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	359,396	436,614
19.2 End of period (Line 18 plus Line 19.1)	617,732	359,396

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

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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	42,463	23,236	25,150	40,550
2.	Allied lines	41,287	20,075	22,847	38,516
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	1,433,820	798,482	812,463	1,419,839
5.	Commercial multiple peril	5,767,481	2,799,917	3,079,563	5,487,835
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	44,176	27,284	26,595	44,865
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	1,098	651	589	1,161
13.	Group accident and health				
14.	Credit accident and health (group and individual)				
15.	Other accident and health				
16.	Workers' compensation	5,137,313	2,138,765	2,338,658	4,937,420
17.1	Other liability - occurrence	1,140,729	521,497	546,700	1,115,526
17.2	Other liability - claims-made	1,771,215	823,949	808,812	1,786,353
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	(1,481)	10,503	4,525	4,498
18.2	Products liability - claims-made				
19.1, 19.2	Private passenger auto liability	3,026,529	1,261,691	1,367,647	2,920,573
19.3, 19.4	Commercial auto liability	3,505,819	1,600,308	1,753,040	3,353,087
21.	Auto physical damage	2,675,313	1,154,202	1,227,147	2,602,368
22.	Aircraft (all perils)				
23.	Fidelity	(131)	164	86	(53)
24.	Surety	26,007	23,666	19,365	30,308
26.	Burglary and theft	25,259	19,687	19,523	25,423
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - nonproportional assumed property	3	2	2	3
32.	Reinsurance - nonproportional assumed liability				
33.	Reinsurance - nonproportional assumed financial lines				
34.	Aggregate write-ins for other lines of business	1,161	2,197	1,370	1,988
35.	TOTALS	24,638,061	11,226,279	12,054,079	23,810,260
DETAILS OF WRITE-INS					
3401.	Involuntary Unemployment Insurance	1,161	2,197	1,370	1,988
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	1,161	2,197	1,370	1,988

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1	2	3	4	5
		Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	25,150				25,150
2.	Allied lines	22,847				22,847
3.	Farmowners multiple peril					
4.	Homeowners multiple peril	812,463				812,463
5.	Commercial multiple peril	3,079,563				3,079,563
6.	Mortgage guaranty					
8.	Ocean marine					
9.	Inland marine	26,595				26,595
10.	Financial guaranty					
11.1	Medical professional liability - occurrence					
11.2	Medical professional liability - claims-made					
12.	Earthquake	589				589
13.	Group accident and health					
14.	Credit accident and health (group and individual)					
15.	Other accident and health					
16.	Workers' compensation	2,338,658				2,338,658
17.1	Other liability - occurrence	546,700				546,700
17.2	Other liability - claims-made	808,812				808,812
17.3	Excess workers' compensation					
18.1	Products liability - occurrence	4,525				4,525
18.2	Products liability - claims-made					
19.1, 19.2	Private passenger auto liability	1,367,647				1,367,647
19.3, 19.4	Commercial auto liability	1,753,040				1,753,040
21.	Auto physical damage	1,227,147				1,227,147
22.	Aircraft (all perils)					
23.	Fidelity	86				86
24.	Surety	19,365				19,365
26.	Burglary and theft	19,523				19,523
27.	Boiler and machinery					
28.	Credit					
29.	International					
30.	Warranty					
31.	Reinsurance - nonproportional assumed property	2				2
32.	Reinsurance - nonproportional assumed liability					
33.	Reinsurance - nonproportional assumed financial lines					
34.	Aggregate write-ins for other lines of business	324	1,046			1,370
35.	TOTALS	12,053,034	1,046			12,054,079
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Line 35 through 37)					12,054,079
DETAILS OF WRITE-INS						
3401.	Involuntary Unemployment Insurance	324	1,046			1,370
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page					
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	324	1,046			1,370

(a) State here basis of computation used in each case Pro-rata

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN						
Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6
	Direct Business (a)	2	3	4	5	Net Premiums Written Cols. 1+2+3-4-5
1. Fire	47,365	42,463		17,437	29,928	42,463
2. Allied lines	49,840	41,287		40,932	8,908	41,287
3. Farmowners multiple peril						
4. Homeowners multiple peril	17,244,811	1,433,820		16,039,781	1,205,030	1,433,820
5. Commercial multiple peril	65,695,488	5,767,481		58,267,491	7,427,996	5,767,481
6. Mortgage guaranty						
8. Ocean marine						
9. Inland marine	345,050	44,176		260,933	84,117	44,176
10. Financial guaranty						
11.1 Medical professional liability - occurrence						
11.2 Medical professional liability - claims-made						
12. Earthquake	12,548	1,098		12,481	67	1,098
13. Group accident and health						
14. Credit accident and health (group and individual)						
15. Other accident and health						
16. Workers' compensation	33,245,419	5,137,313	5,241	32,375,775	874,885	5,137,313
17.1 Other liability - occurrence	3,150,333	1,140,729		2,529,361	620,972	1,140,729
17.2 Other liability - claims-made	16,817,901	1,771,215		15,310,671	1,507,230	1,771,215
17.3 Excess workers' compensation						
18.1 Products liability - occurrence	31,258	(1,481)		26,326	4,932	(1,481)
18.2 Products liability - claims-made						
19.1, 19.2 Private passenger auto liability	5,898,723	3,026,529		5,894,707	4,016	3,026,529
19.3, 19.4 Commercial auto liability	38,513,145	3,505,819		38,251,881	261,265	3,505,819
21. Auto physical damage	13,256,727	2,675,313		13,186,296	70,431	2,675,313
22. Aircraft (all perils)						
23. Fidelity		(131)		(1)	1	(131)
24. Surety	4,706	26,007		4,706		26,007
26. Burglary and theft	3,258	25,259		3,000	258	25,259
27. Boiler and machinery						
28. Credit						
29. International						
30. Warranty						
31. Reinsurance - nonproportional assumed property	XXX	3				3
32. Reinsurance - nonproportional assumed liability	XXX					
33. Reinsurance - nonproportional assumed financial lines	XXX					
34. Aggregate write-ins for other lines of business		1,161				1,161
35. TOTALS	194,316,574	24,638,061	5,241	182,221,777	12,100,038	24,638,061
DETAILS OF WRITE-INS						
3401. Involuntary Unemployment Insurance		1,161				1,161
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page						
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		1,161				1,161

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

		Losses Paid Less Salvage				5	6	7	8
		1	2	3	4				
Line of Business		Direct Business	Reinsurance Assumed	Reinsurance Recovered	Net Payments (Cols. 1 + 2 - 3)	Net Losses Unpaid Current Year (Part 2A , Col. 8)	Net Losses Unpaid Prior Year	Losses Incurred Current Year (Cols. 4 + 5 - 6)	Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire		5,980		5,980	2,605	2,701	5,884	14.5
2.	Allied lines		9,906		9,906	3,108	1,872	11,143	28.9
3.	Farmowners multiple peril								
4.	Homeowners multiple peril	9,890,287	815,360	9,890,287	815,360	259,257	294,089	780,528	55.0
5.	Commercial multiple peril	42,327,820	2,481,493	42,327,820	2,481,493	4,711,328	4,244,603	2,948,218	53.7
6.	Mortgage guaranty								
8.	Ocean marine		11,412		11,412	74,736	59,000	27,147	
9.	Inland marine	110,010	3,967	110,010	3,967	1,093	1,217	3,843	8.6
10.	Financial guaranty								
11.1	Medical professional liability - occurrence								
11.2	Medical professional liability - claims-made								
12.	Earthquake								
13.	Group accident and health								
14.	Credit accident and health (group and individual)								
15.	Other accident and health								
16.	Workers' compensation	16,094,968	2,300,597	15,989,243	2,406,322	12,129,724	12,772,913	1,763,132	35.7
17.1	Other liability - occurrence		1,346,529	80,869	1,265,659	2,635,711	3,680,695	220,675	19.8
17.2	Other liability - claims-made	2,904,541	678,522	2,904,541	678,522	2,447,966	2,445,652	680,836	38.1
17.3	Excess workers' compensation								
18.1	Products liability - occurrence					11,070	11,148	(78)	(1.7)
18.2	Products liability - claims-made								
19.1, 19.2	Private passenger auto liability	4,288,510	1,926,813	4,288,510	1,926,813	2,335,392	2,028,190	2,234,015	76.5
19.3, 19.4	Commercial auto liability	18,242,021	1,688,115	18,242,989	1,687,147	3,821,471	3,177,550	2,331,068	69.5
21.	Auto physical damage	7,333,218	1,574,537	7,333,218	1,574,537	58,922	20,923	1,612,535	62.0
22.	Aircraft (all perils)		1,170		1,170	926	117	1,979	
23.	Fidelity		(582)		(582)	12,772	18,929	(6,739)	12,721.4
24.	Surety		7,488		7,488	31,079	39,842	(1,275)	(4.2)
26.	Burglary and theft		3,000		3,000	150	150	3,000	11.8
27.	Boiler and machinery								
28.	Credit								
29.	International								
30.	Warranty								
31.	Reinsurance - nonproportional assumed property	XXX	0		0	0		0	8.9
32.	Reinsurance - nonproportional assumed liability	XXX							
33.	Reinsurance - nonproportional assumed financial lines	XXX							
34.	Aggregate write-ins for other lines of business		180		180	252	2,151	(1,719)	(86.5)
35.	TOTALS	101,191,376	12,854,485	101,167,488	12,878,373	28,537,561	28,801,741	12,614,193	53.0
DETAILS OF WRITE-INS									
3401.	Involuntary Unemployment Insurance		180		180	252	2,151	(1,719)	
3402.	.....							
3403.	.....							
3498.	Summary of remaining write-ins for Line 34 from overflow page								
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		180		180	252	2,151	(1,719)	

