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# QUARTERLY STATEMENT

**As of June 30, 2017**

of the Condition and Affairs of the

# UNITED FINANCIAL CASUALTY COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period) NAIC Company Code..... 11770 Employer's ID Number..... 36-3298008

Organized under the Laws of OH State of Domicile or Port of Entry OH Country of Domicile US

Incorporated/Organized..... June 13, 1984 Commenced Business..... August 10, 1984

| | | |
|---|---|---|
| Statutory Home Office | 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | |
| Main Administrative Office | 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | 440-461-5000<br>*(Area Code) (Telephone Number)* |
| Mail Address | P.O. BOX 89490….. CLEVELAND ..... OH ..... US ..... 44101-6490<br>*(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)* | |
| Primary Location of Books and Records | 6300 WILSON MILLS ROAD, W33….. CLEVELAND ..... OH ..... US ..... 44143-2182<br>*(Street and Number) (City or Town, State, Country and Zip Code)* | 440-395-4460<br>*(Area Code) (Telephone Number)* |
| Internet Web Site Address | PROGRESSIVE.COM | |
| Statutory Statement Contact | MARY BETH ANDREANO<br>*(Name)* | 440-395-4460<br>*(Area Code) (Telephone Number) (Extension)* |
| | FINANCIAL_REPORTING@PROGRESSIVE.COM<br>*(E-Mail Address)* | 440-603-5500<br>*(Fax Number)* |

## POLICYHOLDER SERVICES AND CLAIMS REPORTING -- 1-800-PROGRESSIVE (1-800-776-4737)

## OFFICERS

| Name | Title | Name | Title |
|---|---|---|---|
| MICHAEL WILLIAM BISSLER | PRESIDENT | PATRICIA MITCHELL CORWIN | SECRETARY |
| KEVIN PATRICK MAHER | TREASURER | | |

## OTHER

| | | | |
|---|---|---|---|
| PATRICIA ONODY BEMER | (VICE PRESIDENT) | WILLIAM RAYMOND KAMPF | (VICE PRESIDENT) |
| SANDRA LEE RIHVALSKY | (VICE PRESIDENT) | MARGARET ANN ROSE | (ASST. SECRETARY) |

## DIRECTORS OR TRUSTEES

| | | | |
|---|---|---|---|
| PATRICIA ONODY BEMER | MICHAEL WILLIAM BISSLER | JEANETTE LOUISE HISEK | WILLIAM RAYMOND KAMPF |
| KEVIN PATRICK MAHER | | | |

State of........ OHIO
County of..... CUYAHOGA

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

| | | |
|---|---|---|
| (Signature) | (Signature) | (Signature) |
| MICHAEL WILLIAM BISSLER | MARGARET ANN ROSE | KEVIN PATRICK MAHER |
| 1. (Printed Name) | 2. (Printed Name) | 3. (Printed Name) |
| PRESIDENT | ASSISTANT SECRETARY | TREASURER |
| (Title) | (Title) | (Title) |