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
Line of Business		Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire		1,892		1,892	736	713	736	2,605	1,632
2.	Allied lines		2,388		2,388	1,555	721	1,555	3,108	1,112
3.	Farmowners multiple peril									
4.	Homeowners multiple peril	2,487,140	222,076	2,487,140	222,076	334,033	37,181	334,033	259,257	99,672
5.	Commercial multiple peril	33,309,854	3,620,738	33,309,854	3,620,738	11,124,156	1,090,590	11,124,156	4,711,328	2,375,580
6.	Mortgage guaranty									
8.	Ocean marine		53,616		53,616		21,120		74,736	7,638
9.	Inland marine	14,890	643	14,890	643	2,019	450	2,019	1,093	686
10.	Financial guaranty									
11.1	Medical professional liability - occurrence									
11.2	Medical professional liability - claims-made									
12.	Earthquake									2
13.	Group accident and health								(a)	
14.	Credit accident and health (group and individual)									
15.	Other accident and health								(a)	
16.	Workers' compensation	65,526,281	11,378,741	65,593,131	11,311,891	3,778,110	872,185	3,832,462	12,129,724	1,635,776
17.1	Other liability - occurrence	645,155	1,533,089	645,155	1,533,089	3,855,193	2,064,622	4,817,193	2,635,711	742,543
17.2	Other liability - claims-made	13,510,302	2,447,966	13,510,302	2,447,966				2,447,966	947,284
17.3	Excess workers' compensation									
18.1	Products liability - occurrence		10,110		10,110	8,309	960	8,309	11,070	66,896
18.2	Products liability - claims-made									
19.1, 19.2	Private passenger auto liability	5,780,821	2,039,441	5,780,821	2,039,441	668,501	295,950	668,501	2,335,392	552,698
19.3, 19.4	Commercial auto liability	37,635,698	3,522,610	37,635,698	3,522,610	2,946,222	298,861	2,946,222	3,821,471	794,207
21.	Auto physical damage	(96,963)	20,758	(96,963)	20,758	334,667	38,164	334,667	58,922	45,877
22.	Aircraft (all perils)		(424)		(424)		1,350		926	
23.	Fidelity		6,322		6,322		6,450		12,772	14,363
24.	Surety		19,589		19,589	1,114	11,490	1,114	31,079	21,775
26.	Burglary and theft					24	150	24	150	73
27.	Boiler and machinery									
28.	Credit									
29.	International									
30.	Warranty									
31.	Reinsurance - nonproportional assumed property	XXX	0		0	XXX	0		0	
32.	Reinsurance - nonproportional assumed liability	XXX				XXX				
33.	Reinsurance - nonproportional assumed financial lines	XXX				XXX				
34.	Aggregate write-ins for other lines of business		252		252				252	12
35.	TOTALS	158,813,178	24,879,806	158,880,028	24,812,956	23,054,640	4,740,957	24,070,992	28,537,561	7,307,825
DETAILS OF WRITE-INS										
3401.	Involuntary Unemployment Insurance		252		252				252	12
3402.	.....								
3403.	.....								
3498.	Summary of remaining write-ins for Line 34 from overflow page									
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)		252		252				252	12

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct	14,190,766			14,190,766
1.2 Reinsurance assumed	1,629,140			1,629,140
1.3 Reinsurance ceded	14,190,766			14,190,766
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3)	1,629,140			1,629,140
2. Commission and brokerage:				
2.1 Direct excluding contingent		25,659,109		25,659,109
2.2 Reinsurance assumed, excluding contingent		4,195,228		4,195,228
2.3 Reinsurance ceded, excluding contingent		25,661,045		25,661,045
2.4 Contingent - direct		2,765,890		2,765,890
2.5 Contingent - reinsurance assumed		355,667		355,667
2.6 Contingent - reinsurance ceded		2,765,890		2,765,890
2.7 Policy and membership fees				
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)		4,548,959		4,548,959
3. Allowances to managers and agents		16,034		16,034
4. Advertising		11,905		11,905
5. Boards, bureaus and associations	2,114	133,279		135,393
6. Surveys and underwriting reports	25,428	198,586		224,015
7. Audit of assureds' records		21,674		21,674
8. Salary and related items:				
8.1 Salaries	867,757	1,862,737	8,938	2,739,432
8.2 Payroll taxes	64,370	137,434	560	202,364
9. Employee relations and welfare	67,642	162,509	300	230,451
10. Insurance	15,496	40,026	900	56,422
11. Directors' fees	5,620	21,031	1,115	27,766
12. Travel and travel items	14,773	127,011	306	142,090
13. Rent and rent items	69,469	140,834	641	210,944
14. Equipment	5,752	15,742	40	21,534
15. Cost or depreciation of EDP equipment and software	84,650	470,671	1,199	556,520
16. Printing and stationery	4,987	26,729	53	31,769
17. Postage, telephone and telegraph, exchange and express	24,329	78,793	12,500	115,621
18. Legal and auditing	1,849	37,822	0	39,671
19. Totals (Lines 3 to 18)	1,254,235	3,502,818	26,552	4,783,604
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$966,300	(2,687)	564,701		562,014
20.2 Insurance department licenses and fees	174	55,711		55,885
20.3 Gross guaranty association assessments		22,757		22,757
20.4 All other (excluding federal and foreign income and real estate)		25		25
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	(2,513)	643,195		640,682
21. Real estate expenses				
22. Real estate taxes				
23. Reimbursements by uninsured plans				
24. Aggregate write-ins for miscellaneous expenses	94,573	(237,922)	64,686	(78,663)
25. Total expenses incurred	2,975,434	8,457,050	91,238 (a)	11,523,722
26. Less unpaid expenses - current year	7,307,825	1,592,040	28,716	8,928,581
27. Add unpaid expenses - prior year	7,415,803	1,493,171	30,202	8,939,177
28. Amounts receivable relating to uninsured plans, prior year				
29. Amounts receivable relating to uninsured plans, current year				
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	3,083,413	8,358,182	92,724	11,534,318
DETAILS OF WRITE-INS				
2401. Contributions	0	319		319
2402. Outside Service Fees	74,345	302,906	63,323	440,575
2403. Claims Service Fees	1,081			1,081
2498. Summary of remaining write-ins for Line 24 from overflow page	19,148	(541,147)	1,363	(520,636)
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above)	94,573	(237,922)	64,686	(78,663)

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. Government bonds	(a) .....236,444	.....242,910
1.1	Bonds exempt from U.S. tax	(a) .....245,689	.....309,713
1.2	Other bonds (unaffiliated)	(a) .....2,249,985	.....2,236,805
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....67,623	.....67,623
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....
5	Contract loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....	.....
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....2,731	.....2,731
10.	Total gross investment income	2,802,472	2,859,782
11.	Investment expenses		(g) .....91,238
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i)
15.	Aggregate write-ins for deductions from investment income .....		.....
16.	Total deductions (Lines 11 through 15) .....		.....91,238
17.	Net investment income (Line 10 minus Line 16)		2,768,544
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income	2,731	2,731
0902.	.....	
0903.	.....	
0998.	Summary of remaining write-ins for Line 9 from overflow page		
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	2,731	2,731
1501.	.....	
1502.	.....	
1503.	.....	
1598.	Summary of remaining write-ins for Line 15 from overflow page		
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		

- (a) Includes \$25,821 accrual of discount less \$374,109 amortization of premium and less \$58,887 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds .....	.....15,527	.....	.....15,527	.....	.....
1.1	Bonds exempt from U.S. tax .....	.....	.....	.....	.....	.....
1.2	Other bonds (unaffiliated) .....	.....43,158	.....	.....43,158	.....(393,997)	.....
1.3	Bonds of affiliates .....	.....	.....	.....	.....	.....
2.1	Preferred stocks (unaffiliated) .....	.....	.....	.....	.....	.....
2.11	Preferred stocks of affiliates .....	.....	.....	.....	.....	.....
2.2	Common stocks (unaffiliated) .....	.....(188,418)	.....	.....(188,418)	.....157,019	.....
2.21	Common stocks of affiliates .....	.....	.....	.....	.....	.....
3.	Mortgage loans .....	.....	.....	.....	.....	.....
4.	Real estate .....	.....	.....	.....	.....	.....
5.	Contract loans .....	.....	.....	.....	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	.....	.....	.....
7.	Derivative instruments .....	.....	.....	.....	.....	.....
8.	Other invested assets .....	.....	.....	.....	.....	.....
9.	Aggregate write-ins for capital gains (losses) .....	.....	.....	.....	.....	.....
10.	Total capital gains (losses)	(129,733)		(129,733)	(236,978)	
DETAILS OF WRITE-INS						
0901.	.....				
0902.	.....				
0903.	.....				
0998.	Summary of remaining write-ins for Line 9 from overflow page					
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)					

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			
2. Stocks (Schedule D):			
2.1 Preferred stocks			
2.2 Common stocks			
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			
3.2 Other than first liens.....			
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			
4.2 Properties held for the production of income.....			
4.3 Properties held for sale			
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			
6. Contract loans			
7. Derivatives (Schedule DB)			
8. Other invested assets (Schedule BA)			
9. Receivables for securities			
10. Securities lending reinvested collateral assets (Schedule DL)			
11. Aggregate write-ins for invested assets			
12. Subtotals, cash and invested assets (Lines 1 to 11)			
13. Title plants (for Title insurers only)			
14. Investment income due and accrued			
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	115,445	92,503	(22,942)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	2,387	2,306	(81)
15.3 Accrued retrospective premiums and contracts subject to redetermination			
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			
16.2 Funds held by or deposited with reinsured companies			
16.3 Other amounts receivable under reinsurance contracts			
17. Amounts receivable relating to uninsured plans			
18.1 Current federal and foreign income tax recoverable and interest thereon			
18.2 Net deferred tax asset	186,315	220,498	34,183
19. Guaranty funds receivable or on deposit			
20. Electronic data processing equipment and software			
21. Furniture and equipment, including health care delivery assets	9,780	11,627	1,846
22. Net adjustment in assets and liabilities due to foreign exchange rates			
23. Receivables from parent, subsidiaries and affiliates			
24. Health care and other amounts receivable			
25. Aggregate write-ins for other than invested assets	923,879	565,329	(358,550)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,237,806	892,262	(345,544)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			
28. Total (Lines 26 and 27)	1,237,806	892,262	(345,544)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page			
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)			
2501. Accounts Receivable – Other	3,735	4,150	416
2502. Clearing Accounts	53,856	40,434	(13,422)
2503. Deposits	400	400	
2598. Summary of remaining write-ins for Line 25 from overflow page	865,888	520,344	(345,544)
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	923,879	565,329	(358,550)

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Republic-Franklin Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance Department recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Ohio Insurance Laws. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The state of Ohio has adopted some practices that differ from NAIC SAP; however, none of those changes would impact the financial results of Republic-Franklin Insurance Company.

A reconciliation of net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is shown below.

<u>Net Income</u>	<u>State of Domicile</u>	<u>2015</u>	<u>2014</u>
(1) Net Income, state basis (Page 4, Line 20, Columns 1 & 3)	Ohio	2,195,928	1,113,163
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) Net Income, NAIC SAP (1 - 2 - 3 = 4)	Ohio	2,195,928	1,113,163
<u>Surplus</u>			
(1) Statutory surplus, state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	50,445,635	49,035,801
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) Statutory Surplus, NAIC SAP (1 - 2 - 3 = 4)	Ohio	50,445,635	49,035,801

B. Use of Estimates in Preparation of the Financial Statement

The preparation of financial statements in compliance with Statutory Accounting Principles (SAP) requires the Company's management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the balance sheet date as well as reported amounts of revenue and expenses during the period covered by the income statement. The actual results could vary from these estimates.

C. Accounting Policies

Premiums are earned over the term of related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed on the daily pro-rata method. Expenses incurred with the acquisition of new insurance contracts, including acquisition costs such as commissions, are charged to operations as incurred. Expenses incurred are reduced by any ceding allowances received or receivable.

The Company uses the following accounting policies:

- (1) Short-term investments are stated at amortized cost.
- (2) Bonds are stated at amortized cost using the scientific amortization method.
- (3) Common stock is stated at market value.
- (4) The Company does not own any preferred stock.
- (5) The Company does not own any mortgage loans on real estate.
- (6) Loan-backed securities are stated at either amortized cost, or the lower of amortized cost or fair market value. The prospective adjustment method is used to value all loan-backed securities.
- (7) The Company does not own any subsidiaries or affiliates.
- (8) The Company does not have any ownership interests in joint ventures.
- (9) The Company does not own any derivatives.
- (10) The Company anticipates investment income as a factor in the premium deficiency calculation.
- (11) Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liability are continually reviewed and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.

Note 2 – Accounting Changes and Corrections of Errors

During 2015 there were no material changes due to accounting changes or corrections of errors.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 3 – Business Combinations and Goodwill

The Company did not have any business combinations and does not have any goodwill.

Note 4 – Discontinued Operations

The Company did not have any discontinued operations.

Note 5 – Investments

- A. The Company did not have any mortgage loans in its portfolio.
- B. The Company did not have any restructured debt in which it is a creditor in its portfolio.
- C. The Company did not have any reverse mortgages in its portfolio.
- D. Loan Backed Securities
 - Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third party data providers. The models combine the effects of interest rates, volatility, and pre-payment speeds based on various scenarios (Monte Carlo), simulations with resulting effective analytics (spreads, duration, convexity) and cash flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimates future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
 - Not applicable.
 - Not applicable.
 - Unrealized Losses
 - The aggregate amount of unrealized losses
 - Less than 12 Months\$ 752,577
 - 12 Months or Longer\$ 476,216
 - The aggregate related fair value of securities with unrealized losses
 - Less than 12 Months\$27,849,852
 - 12 Months or Longer\$ 7,063,057
 - There are a number of factors considered in determining if an other-than-temporary impairment does not exist for an investment, including but not limited to, debt burden, credit rating, sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.
- E. The Company did not have any repurchase agreements in its portfolio.
- F. The Company did not have any real estate in its portfolio.
- G. The Company does not have any low-income housing tax credits (LIHTC) in its investment portfolio.
- H. Restricted Assets
 - Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)		Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
b. Collateral held under security lending agreements										
c. Subject to repurchase agreements										
d. Subject to reverse repurchase agreements										
e. Subject to dollar repurchase agreements										
f. Subject to dollar reverse repurchase agreements										
g. Placed under option contracts										
h. Letter stock or securities restricted as to sale										
i. FHLB Capital Stock										
j. On deposit with states	3,082,951				3,082,951	3,082,479	472	3,082,951	2.920%	2.955%

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

k.	On deposit with other regulatory bodies										
l.	Pledged as collateral to FHLB										
m.	Pledged as collateral not captured in other categories										
n.	Other restricted assets										
o.	Total Restricted Assets	\$ 3,082,951	\$ -	\$ -	\$ -	\$ 3,082,951	\$ 3,082,479	\$ 472	\$ 3,082,951	2.920%	2.955%

(a) Subset of column 1
(b) Subset of column 3

(2) Not applicable

(3) Not applicable

I. The Company does not have any working capital finance investments.

J. Offsetting and Netting of Assets and Liabilities – not applicable

K. The Company does not have any structured notes.

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

The Company did not have any investments in joint ventures, partnerships or limited liability companies.

Note 7 – Investment Income

The Company did not have any due and accrued income over 90 days that were excluded from surplus.

Note 8 – Derivative Instruments

The Company did not have any derivative financial instruments during the statement period.

Note 9 – Income Taxes

A. Components of deferred tax assets (DTAs) and deferred tax liabilities (DTLs):

(1) DTA/DTL Components	Ordinary	2015 Capital	Total	Ordinary	2014 Capital	Total	Ordinary	Change Capital	Total
(a) Gross Deferred Tax Assets	2,354,364	134,877	2,489,241	2,521,781	0	2,521,781	(167,417)	134,877	(32,540)
(b) Statutory Valuation Allowance Adjustment	0	0	0	0	0	0	0	0	0
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	2,354,364	134,877	2,489,241	2,521,781	0	2,521,781	(167,417)	134,877	(32,540)
(d) Deferred Tax Assets Nonadmitted	186,315	0	186,315	220,498	0	220,498	(34,183)	0	(34,183)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	2,168,049	134,877	2,302,926	2,301,283	0	2,301,283	(133,234)	134,877	1,643
(f) Deferred Tax Liabilities	108,935	167,116	276,051	134,161	112,160	246,321	(25,226)	54,956	29,730
Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	2,059,114	(32,239)	2,026,875	2,167,122	(112,160)	2,054,962	(108,008)	79,921	(28,087)

(2) Admission calculation components - SSAP No. 101	Ordinary	2015 Capital	Total	Ordinary	2014 Capital	Total	Ordinary	Change Capital	Total
(a) Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	1,428,180	0	1,428,180	267,171	0	267,171	1,161,009	0	1,161,009
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	630,934	0	630,934	1,899,951	0	1,899,951	(1,269,017)	0	(1,269,017)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	630,934	0	630,934	1,899,951	0	1,899,951	(1,269,017)	0	(1,269,017)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	N/A	N/A	7,061,273	N/A	N/A	7,073,960	N/A	N/A	(12,687)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	108,935	134,877	243,812	134,161	0	134,161	(25,226)	134,877	109,651
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	2,168,049	134,877	2,302,926	2,301,283	0	2,301,283	(133,234)	134,877	1,643

(3)	2015	2014
(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	1363.803%	1214.274%
(b) Amount of Adjusted Capital and Surplus Used To Determine Recovery Period and Threshold Limitation in 2(b)2 Above	48,368,081	46,951,426

(4) Impact of Tax Planning Strategies:

(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, by Tax Character as a Percentage.

	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
(1) Adjusted gross DTAs amount from Note 9A1c	2,354,364	134,877	2,521,781	0	(167,417)	134,877
(2) Percentage of Adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(3) Net Admitted Adjusted gross DTAs amount from Note 9A1e	2,168,049	134,877	2,301,283	0	(133,234)	134,877
(4) Percentage of Net Admitted Adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
(b) Does the Company's tax planning strategies include the use of reinsurance?	NO					

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NOTES TO FINANCIAL STATEMENTS

B. Temporary differences for which a DTL has not been established:
Not Applicable

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

(1) Current Income Tax	2015	2014	Change
(a) Federal	498,928	1,390,805	(891,877)
(b) Foreign	0	0	0
(c) Subtotal	498,928	1,390,805	(891,877)
(d) Federal income tax on net capital gains	0	23,501	(23,501)
(e) Utilization of capital loss carry-forwards			0
(f) Other	(449,226)	(69,472)	(379,754)
(g) Federal and foreign income taxes incurred	49,702	1,344,834	(1,295,132)

(2) Deferred Tax Assets:	December 31, 2015	December 31, 2014	Change
(a) Ordinary:			
(1) Discounting of unpaid losses	961,955	1,104,713	(142,758)
(2) Unearned premium reserve	850,865	856,702	(5,836)
(3) Policyholder reserves	0	0	0
(4) Investments	0	0	0
(5) Deferred acquisition costs	0	0	0
(6) Policyholder dividends accrual	0	0	0
(7) Fixed Assets	297,496	159,829	137,667
(8) Compensation and benefits accrual	168,474	326,023	(157,549)
(9) Pension accrual	0	0	0
(10) Receivables - nonadmitted	0	0	0
(11) Net operating loss carry-forward	0	0	0
(12) Tax credit carry-forward	0	0	0
(13) Other (including items <5% of total ordinary tax assets)	75,573	74,514	1,059
(99) Subtotal	2,354,363	2,521,781	(167,417)
(b) Statutory valuation adjustment	0	0	0
(c) Nonadmitted	186,315	220,498	(34,183)
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	2,168,048	2,301,283	(133,234)
(e) Capital:			
(1) Investments	134,877	0	134,877
(2) Net capital loss carry-forward	0	0	0
(3) Real estate	0	0	0
(4) Other (including items <5% of total capital tax assets)	0	0	0
(99) Subtotal	134,877	0	134,877
(f) Statutory valuation adjustment	0	0	0
(g) Nonadmitted	0	0	0
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	134,877	0	134,877
(i) Admitted deferred tax assets (2d + 2h)	2,302,925	2,301,283	1,643

(3) Deferred Tax Liabilities:	December 31, 2015	December 31, 2014	Change
(a) Ordinary:			
(1) Investments	19,467	19,016	451
(2) Fixed assets	68,272	89,960	(21,688)
(3) Deferred and uncollected premiums	0	0	0
(4) Policyholder reserves	0	0	0
(5) Other (including items <5% of total ordinary tax liabilities)	21,196	25,185	(3,989)
(99) Subtotal	108,935	134,161	(25,226)
(b) Capital:			
(1) Investments	167,116	112,160	54,956
(2) Real estate	0	0	0
(3) Other (including items <5% of total capital tax liabilities)	0	0	0
(99) Subtotal	167,116	112,160	54,956
(c) Deferred tax liabilities (3a99 + 3b99)	276,051	246,321	29,730
(4) Net deferred tax assets/liabilities (2i - 3c)	2,026,874	2,054,962	(28,087)

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

(5) The change in net deferred income taxes is comprised of the following (this analysis is exclusive of nonadmitted DTAs as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	December 31, 2015	December 31, 2014	Bal. Sheet Change
Total deferred tax assets	2,489,241	2,521,781	(32,540)
Total deferred tax liabilities	276,051	246,321	29,730
Net deferred tax assets/liabilities	2,213,190	2,275,460	(62,270)
Statutory valuation allowance adjustment	0	0	0
Net deferred tax assets/liabilities after SVA	2,213,190	2,275,460	(62,270)
Tax effect of unrealized gains/(losses)			(79,921)
Statutory valuation allowance adjustment allocated to unrealized			0
Other intraperiod allocation of deferred tax movement			0
Change in net deferred income tax [(charge)/benefit]			(142,191)

D. Reconciliation of total statutory income taxes reported to tax at statutory tax rate:

The provision for federal income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes including realized capital gains / losses. The significant items causing this difference are as follows:

Description	Amount	Statutory Rate	Effective Tax
		35.00% Tax Effect	Rate
Income Before Taxes (including all realized capital gains / (losses))	2,247,660	786,681	35%
Tax-Exempt Interest		(108,400)	-5%
Dividends Received Deduction		(16,568)	-1%
Proration		18,745	1%
Nondeductible Expenses		9,365	0%
Prior Year True-Up		(236,508)	-11%
AMT Credit		(166,886)	-7%
Non Admitted Asset		(128,408)	-6%
IRS Adjustments		(69,101)	-3%
True-Up of Deferred Taxes		103,592	5%
Foreign Tax Credit		(620)	0%
Total		191,892	9%
Current federal income tax expense / (benefit)		498,928	22%
Foreign Income tax expense / (benefit)		0	0%
Tax expense / (benefit) on realized capital gains / (losses)		0	0%
Utilization of capital loss carry-forwards		0	0%
Other, including prior year under accrual (over accrual)		(449,226)	-20%
Federal income taxed incurred [expense/(benefit)]		49,702	2%
Change in net deferred income tax [charge/(benefit)]		142,191	6%
Total statutory income taxes		191,893	9%

E. Carry-forwards, recoverable taxes, and IRC §6603 deposits:

- (1) The Company has no net operating, capital loss, or tax credit carry-forwards available.
- (2) Income taxes, ordinary and capital, available for recoupment in the event of future losses include:

Available from tax year	Ordinary	Capital	Total
2013	0	10,191	10,191
2014	1,010,680	23,501	1,034,181
2015	446,647	0	446,647
Total	1,457,327	33,692	1,491,019

- (3) Deposits admitted under IRC § 6603
Not Applicable

F. (1) The Company’s Federal Income Tax Return is consolidated with the following entities: Utica Mutual Insurance Company, Republic-Franklin Insurance Company, Utica National Insurance Company of Texas, Utica Lloyd’s, Inc., Utica National Assurance Company, Utica National Insurance Company of Ohio, Utica Specialty Risk Insurance Company, Founders Insurance Company, Founders Insurance Company of Michigan, Uni-Service Operations Co., Uni-Service Risk Management Co., Special Risk Solutions, Inc., Utica National Life Insurance Agency, Nationwide Holdings Inc., and Pillar Premium Finance Company.

- (2) The method of allocation between the companies is subject to written agreement approved by the Board of Directors. Allocation is based upon separate return calculations with current credit for net losses. Inter-Company tax balances are settled within 30 days of the filing of applicable estimated or actual consolidated federal tax return.

G. The Company has no liability for income tax loss contingencies and no increase in such liability is expected.

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

- A. Not applicable
- B. Not applicable
- C. Not applicable
- D. On December 31, 2015 the Company reported \$987,426 as an amount due to Utica Mutual Insurance Company (Utica Mutual), the parent company. This amount is due for the pooling agreement and settled within a reasonable period, generally within 45 days.
- E. Not applicable

NOTES TO FINANCIAL STATEMENTS

- F. The Company operates under a pooling agreement as identified in Note 26.
- G. All outstanding shares of the Company are owned by Utica Mutual (94%) and Graphic Arts Mutual Insurance Company (6%), insurance companies domiciled in the state of New York.
- H. Not applicable
- I. Not applicable
- J. Not applicable
- K. Not applicable
- L. Not applicable

Note 11 - Debt

The Company does not have any debt or capital notes.

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

- A. The Company does not have a defined benefit plan.
- B. Not applicable
- C. Not applicable
- D. Not applicable
- E. The Company does not have a defined contribution plan.
- F. The Company does not have any multi-employer plans.

G. The Company Consolidated/Holding Company Plans

The Republic-Franklin Insurance Company, a subsidiary of Utica Mutual, participates in the Retirement Income Plan for Employees of Utica Mutual (RIP), which is a non-contributory defined benefit plan and covers substantially a majority of employees. Employees hired after January 1, 2007 are not eligible for the Retirement Income Plan. Plan benefits are based on years of service and the employee's compensation during the highest five consecutive out of the last ten years of employment. The Company also participates in the Supplemental Employee Retirement Plan for certain management Employees of the Utica Mutual (SERP), a non-qualified excess plan for certain officers whose benefits were limited by IRS Code Section 401(a)(17) or IRS Code Section 415(b).

The Republic-Franklin Insurance Company does not have any employees and substantially all of the Utica Mutual employees are covered in the Qualified Employee Profit Sharing and Investment Plan sponsored by Utica Mutual ("Company"). Employees can defer up to 50% of their base pay into the plan, subject to annual IRS elective deferral limitations. The Company will match from 0% to 125% of the first 4% of employee deferrals, depending upon Company earnings. The Company can also make an additional discretionary contribution.

The Deferred Income Plan allows all officers of the Company to defer part of their annual compensation.

In addition to pension benefits, the Republic-Franklin Insurance Company, as a subsidiary of the Utica Mutual, provides certain health care insurance benefits ("post-retirement") for retired employees through a plan sponsored by Utica Mutual. Substantially all employees may become eligible for these benefits if they reach retirement age while working for Utica Mutual. Alternatively, retirees may elect certain prepaid health care benefits plans. During 2010, the Utica Mutual curtailed the life insurance benefits available to future retirees. Existing retiree life insurance benefits were settled through the purchase of a single life premium life insurance policy.

The Republic-Franklin Insurance Company has no legal obligation for benefits under any of these plans. Utica Mutual allocates pension amounts to the Republic-Franklin Insurance Company based on cost allocations and the pooling agreement ratios.

- H. The Company does not have any post employment benefits or compensated absences.
- I. The Company does not have any impact from the Medicare Modernization Act on Postretirement Benefits.

Note 13 – Capital and Surplus, Dividend Restrictions, and Quasi-Reorganizations

- (1) The Company has 1,000,000 shares of stock authorized, 500,000 shares issued and outstanding. The par value is \$7 per share. All shares are Class A common.
- (2) The Company does not have preferred stock outstanding.
- (3) The maximum amount of dividends that can be paid by state of Ohio insurance companies to shareholders without the prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus at December 31, 2015 was \$50,445,635. The maximum dividend payout that may be made without approval is \$5,044,564.
- (4) The Company did not have ordinary dividends.
- (5) The Company does not have any surplus restrictions.
- (6) The Company does not have restrictions that have been placed on unassigned surplus.
- (7) The Company did not have any advances to surplus which were not repaid.
- (8) The Company does not have stock held for special purposes.
- (9) The Company does not have any prior period changes to special surplus funds.
- (10) The Company has unassigned funds represented / (reduced) by cumulative unrealized gains / (losses) in the amount of \$83,498.
- (11) The Company does not have surplus notes.

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NOTES TO FINANCIAL STATEMENTS

- (12) The Company does not have any impact from any restatement due to a prior quasi-reorganization.
- (13) The Company has not had any quasi-reorganizations in the prior ten years.

Note 14 - Contingencies

- A. The Company does not have a commitment or contingent commitment to a SCA entity, joint venture, partnership or limited liability company.
- B. The Company has accrued assessments, generally related to guarantee funds. The total liabilities for these assessments were \$1,520,756 and the related asset was \$966,300. These assessments are paid within 30 days of them being made by their respective states. Policy surcharge assessments are expected to be realized over a one-year period, while most premium tax credits are realized within 5 years after the assessment has been paid.
- C. The Company does not have any gain contingencies.
- D. The Company did not make any loss or LAE payments in 2015 related to Extra Contractual Obligations (ECO) or Bad Faith settlements.
- E. The Company does not have any product warranty liability.
- F. The Company does not have any joint and several liabilities.
- G. Various lawsuits against the Company have arisen throughout the course of the Company’s business. Contingent liabilities arising from litigation and other business matters are not considered to be material in relationship to the financial position of the Company.

Note 15 - Leases

The Company does not have any leasing arrangements.

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

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

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

- A. The Company did not have any transfer of receivables reported as sales.
- B. The Company did not have servicing assets or servicing liabilities.
- C. The Company had no wash sales for the period of this statement.

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

The Company did not have a gain or loss from uninsured plans or the uninsured portion of partially insured plans.

Note 19 – Direct Premiums Written / Produced by Managing General Agents / Third Party Administrations

The Company did not have direct premium written or produced by managing general agents or third party administrators.

Note 20 – Fair Value Measurements

- A. Fair Value Measurements
- (1) Fair Value Measurement at Reporting Date

(a) Assets at Fair Value

	Level 1	Level 2	Level 3	Total
Bonds				
Corporate High Yield	0	762,363	0	762,363
Emerging Markets	0	441,140	0	441,140
Total Bonds	0	1,203,503	0	1,203,503
Common Stock				
Mutual Fund	4,305,294	0	0	4,305,294
Total Common Stock	4,305,294	0	0	4,305,294
Total Assets at Fair Value	4,305,294	1,203,503	0	5,508,797

(b) Liabilities at Fair Value – Not applicable.

- (2) Not applicable.
- (3) Not applicable.
- (4) The following are the levels of the hierarchy and a brief description of the type of valuation inputs that are used to establish each level:

Pricing Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets that our pricing sources have the ability to access. Since the valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant amount or degree of judgment.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Pricing Level 2 – Valuations based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets; or valuations based on models where significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

Pricing Level 3 – Valuations that are derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non-binding.

(5) Not applicable.

B. Not applicable.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	86,956,456	85,311,777	100,000	86,856,456	0	0
Common Stock	4,305,294	4,305,294	4,305,294	0	0	0

D. Not applicable.

Note 21 – Other Items

- A. The Company does not have any extraordinary items to report for the financial statement period.
- B. The Company does not have any troubled debt restructurings that occurred during the statement periods.
- C. The Company does not have other disclosures to report for the statement period.
- D. The Company does not have business interruption Insurance recoveries.
- E. The Company did not have any state transferable tax credits.
- F. The Company does not have any sub-prime mortgage related risk exposure.

Note 22 – Events Subsequent

Subsequent events have been considered through February 15, 2016 for the statutory statement issued on February 18, 2016. The Company did not have any events subsequent to report for this annual statement period.

Property & Casualty Specific Notes

Note 23 – Reinsurance

- A. The Company has the following individual reinsurers that have unsecured aggregate recoverables for losses, paid or unpaid, including IBNR, loss adjustment expenses and unearned premiums that exceed 3% of policyholders’ surplus:

Group Code	Company Code	FEIN	Name of Reinsurer	Amount
0000	00000	AA-1340125	Hannover Ruckversicherungs Ag	\$ 1,909,000
0158	23680	47-0698507	Odyssey America Reinsurance	\$ 1,606,000

- B. The Company does not have reinsurance recoverables in dispute which exceeded 5% of policyholders’ surplus.

- C. Reinsurance Assumed and Ceded

(1)	ASSUMED REINSURANCE		CEDED REINSURANCE		NET	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$12,054,079	\$0	\$93,292,634	\$0	(\$81,238,555)	\$0
b. All Other	11,063	0	2,465,970	281,547	(2,454,907)	(281,547)
c. TOTAL	\$12,065,142	\$0	\$95,758,604	\$281,547	(\$83,693,463)	(\$281,547)

- d. Direct Unearned Premium Reserve \$95,747,542

- (2) The additional or return commission, predicated on loss experience or on any other form of profit sharing arrangements in this annual statement as a result of existing contractual arrangements is calculated as follows:

REINSURANCE				
	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$2,765,890	\$355,667	\$2,765,890	\$355,667
b. Sliding Scale Adjustments	0	0	0	0
c. Other Profit Commission Arrangements	0	0	0	0
d. TOTAL	\$2,765,890	\$355,667	\$2,765,890	\$355,667

- (3) Not applicable

- D. The Company recognizes \$67,131 of Loss and LAE as uncollectible reinsurance for the statement period. This total is reflected as:

a. Losses incurred	\$ 63,299
b. Loss adjustment expenses incurred	\$ 3,833
c. Premiums earned	\$ -0-
d. Other	\$ -0-

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NOTES TO FINANCIAL STATEMENTS

<u>Company</u>	<u>Amount</u>	<u>Company</u>	<u>Amount</u>	<u>Company</u>	<u>Amount</u>
Abeille Assurances I.A.R.D.	(721)	Hannover Ruck	264	Pine Top Ins Co	553
ALEA	4,906	Heartland Syndicate	880	Pohjola Ins Co	(332)
Allianz Via Assurances	(393)	Hemisphere M&G	790	Provincial Ins. Co. Ltd.	952
Arion	998	Home Ins Co.	517	Realex Syndicate	1,093
Atlantic & Pacific Intl.	(1,904)	INS Corp Ireland (ICAROM)	271	RMCA (Reins Mgmt Corp of Asia)	790
Atlas	960	Instituto Reasseguro Bras	4,134	S.I.S. Assurance	(298)
AXA Marine & Aviation	335	Iron Trade Mutual	775	Samvirke Skadeforsikring A/S	299
AXA Reassurances	1,530	Israel Re	700	Sentry Insurance	(374)
Belvedere Ins.	1,616	Kansa Reinsurance	4,305	SNL Ins Co	1,036
Bothnia	(287)	KCC Syndicate	(490)	Sphere Ins Co.	498
British Law Ins. Co.	(570)	Korea Automobile Ins	884	StoneBridge	325
Candon Syndicate	882	Laurentian General Ins	264	Sumitomo	411
Chorley Ins., Ltd	1,036	Lloyd's(Equitus)	(2,807)	Swiss Re	352
CIE. De Reassurances De	(514)	Maidstone Ins	1,045	Taisei Fire & Marine Ins.	(266)
Constellation Reins	5,004	Mentor Ins Co	4,409	Terra Nova Ins. Co.	764
Continental Ins Co	(395)	Mentor Insurance	1,364	Top International	904
Copenhagen Reins.	759	Mercantile & General	977	Transit Casualty Co	590
Danish Marine	395	Mid Far East Int'l Rein. Pool	1,309	Trent Ins Co	697
Delta America Rein	771	Mill Ri Gruppo Riassicurativo	1,082	Turegum Ins. Co. Ltd.	714
Dominion America	1,078	Mitsui Sumitomo	(565)	Uni Polaris	497
Drake Ins. Co.	908	Mutual Fire	3,304	Unigard Mutual	396
English & American	731	Mutual Fire Marine	416	Universal Marine Ins	496
Factory Mutual	(659)	National Union Fire	(1,288)	Universal Reinsurance	(264)
First NY Syndicate	1,158	Nem Re Ins. (Federated)	2,159	Universale Reins	792
Folksam Int'l. Ins. Co.	1,711	New England Reins Corp	344	Vara-Pooli	1,252
Frankona	(1,167)	Nippon Fire & Marine	(395)	Vega Forsikrings-Aksjeselskape	728
Freemont Indemnity	7,632	Nissan F&M	(265)	Victoria Ruck	(2,683)
Fremont Indemnity Co.	423	North Atlantic	304	Walton Insurance	(368)
G.E.S.B.	711	Northwestern Intl. Ins co	1,128	West Africa International	1,045
Gan Minster Ins. Co. Ltd.	1,717	Paladin	1,090	Wurttembergische	345
GE Reins Corp	1,592	Pan Atlantic Syndicate	(1,588)	All Others	1,561
Gerling Global Reins. Corp	(359)	People's Ins. Co. of China	631		
Goldstreet Syndicate	(337)	Phoenix Assurance PLC.	(942)	Total Uncollectible Reinsurance	67,060

- E. The Company did not commute any ceded reinsurance for the statement periods.
- F. The Company does not have retroactive reinsurance for the statement periods.
- G. The Company does not have any reinsurance accounted for as a deposit.
- G. The Company did not enter into any transfers of property and casualty run-off agreements.
- H. The Company did not have any of its certified reinsurers downgraded or status subject to revocation.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company estimates accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. See Schedule P – Part 7A.
- D. The Company did not have any medical loss ratio rebates required pursuant to the Public Health Service Act.
- E. The Company did not have any non-admitted retrospective premium.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

Loss and loss adjustment expense reserves are stated at the Company’s estimate of the ultimate cost of settling all incurred but unpaid claims, net of ceded reinsurance and anticipated salvage and subrogation. Loss and loss adjustment expense reserves are reported on an undiscounted basis, with the exception of workers compensation pension type claims, which have been discounted on a tabular basis. Activity with respect to loss and loss adjustment expense reserves for the past two years is displayed below:

Loss & LAE Reserves (amounts in thousands)	2015	2014
Unpaid Losses & LAE - January 1	36,218	32,747
Change in Unpaid Loss & LAE pooling @7/1/2014		3,560
Loss & LAE Incurred/Current Accident Year	16,327	15,859
Loss & LAE Incurred/Prior Accident Years	(737)	(1,638)
Loss & LAE Payments/Current Accident Year	(5,899)	(5,691)
Loss & LAE Payments/Prior Accident Years	<u>(10,063)</u>	<u>(8,619)</u>
Losses & LAE-December 31	35,845	36,218

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Provision for incurred loss and loss adjustment expenses attributable to insured events of prior years decreased in 2015 as a result of re-estimation of unpaid losses and loss adjustment expenses for claims.

Premium accruals are not material relative to the amount of reserve strengthening, since the base of retrospectively rated policies is negligible.

Note 26 – Intercompany Pooling Arrangements

A. Utica Mutual, the lead company, operates under a pooling agreement that shares premiums; losses, expenses and other related insurance operations with its other affiliated entities. The agreement states the following percentages of participation:

NAIC Co. Code	Name	Percentage
25976	Utica Mutual Insurance Company	84%
25984	Graphic Arts Mutual Insurance Company	5%
12475	Republic-Franklin Insurance Company	3%
10687	Utica National Assurance Company	2%
43478	Utica National Insurance Company of Texas	1%
14249	Founders Insurance Company	5%

Founders Insurance Company joined the pooling agreement effective July 1, 2014 with a 5% share. Prior to that date, Utica Mutual Insurance Company retained 89% of the pool.

- B. The pooling agreement covering the members outlined above and covers premiums, losses and LAE for all lines of business and the majority of operating expenses. The significant insurance operations and related transactions are also subject to this pooling agreement.
- C. The lead company, Utica Mutual, has individual reinsurance contracts to cover casualty, property and catastrophes as well as other reinsurance programs and facultative placements with several reinsurance companies which are with all non-affiliated entities. The cession to those reinsurance companies is prior to the cessions of pooled business within the group.
- D. As indicated above, the lead company, Utica Mutual, has individual reinsurance contracts to cover casualty, property and catastrophes as well as other reinsurance programs and facultative placements with several reinsurance companies which are with all non-affiliated entities. The cession to those reinsurance companies is prior to the cessions of pooled business within the group. Each member of the pooling agreement has a right of direct recovery of reinsurance collectibles from a reinsurance company under the various treaties and/or facultative placements.
- E. There were no discrepancies with the pooling entities on the assumed or ceded transactions between affiliated companies.
- F. The Provisions for Reinsurance (Schedule F, Part 8) is not pooled among the members of the group. Each company prepares Schedule F on a separate basis prior to the pooling. The companies and their respective Provision for Reinsurance are as follows:

NAIC Co. Code	Name	Provision for Reinsurance
25976	Utica Mutual Insurance Company	\$ 4,316,278
25984	Graphic Arts Mutual Insurance Company	396,405
12475	Republic-Franklin Insurance Company	0
10687	Utica National Assurance Company	0
43478	Utica National Insurance Company of Texas	0
14249	Founders Insurance Company	39,291

The companies within the Utica National Insurance Group (as identified above in item A) do share proportionally according to the pooling agreement, in the handling of uncollectible reinsurance. Uncollectible reinsurance is handled in accordance with SSAP #62, paragraph 58, by processing the amount through the accounts, exhibits and schedules in which they were originally recorded.

G. The amounts due to/(from) Utica Mutual and its affiliated entities participating in the intercompany pool as of December 31, 2015 are:

Utica Mutual Insurance Company	\$1,054,184
Graphic Arts Mutual Insurance Company	(2,057,066)
Republic-Franklin Insurance Company	(987,426)
Utica National Assurance Company	(1,119,027)
Utica National Insurance Company of Texas	(483,352)
Utica National Insurance Company of Ohio	1,725,150
Utica Specialty Risk Insurance Company	(12,180)
Utica Lloyd's of Texas	329,416
Founders Insurance Company	1,550,301

Note 27 - Structured Settlements

A. The Company has eliminated the following in loss reserves because it has purchased annuities, and it is contingently liable for the shown amount in the event the issuers of the annuities fail to perform.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
\$4,828,307	\$3,021,042

B. The Company has annuities from the following insurance companies which exceed 1% of policyholders' surplus:

Life Insurance Company and Location	Licensed in Company's State of Domicile Yes / No	Statement Value (i.e. Present Value) of Annuities
Genworth Financial, Lynchburg, VA	No	\$1,027,412
Symetra, Seattle, WA	Yes	\$1,016,795
Metropolitan Life Insurance Co, New York, NY	No	\$565,460

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 28 – Health Care Receivables

The Company does not have any Health Care Receivables.

Note 29 – Participating Policies

The Company does not have Participating Policies.

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserves

2. Date of the most recent evaluation of this liability

3. Was anticipated investment income utilized in the calculation?
- \$

- 0 -

12/31/2015

Yes (X) No ()

Note 31 – High Deductibles

As of December 31, 2015 the amount of reserve credit recorded for high deductibles on unpaid claims was zero and the amount billed and recoverable on paid claims was zero.

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

The Company discounts unpaid unallocated loss adjustment expenses pertaining to workers' compensation pension type case reserves on a tabular basis using the mortality table specified by the statistical reporting agencies to each state at rates of interest ranging from 3.0% to 6.0% as specified. Additionally, the assumed IBNR reserves of the National Workers' Compensation Pool have been discounted for pension type cases at a rate of 5.0%, using tabular values provided by the NWC Pool. The total amount of tabular pension discount reflected in the liabilities of this financial statement as of December 31, 2015 is \$487,000.

A. Tabular Discounting Included In Schedule P.

<u>Schedule P Lines of Business</u>	<u>(1) Case</u>	<u>(2) IBNR</u>
(1) – (3)	N/A	N/A
(4) Workers' Compensation	\$390,000	\$97,000
(5) – (23)	N/A	N/A
Total	\$390,000	\$97,000

B. Not applicable

C. Not applicable

Note 33 - Asbestos / Environmental Reserves

Asbestos

- A. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of, a liability due to asbestos losses? Yes (X) No ()

The Company has exposure to asbestos claims. This exposure arises primarily from the sale of general liability policies to manufacturers and suppliers that may have used/sold products that may have contained asbestos. Claimants have sued these manufacturers/suppliers for damages they allegedly received as a result of claimed exposure to these products.

Aggregate asbestos reserves have been established based on a stochastic model valuation. The Company reserves to the best point estimate of reasonable range of estimates after adjusting for reinsurance.

Effective 1/1/12, Utica entered into a reinsurance agreement with National Indemnity Company (NICO), a subsidiary of Berkshire Hathaway Group, which reinsures Utica's current asbestos losses up to a contract limit of \$475,985,800 for certain policies from 2003 and prior.

(1) Direct:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
a. Beginning Reserves:	11,480,880	14,151,814	12,556,118	10,753,386	9,446,823
b. Incurred losses and loss adjustment expense:	4,873,911	(54,334)	4,089	38,563	1,461,903
c. Calendar year payments for losses and loss adjustment expense:	2,202,978	1,541,362	1,806,821	1,345,126	1,083,871
d. Ending reserves:	14,151,814	12,556,118	10,753,386	9,446,823	9,824,855
(2) Assumed Reinsurance:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
a. Beginning Reserves:	436,929	642,724	712,289	607,248	470,398
b. Incurred losses and loss adjustment expense:	49,343	136,699	(20,743)	(22,657)	113,516
c. Calendar year payments for losses and loss adjustment expense:	(156,452)	67,134	84,298	114,193	79,131
d. Ending reserves:	642,724	712,289	607,248	470,398	504,783
(3) Net of Ceded Reinsurance:	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
a. Beginning Reserves:	5,833,042	7,225,584	141,571	120,281	108,123
b. Incurred losses and loss adjustment expense:	2,109,647	118,709	(7,477)	17,587	(53,804)
c. Calendar year payments for losses and loss adjustment expense:	717,105	7,202,723	13,812	29,745	(5,512)
d. Ending reserves:	7,225,584	141,571	120,281	108,123	59,831

- B. The amount of ending reserves for Bulk + IBNR included in A (Loss & LAE):

(1) Direct Basis

\$ 5,440,108

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

(2) Assumed Basis	\$	220,091
(3) Net of Reinsurance Basis	\$	48,303

C. The amount of ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):

(1) Direct Basis	\$	2,443,200
(2) Assumed Basis	\$	0
(3) Net of Reinsurance Basis	\$	2,416

Environmental

D. Does the Company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes (X) No ().

The Company has exposure to hazardous waste clean up claims. This exposure arises primarily from the sale of general liability policies.

Hazardous waste clean up claims are defined as losses related directly or indirectly to the cost of remediation of a site arising from past operations or waste disposal of hazardous materials or substances.

Hazardous waste clean up claims are reserved by evaluating coverage, liability and damages.

Factors considered in evaluating coverage include whether the facts indicate an "occurrence" has taken place as that term is defined in general liability policies, whether there is a pollution exclusion in the policy, what policies are triggered, whether there is property damage as that term is defined in the policy, whether in the case of property damage the damage is confined to the insured own property, the law of the jurisdiction applicable to the claim, and possibly other factors.

Factors considered, in evaluating liability include whether the insured produced toxic or hazardous products or substances or owns property on which such toxic substances are located, the toxicity of such substances and the quantity attributable to the insured, whether the injuries alleged are causally connected to the substance attributed to the insured, the number and relative liability of other defendants, the probability of other causes and possibly other factors.

Factors considered in evaluating damages in the case of a hazardous waste clean up claim include the cost to remediate the site, monitoring costs, damages to material resources, administrative costs, etc.

The relatively small volume of environmental losses are reserved on a case occurrence basis. IBNR reserves are carried to maintain a reasonable survival ratio.

(1) Direct:	2011	2012	2013	2014	2015
a. Beginning Reserves:	1,015,338	639,403	623,662	618,886	492,292
b. Incurred losses and loss adjustment expense:	157,454	(3,747)	29,022	(76,229)	3,224
Calendar year payments for losses and loss adjustment expense:	533,389	11,994	33,798	50,365	52,643
Ending reserves:	639,403	623,662	618,886	492,292	442,874
(2) Assumed Reinsurance:	2011	2012	2013	2014	2015
a. Beginning Reserves:	163,233	144,005	149,622	133,967	121,066
b. Incurred losses and loss adjustment expense:	8,927	10,196	(14,383)	(541)	63,287
c. Calendar year payments for losses and loss adjustment expense:	28,154	4,580	1,272	12,360	22,915
d. Ending reserves:	144,005	149,622	133,967	121,066	161,437
(3) Net of Ceded Reinsurance:	2011	2012	2013	2014	2015
a. Beginning Reserves:	627,622	489,862	481,122	476,777	402,874
b. Incurred losses and loss adjustment expense:	83,225	(711)	29,447	(24,932)	(5,108)
c. Calendar year payments for losses and loss adjustment expense:	220,985	8,028	33,792	48,970	43,324
d. Ending reserves:	489,862	481,122	476,777	402,874	354,442

E. The amount of ending reserves for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Basis	\$264,019
(2) Assumed Basis	\$146,727
(3) Net of Reinsurance Basis	\$230,202

F. The amount of the ending reserves for loss adjustment expense included in D (Case, Bulk + IBNR):

(1) Direct Basis	\$80,310
(2) Assumed Basis	\$ 0
(3) Net of Reinsurance Basis	\$68,420

Note 34 – Subscriber Savings Accounts

The Company does not have subscriber savings accounts.

Note 35 – Multiple Peril Crop Insurance

The Company does not write multiple peril crop insurance.

Note 36 – Financial Guaranty Insurance

The Company does not have any financial guaranty insurance for the financial statement period.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?
If yes, complete Schedule Y, Parts 1, 1A and 2

Yes [X] No []

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes [X] No [] N/A []

1.3

State Regulating?

Ohio

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes [] No [X]

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2014

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2009

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

02/28/2011

3.4

By what department or departments?
Ohio Department of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [] No [] N/A [X]

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [X] No [] N/A []

4.1

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

Yes [] No [X]
Yes [] No [X]

4.2

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

Yes [] No [X]
Yes [] No [X]

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [] No [X]

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [] No [X]

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes [] No [X]

7.2

If yes,
7.21 State the percentage of foreign control; %
7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]
- 8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
.....
- 8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]
- 8.4

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

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

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Grant Thornton LLP, 124 Hebron Avenue, Glastonbury, CT 06033
- 10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]
- 10.2

If the response to 10.1 is yes, provide information related to this exemption:
.....
- 10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]
- 10.4

If the response to 10.3 is yes, provide information related to this exemption:
.....
- 10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] N/A []
- 10.6

If the response to 10.5 is no or n/a, please explain
.....
11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Mark Littmann, FCAS, MAAA, PricewaterhouseCoopers, LLP 185 Asylum Street, Hartford, CT 06103
- 12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]
- 12.11

Name of real estate holding company
- 12.12

Number of parcels involved
- 12.13

Total book/adjusted carrying value

\$
- 12.2

If, yes provide explanation:
.....
13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
.....
- 13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []
- 13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []
- 13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []
- 14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []
- (a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c)

Compliance with applicable governmental laws, rules and regulations;
- (d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e)

Accountability for adherence to the code.
- 14.11

If the response to 14.1 is No, please explain:
.....
- 14.2

Has the code of ethics for senior managers been amended?

Yes [X] No []
- 14.21

If the response to 14.2 is yes, provide information related to amendment(s).
The Code was amended to prohibit gratuities.
- 14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]
- 14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).
.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [] No [X]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

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

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [] No [X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):

20.11 To directors or other officers\$

20.12 To stockholders not officers\$

20.13 Trustees, supreme or grand (Fraternal Only)\$
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):

20.21 To directors or other officers\$

20.22 To stockholders not officers\$

20.23 Trustees, supreme or grand (Fraternal Only)\$
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes [] No [X]
- 21.2 If yes, state the amount thereof at December 31 of the current year:

21.21 Rented from others\$

21.22 Borrowed from others\$

21.23 Leased from others\$

21.24 Other\$
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes [] No [X]
- 22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment\$

22.22 Amount paid as expenses\$

22.23 Other amounts paid\$
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03). Yes [] No [X]
- 24.02 If no, give full and complete information relating thereto
Securities are held in custodial accounts with The Bank of New York Mellon, New York, NY, except those on deposit with state or other regulatory bodies.
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes [] No [] N/A [X]
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [] No [] N/A [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] N/A [X]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? Yes [] No [] N/A [X]

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

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

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$
24.103	Total payable for securities lending reported on the liability page.	\$

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes [X] No []

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$
		25.22 Subject to reverse repurchase agreements	\$
		25.23 Subject to dollar repurchase agreements	\$
		25.24 Subject to reverse dollar repurchase agreements	\$
		25.25 Placed under option agreements	\$
		25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock	\$
		25.27 FHLB Capital Stock	\$
		25.28 On deposit with states	\$ 3,082,952
		25.29 On deposit with other regulatory bodies	\$
		25.30 Pledged as collateral - excluding collateral pledged to an FHLB	\$
		25.31 Pledged as collateral to FHLB - including assets backing funding agreements	\$
		25.32 Other	\$

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes [] No [X]

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No [] N/A [X]
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes [] No [X]

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook?..... Yes [X] No []

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon	One Wall Street, New York, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year?..... Yes [] No [X]

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
107423	Conning Asset Management	One Financial Plaza, Hartford, CT
107038	J.P. Morgan Asset Management	270 Park Avenue, 6th Floor, New York, NY
106595	Wellington Management Company, LLP	280 Congress Street, Boston, MA

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GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])?
- Yes [X] No []
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
922908-71-0	VANGUARD 500 INDEX FUND	4,305,294
29.2999 - Total		4,305,294

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

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
500 Index Fund Admiral Shares (VFIAX)	Apple Inc (AAPL)	140,783	12/31/2015

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

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	85,311,777	86,956,456	1,644,679
30.2 Preferred stocks			
30.3 Totals	85,311,777	86,956,456	1,644,679

- 30.4 Describe the sources or methods utilized in determining the fair values:
Statement values have been determined in accordance with the guidelines of the NAIC. The fair value is primarily determined by widely accepted third party vendors, followed by a hierarchy using broker / dealer quotes, index pricing, analytical models and historical pricing.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D?
- Yes [X] No []
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source?
- Yes [] No [X]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
Prices are obtained from the dealers / market makers for these securities. These prices are non-binding, but represent their best estimate of fair value per market conditions.
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?
- Yes [X] No []
- 32.2 If no, list exceptions:
.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$138,048

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

1 Name	2 Amount Paid
Insurance Services Office Inc	77,453
.....

34.1 Amount of payments for legal expenses, if any?\$39,702

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

1 Name	2 Amount Paid
.....
.....

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

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

1 Name	2 Amount Paid
.....
.....

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [] No [X]

1.2

If yes, indicate premium earned on U. S. business only.

\$ _____

1.3

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

\$ _____

1.31

Reason for excluding

.....

1.4

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

\$ _____

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ _____

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ _____

1.62

Total incurred claims

\$ _____

1.63

Number of covered lives

.....

All years prior to most current three years

1.64

Total premium earned

\$ _____

1.65

Total incurred claims

\$ _____

1.66

Number of covered lives

.....

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ _____

1.72

Total incurred claims

\$ _____

1.73

Number of covered lives

.....

All years prior to most current three years

1.74

Total premium earned

\$ _____

1.75

Total incurred claims

\$ _____

1.76

Number of covered lives

.....

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

.....

.....

2.2

Premium Denominator

23,810,260

21,490,674

2.3

Premium Ratio (2.1/2.2)

0.000

0.000

2.4

Reserve Numerator

.....

.....

2.5

Reserve Denominator

47,899,465

47,443,823

2.6

Reserve Ratio (2.4/2.5)

0.000

0.000

3.1

Does the reporting entity issue both participating and non-participating policies?

Yes [] No [X]

3.2

If yes, state the amount of calendar year premiums written on:

3.21

Participating policies

\$ _____

3.22

Non-participating policies

\$ _____

4.

For mutual reporting Entities and Reciprocal Exchanges Only:

4.1

Does the reporting entity issue assessable policies?

Yes [] No []

4.2

Does the reporting entity issue non-assessable policies?

Yes [] No []

4.3

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

%

4.4

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

\$ _____

5.

For Reciprocal Exchanges Only:

5.1

Does the Exchange appoint local agents?

Yes [] No []

5.2

If yes, is the commission paid:

5.21

Out of Attorney's-in-fact compensation.....

Yes [] No [] N/A []

5.22

As a direct expense of the exchange.....

Yes [] No [] N/A []

5.3

What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

.....

5.4

Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?

Yes [] No []

5.5

If yes, give full information

.....

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GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

6.1

What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company purchases Excess of Loss Reinsurance.

6.2

Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process.
The Company has reviewed property catastrophe model results provided by its reinsurance intermediary, Willis Re, Philadelphia, PA. Willis reviewed the Company's probable maximum property loss using the RiskLink system of RMS v13 and AIR's Touchstone v2. The models indicated that the probable maximum loss would be caused by a hurricane striking Long Island, New York, where the Company has significant exposed homeowners' values.

6.3

What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company purchases Catastrophe Reinsurance.

6.4

Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?

6.5

If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss.
.....

7.1

Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?.....

7.2

If yes, indicate the number of reinsurance contracts containing such provisions:

7.3

If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?.....

8.1

Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?

8.2

If yes, give full information
.....

9.1

Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
(c) Aggregate stop loss reinsurance coverage;
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.

9.2

Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.

9.3

If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4

Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?

9.5

If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.

9.6

The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
(a) The entity does not utilize reinsurance; or,
(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or
(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.

10.

If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?

16.1

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

11.1 Has the reporting entity guaranteed policies issued by any other entity and now in force? Yes [] No [X]

11.2 If yes, give full information
.....

12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the asset schedule, Page 2, state the amount of corresponding liabilities recorded for:

12.11 Unpaid losses\$

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

12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds\$

12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes [] No [X] N/A []

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

12.41 From %

12.42 To %

12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves , including unpaid losses under loss deductible features of commercial policies? Yes [X] No []

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

12.61 Letters of credit\$ 137,513

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

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation):\$ 360,000

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

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.3

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

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

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

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

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

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

15.2 If yes, give full information
.....

16.1 Does the reporting entity write any warranty business? Yes [] No [X]
If yes, disclose the following information for each of the following types of warranty coverage:

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

* Disclose type of coverage:

.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

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

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

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

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

FIVE-YEAR HISTORICAL DATA

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

	1 2015	2 2014	3 2013	4 2012	5 2011
Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	112,242,145	102,277,606	97,583,923	92,190,806	90,508,962
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	16,544,385	15,520,548	15,131,680	14,590,845	15,690,029
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	90,141,600	78,021,148	68,874,288	58,849,259	58,962,142
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	31,743	39,960	45,179	62,374	85,477
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	3	4	5	4	(82)
6. Total (Line 35)	218,959,875	195,859,266	181,635,074	165,693,287	165,246,529
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	14,580,124	12,983,324	11,755,052	10,925,060	10,701,576
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	2,829,596	2,264,582	1,714,246	1,569,567	1,601,187
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	7,201,301	6,576,914	6,023,266	5,391,417	5,513,671
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	27,037	35,404	40,623	57,818	80,921
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	3	4	5	4	(82)
12. Total (Line 35)	24,638,061	21,860,228	19,533,191	17,943,866	17,897,272
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	(236,417)	(583,266)	(1,053,980)	(1,516,193)	(5,806,871)
14. Net investment gain or (loss) (Line 11)	2,638,811	2,860,690	3,019,575	3,433,935	5,752,942
15. Total other income (Line 15)	143,434	391,504	653,146	(479,869)	474,061
16. Dividends to policyholders (Line 17)	300,198	234,432	224,860	239,643	130,133
17. Federal and foreign income taxes incurred (Line 19)	49,702	1,321,333	699,032	39,789	(847,769)
18. Net income (Line 20)	2,195,928	1,113,163	1,694,848	1,158,440	1,137,767
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	104,332,678	102,517,168	94,576,694	89,615,579	95,947,367
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	7,980,606	6,530,516	5,525,865	5,119,499	4,820,232
20.2 Deferred and not yet due (Line 15.2)	580,748	616,724	638,403	687,340	803,585
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	53,887,043	53,481,367	46,983,817	47,946,083	55,092,630
22. Losses (Page 3, Line 1)	28,537,561	28,801,741	25,612,110	25,993,203	29,919,336
23. Loss adjustment expenses (Page 3, Line 3)	7,307,825	7,415,803	7,135,067	7,511,174	11,151,340
24. Unearned premiums (Page 3, Line 9)	12,054,079	11,226,279	9,824,366	9,051,309	8,903,704
25. Capital paid up (Page 3, Lines 30 & 31)	3,500,000	3,500,000	3,500,000	3,500,000	3,500,000
26. Surplus as regards policyholders (Page 3, Line 37)	50,445,635	49,035,801	47,592,877	41,669,496	40,854,737
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	169,348	1,595,293	1,690,613	(4,426,313)	305,722
Risk-Based Capital Analysis					
28. Total adjusted capital	50,445,635	49,035,801	47,592,877	41,669,496	40,854,737
29. Authorized control level risk-based capital	3,465,631	3,869,046	3,388,712	3,214,338	3,833,924
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0					
30. Bonds (Line 1)	94.5	91.2	90.9	86.6	99.8
31. Stocks (Lines 2.1 & 2.2)	4.8	8.4	8.6		
32. Mortgage loans on real estate (Lines 3.1 and 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)					
34. Cash, cash equivalents and short-term investments (Line 5)	0.7	0.4	0.5	13.4	0.2
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38. Receivables for securities (Line 9)			0.0		
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Schedule D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above Lines 42 to 47					
49. Total Investment in Parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)					

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(157,038)	191,827	39,764	3,401	(999,057)
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	1,409,834	1,442,924	5,923,381	814,759	189,839
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	49,470,615	50,095,779	48,608,444	48,268,544	48,070,815
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	9,040,619	8,918,019	7,616,107	8,036,531	11,599,733
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	55,527,541	43,674,965	36,487,316	34,806,792	38,040,014
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	7,085	(1,543)	(2,722)	21,114	4,818
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	2	0	0	0
59. Total (Line 35)	114,045,861	102,687,222	92,709,145	91,132,981	97,715,380
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	7,964,462	6,660,493	5,864,434	9,389,617	5,737,309
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,597,390	1,326,902	944,098	926,444	1,035,502
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	3,309,435	2,993,368	2,905,574	3,203,699	3,608,264
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	7,085	(1,543)	(2,722)	21,114	4,818
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	2	0	0	0
65. Total (Line 35)	12,878,373	10,979,222	9,711,384	13,540,875	10,385,893
Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	53.0	53.6	49.7	54.0	69.0
68. Loss expenses incurred (Line 3)	12.5	12.6	15.8	16.4	25.8
69. Other underwriting expenses incurred (Line 4)	35.5	36.5	40.1	38.1	37.4
70. Net underwriting gain (loss) (Line 8)	(1.0)	(2.7)	(5.6)	(8.5)	(32.2)
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	33.7	34.1	35.2	40.4	35.0
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	65.5	66.2	65.5	70.5	94.8
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35 divided by Page 3, Line 37, Col. 1 x 100.0)	48.8	44.6	41.0	43.1	43.8
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(528)	(802)	(200)	(91)	2,015
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100.0)	(1.1)	(1.7)	(0.5)	(0.2)	5.0
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	(1,226)	71	(711)	1,970	1,393
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(2.6)	0.2	(1.7)	4.8	3.7

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

Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1 Direct and Assumed	2 Ceded	3 Net (1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported Direct and Assumed
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	
1. Prior.....	XXX	XXX	XXX	1,351	802	482	439	312	(2)	20	906	XXX
2. 2006.....	23,455	1,891	21,564	8,908	715	1,424	63	1,514	94	442	10,974	XXX
3. 2007.....	23,042	1,865	21,178	9,596	469	1,543	16	1,552	23	417	12,183	XXX
4. 2008.....	22,645	1,280	21,365	9,511	353	1,655	27	1,655	2	432	12,438	XXX
5. 2009.....	21,910	998	20,913	9,457	331	1,704	18	1,665	2	425	12,475	XXX
6. 2010.....	21,845	1,175	20,670	10,024	480	1,714	57	1,573	4	476	12,770	XXX
7. 2011.....	22,312	1,249	21,063	13,022	1,540	1,589	55	1,689	4	514	14,700	XXX
8. 2012.....	21,832	1,300	20,531	10,200	425	1,172	22	1,292	3	511	12,215	XXX
9. 2013.....	22,776	1,425	21,351	7,347	113	748	5	1,391	0	417	9,367	XXX
10. 2014.....	24,080	1,325	22,756	7,494	460	501	5	1,214	2	385	8,742	XXX
11. 2015.....	25,162	1,351	23,810	5,013	91	234	1	744	0	215	5,899	XXX
12. Totals	XXX	XXX	XXX	91,923	5,778	12,764	708	14,600	132	4,255	112,670	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR						
	13	14	15	16	17	18	19	20	21	22			
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded				Salvage and Subrogation Anticipated	Total Net Losses and Expenses Unpaid	Number of Claims Outstanding Direct and Assumed
1. Prior.....	4,457	1,617	7,234	5,959	1,418	1,279	2,531	2,224	618	504	61	4,676	XXX
2. 2006.....	211	13	110	10	13	1	35	1	18		11	362	XXX
3. 2007.....	364	66	141	14	24	3	54	2	20	0	10	517	XXX
4. 2008.....	496	0	203	21	49	3	79	3	24	0	15	823	XXX
5. 2009.....	671	87	331	36	59	7	113	4	35	1	22	1,075	XXX
6. 2010.....	785	3	419	50	90	1	144	7	49		30	1,426	XXX
7. 2011.....	1,242		667	62	126	0	246	9	80		41	2,290	XXX
8. 2012.....	1,409	7	957	89	161	4	347	12	129		65	2,890	XXX
9. 2013.....	2,121		1,495	140	251	0	553	18	215	0	101	4,476	XXX
10. 2014.....	2,952	8	2,634	235	283		932	29	353		185	6,882	XXX
11. 2015.....	3,736	12	4,730	397	256	0	1,474	47	688	0	472	10,428	XXX
12. Totals	18,443	1,813	18,921	7,013	2,730	1,296	6,508	2,358	2,227	504	1,014	35,845	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred /Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves After Discount	
	26	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior.....	XXX	XXX	XXX	XXX	XXX	XXX			XXX	4,115	561
2. 2006.....	12,232	896	11,336	52.2	47.4	52.6			3.0	298	64
3. 2007.....	13,293	593	12,700	57.7	31.8	60.0			3.0	425	93
4. 2008.....	13,670	409	13,261	60.4	32.0	62.1			3.0	678	145
5. 2009.....	14,034	484	13,550	64.1	48.5	64.8			3.0	879	195
6. 2010.....	14,797	601	14,196	67.7	51.2	68.7			3.0	1,151	275
7. 2011.....	18,661	1,671	16,990	83.6	133.7	80.7			3.0	1,847	443
8. 2012.....	15,667	562	15,105	71.8	43.2	73.6			3.0	2,269	621
9. 2013.....	14,121	277	13,844	62.0	19.4	64.8			3.0	3,476	1,001
10. 2014.....	16,364	739	15,625	68.0	55.8	68.7			3.0	5,343	1,539
11. 2015.....	16,875	548	16,327	67.1	40.6	68.6			3.0	8,057	2,371
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX			XXX	28,538	7,308

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT	
	1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	11 One Year	12 Two Year
1. Prior.....	27,069	26,538	26,692	30,105	30,051	32,259	32,527	32,663	32,538	32,502	(37)	(161)
2. 2006.....	10,914	10,633	10,217	10,121	9,968	9,879	9,855	9,918	9,874	9,920	46	2
3. 2007.....	XXX	11,571	11,321	11,274	11,317	11,274	11,283	11,251	11,175	11,153	(22)	(98)
4. 2008.....	XXX	XXX	11,860	11,935	11,860	11,699	11,550	11,370	11,595	11,594	0	224
5. 2009.....	XXX	XXX	XXX	12,521	12,126	12,029	12,121	12,090	11,813	11,856	43	(234)
6. 2010.....	XXX	XXX	XXX	XXX	12,832	12,853	12,854	12,897	12,654	12,582	(72)	(315)
7. 2011.....	XXX	XXX	XXX	XXX	XXX	15,390	15,366	15,549	15,389	15,263	(126)	(286)
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	13,117	13,669	13,705	13,691	(14)	22
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	12,622	12,483	12,242	(242)	(380)
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,169	14,065	(104)	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	14,899	XXX	XXX
12. Totals											(528)	(1,226)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1	2	3	4	5	6	7	8	9	10		
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
1. Prior.....	000	5,872	9,801	12,947	15,157	17,305	25,456	26,352	26,956	27,548	XXX	XXX
2. 2006.....	3,140	5,386	6,630	7,825	8,443	8,851	9,109	9,331	9,458	9,555	XXX	XXX
3. 2007.....	XXX	3,447	5,820	7,386	8,532	9,475	10,072	10,439	10,563	10,653	XXX	XXX
4. 2008.....	XXX	XXX	3,388	5,979	7,461	8,753	9,574	10,140	10,465	10,785	XXX	XXX
5. 2009.....	XXX	XXX	XXX	3,371	5,636	7,277	8,750	9,845	10,458	10,812	XXX	XXX
6. 2010.....	XXX	XXX	XXX	XXX	3,682	6,222	8,116	9,653	10,622	11,201	XXX	XXX
7. 2011.....	XXX	XXX	XXX	XXX	XXX	5,099	8,190	10,339	11,875	13,015	XXX	XXX
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	4,242	7,288	9,319	10,926	XXX	XXX
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,653	6,247	7,976	XXX	XXX
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,699	7,530	XXX	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,156	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Prior.....	11,876	7,589	7,078	5,645	4,646	6,244	2,297	2,123	1,923	1,649
2. 2006.....	4,604	2,680	1,573	969	655	403	241	210	154	137
3. 2007.....	XXX	4,611	2,560	1,470	984	660	411	317	237	181
4. 2008.....	XXX	XXX	4,805	2,888	1,916	1,230	761	438	431	261
5. 2009.....	XXX	XXX	XXX	5,595	3,484	2,002	1,230	884	533	405
6. 2010.....	XXX	XXX	XXX	XXX	5,361	3,441	2,048	1,422	769	508
7. 2011.....	XXX	XXX	XXX	XXX	XXX	5,697	3,360	2,199	1,474	843
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	5,002	3,175	1,879	1,206
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,451	3,300	1,894
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,662	3,308
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	5,764

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories									
States, Etc.	1	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
		2	3						
	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges Not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Included in Column 2)
1. Alabama	AL	N							
2. Alaska	AK	N							
3. Arizona	AZ	N							
4. Arkansas	AR	N							
5. California	CA	N							
6. Colorado	CO	N							
7. Connecticut	CT	L	22,092,161	103,822	14,188,444	14,411,088	21,670,373	121,532	
8. Delaware	DE	L	1,232,671	7,073	1,015,959	(793,474)	2,799,034	3,553	
9. District of Columbia	DC	L	141,884		19,580	4,852	39,684	319	
10. Florida	FL	N							
11. Georgia	GA	L	7,787,932	110	4,146,104	4,545,455	7,364,268	28,923	
12. Hawaii	HI	N							
13. Idaho	ID	N							
14. Illinois	IL	L	3,733,967		1,290,585	2,601,934	5,168,647	12,797	
15. Indiana	IN	L	528,934		77,296	33,334	243,542	1,774	
16. Iowa	IA	N							
17. Kansas	KS	L	165,021		2,288	(4,337)	20,860	768	
18. Kentucky	KY	N							
19. Louisiana	LA	N							
20. Maine	ME	N							
21. Maryland	MD	L	3,278,024		974,968	(351,816)	5,745,675	10,346	
22. Massachusetts	MA	L	14,513,291	371,193	8,833,572	6,775,876	10,132,140	43,157	
23. Michigan	MI	L	2,490,621		491,118	1,402,512	1,455,618	4,382	
24. Minnesota	MN	N							
25. Mississippi	MS	N							
26. Missouri	MO	N							
27. Montana	MT	N							
28. Nebraska	NE	N							
29. Nevada	NV	N							
30. New Hampshire	NH	L	325,076	12,013	272,273	96,968	197,638	1,386	
31. New Jersey	NJ	L	35,845,039	271,520	12,878,918	20,380,426	31,670,130	80,803	
32. New Mexico	NM	N							
33. New York	NY	L	63,175,328	651,691	38,375,650	16,426,875	69,677,803	362,706	
34. North Carolina	NC	L	10,920,616	2,226	5,068,041	5,324,061	4,499,539	43,810	
35. North Dakota	ND	N							
36. Ohio	OH	L	6,342,574		4,912,188	4,871,868	2,840,923	24,458	
37. Oklahoma	OK	N							
38. Oregon	OR	N							
39. Pennsylvania	PA	L	7,117,677		3,057,094	3,588,014	6,369,815	16,442	
40. Rhode Island	RI	L	660,709	1,619	218,699	274,624	183,922	3,231	
41. South Carolina	SC	N							
42. South Dakota	SD	N							
43. Tennessee	TN	L	1,614,660		933,685	151,955	1,387,272	8,177	
44. Texas	TX	L	5,337,190		1,433,423	3,152,070	5,214,659	29,127	
45. Utah	UT	N							
46. Vermont	VT	N							
47. Virginia	VA	L	4,208,966	129	2,128,958	1,816,712	2,391,246	21,859	
48. Washington	WA	N							
49. West Virginia	WV	N							
50. Wisconsin	WI	L	2,804,237		872,535	1,219,526	2,795,031	6,829	
51. Wyoming	WY	N							
52. American Samoa	AS	N							
53. Guam	GU	N							
54. Puerto Rico	PR	N							
55. U.S. Virgin Islands	VI	N							
56. Northern Mariana Islands	MP	N							
57. Canada	CAN	N							
58. Aggregate other alien	OT	XXX							
59. Totals	(a) 21	194,316,578	184,962,291	1,421,396	101,191,378	85,928,523	181,867,819	826,379	
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX								

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

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

All of the premiums with respect to every kind of insurance are allocated to the state in which the property or insured is located.

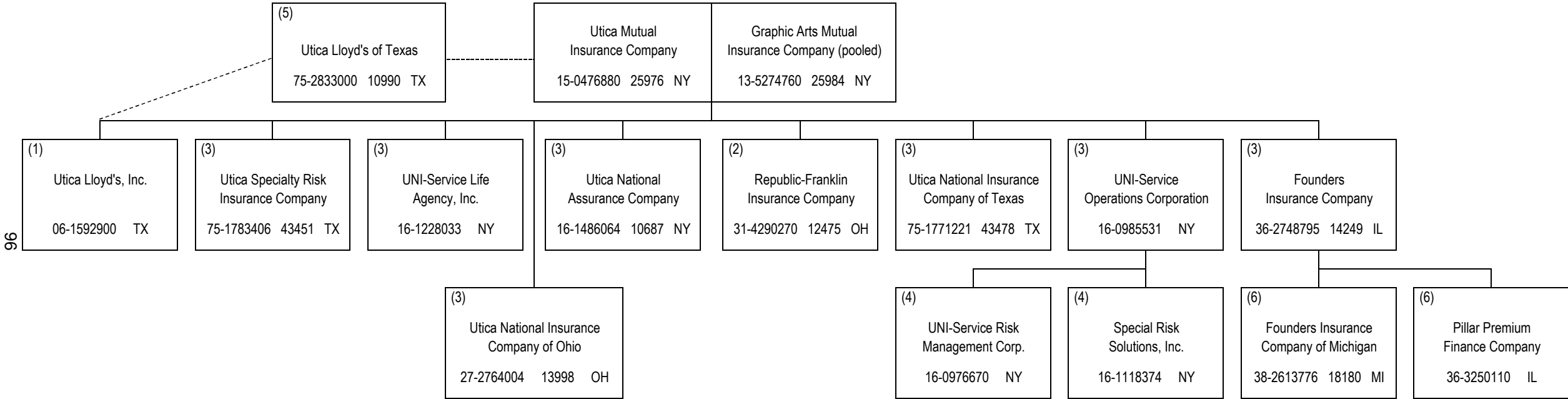
(a) Insert the number of L responses except for Canada and Other Alien.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

UTICA NATIONAL INSURANCE GROUP ORGANIZATION STRUCTURE DECEMBER 31, 2015



1. Owned 100% by Utica Mutual Insurance Company; operates as attorney-in-fact for Utica Lloyd's of Texas.

2. Owned 94% by Utica Mutual Insurance Company and 6% by Graphic Arts Mutual Insurance Company.

3. Owned 100% by Utica Mutual Insurance Company.

4. Owned 100% by UNI-Service Operations Corporation.

5. A Texas Lloyd's association of twelve underwriters under sponsorship of the Utica Mutual Insurance Company.

6. Owned 100% by Founders Insurance Company.

7. Shares common management with the group.

(7)
Utica National Group Foundation, Inc.
16-1313450 NY

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504.	Miscellaneous Office Equipment	759,083	759,083		
2505.	Clearing Accounts	53,856	53,856		
2506.	Deposits	400	400		
2597.	Summary of remaining write-ins for Line 25 from overflow page	813,339	813,339		

Additional Write-ins for Underwriting and Investment Exhibit Part 3 Line 24

		1	2	3	4
		Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
2404.	Services Performed	867	(545,337)	(11)	(544,481)
2405.	Intercompany Adjustments		0		0
2406.	Interest Expense			1,374	1,374
2407.	Miscellaneous Expense	202	4,190		4,392
2408.	Change in ULAE Reserves	18,079			18,079
2497.	Summary of remaining write-ins for Line 24 from overflow page	19,148	(541,147)	1,363	(520,636)

Additional Write-ins for Exhibit of Nonadmitted Assets Line 25

		1	2	3
		Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
2504.	Equities and Deposits in Pools and Associations	1,165	710	(455)
2505.	Miscellaneous Office Equipment	759,083	406,805	(352,278)
2506.	Prepaid Expenses	105,640	112,829	7,190
2597.	Summary of remaining write-ins for Line 25 from overflow page	865,888	520,344	(345,544)

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