Subscribed and sworn to before me
This 9TH day of AUGUST, 2017

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

# ASSETS

| | Current Statement Date 1 Assets | 2 Nonadmitted Assets | 3 Net Admitted Assets (Cols. 1 - 2) | 4 December 31 Prior Year Net Admitted Assets |
|---|---|---|---|---|
| 1. Bonds | 1,824,505,864 | | 1,824,505,864 | 1,656,386,798 |
| 2. Stocks: | | | | |
| 2.1 Preferred stocks | 48,816,000 | | 48,816,000 | 57,100,500 |
| 2.2 Common stocks | 242,768,350 | | 242,768,350 | 222,412,598 |
| 3. Mortgage loans on real estate: | | | | |
| 3.1 First liens | | | 0 | |
| 3.2 Other than first liens | | | 0 | |
| 4. Real estate: | | | | |
| 4.1 Properties occupied by the company (less $..........0 encumbrances) | | | 0 | |
| 4.2 Properties held for the production of income (less $..........0 encumbrances) | | | 0 | |
| 4.3 Properties held for sale (less $..........0 encumbrances) | | | 0 | |
| 5. Cash ($..........0), cash equivalents ($.....69,903,007) and short-term investments ($.....247,294,820) | 317,197,827 | | 317,197,827 | 304,404,387 |
| 6. Contract loans (including $..........0 premium notes) | | | 0 | |
| 7. Derivatives | | | 0 | |
| 8. Other invested assets | | | 0 | |
| 9. Receivables for securities | | | 0 | |
| 10. Securities lending reinvested collateral assets | | | 0 | |
| 11. Aggregate write-ins for invested assets | 0 | 0 | 0 | 0 |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) | 2,433,288,041 | 0 | 2,433,288,041 | 2,240,304,283 |
| 13. Title plants less $..........0 charged off (for Title insurers only) | | | 0 | |
| 14. Investment income due and accrued | 9,798,103 | | 9,798,103 | 8,368,015 |
| 15. Premiums and considerations: | | | | |
| 15.1 Uncollected premiums and agents' balances in the course of collection | 82,175,204 | 4,353,967 | 77,821,237 | 74,005,340 |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums) | 528,888,887 | | 528,888,887 | 452,630,015 |
| 15.3 Accrued retrospective premiums ($..........0) and contracts subject to redetermination ($..........0) | | | 0 | |
| 16. Reinsurance: | | | | |
| 16.1 Amounts recoverable from reinsurers | 229 | | 229 | |
| 16.2 Funds held by or deposited with reinsured companies | | | 0 | |
| 16.3 Other amounts receivable under reinsurance contracts | | | 0 | |
| 17. Amounts receivable relating to uninsured plans | | | 0 | |
| 18.1 Current federal and foreign income tax recoverable and interest thereon | | | 0 | |
| 18.2 Net deferred tax asset | 30,599,009 | | 30,599,009 | 29,845,668 |
| 19. Guaranty funds receivable or on deposit | | | 0 | |
| 20. Electronic data processing equipment and software | | | 0 | |
| 21. Furniture and equipment, including health care delivery assets ($..........0) | | | 0 | |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates | | | 0 | |
| 23. Receivables from parent, subsidiaries and affiliates | 124,495,123 | | 124,495,123 | 90,905,834 |
| 24. Health care ($..........0) and other amounts receivable | | | 0 | |
| 25. Aggregate write-ins for other than invested assets | 1,624,546 | 884,050 | 740,496 | 596,950 |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25) | 3,210,869,142 | 5,238,017 | 3,205,631,125 | 2,896,656,105 |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | 0 | |
| 28. Total (Lines 26 and 27) | 3,210,869,142 | 5,238,017 | 3,205,631,125 | 2,896,656,105 |

**DETAILS OF WRITE-INS**

| | | | | |
|---|---|---|---|---|
| 1101. | | | 0 | |
| 1102. | | | 0 | |
| 1103. | | | 0 | |
| 1198. Summary of remaining write-ins for Line 11 from overflow page | 0 | 0 | 0 | 0 |
| 1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above) | 0 | 0 | 0 | 0 |
| 2501. STATE UNEARNED SURCHARGE RECOVERABLE | 740,496 | | 740,496 | 596,950 |
| 2502. PREPAID EXPENSES | 863,493 | 863,493 | 0 | |
| 2503. MISCELLANEOUS OTHER ASSETS | 20,557 | 20,557 | 0 | |
| 2598. Summary of remaining write-ins for Line 25 from overflow page | 0 | 0 | 0 | 0 |
| 2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above) | 1,624,546 | 884,050 | 740,496 | 596,950 |

# LIABILITIES, SURPLUS AND OTHER FUNDS

| | | 1<br>Current<br>Statement Date | 2<br>December 31<br>Prior Year |
|---|---|---|---|
| 1. | Losses (current accident year $.....336,966,671) | 1,063,074,988 | 1,012,692,915 |
| 2. | Reinsurance payable on paid losses and loss adjustment expenses | 143,162,717 | 144,381,807 |
| 3. | Loss adjustment expenses | 189,083,140 | 176,790,260 |
| 4. | Commissions payable, contingent commissions and other similar charges | 298,442 | 215,428 |
| 5. | Other expenses (excluding taxes, licenses and fees) | 225,580 | 196,459 |
| 6. | Taxes, licenses and fees (excluding federal and foreign income taxes) | 8,395,265 | 10,896,114 |
| 7.1 | Current federal and foreign income taxes (including $.....4,078,683 on realized capital gains (losses)) | 46,349,903 | 18,793,593 |
| 7.2 | Net deferred tax liability | | |
| 8. | Borrowed money $..........0 and interest thereon $..........0 | | |
| 9. | Unearned premiums (after deducting unearned premiums for ceded reinsurance of $.....12,395,212 and including warranty reserves of $..........0 and accrued accident and health experience rating refunds including $..........0 for medical loss ratio rebate per the Public Health Service Act) | 893,242,327 | 794,347,358 |
| 10. | Advance premium | 9,355,195 | 8,012,580 |
| 11. | Dividends declared and unpaid: | | |
| | 11.1 Stockholders | | |
| | 11.2 Policyholders | | |
| 12. | Ceded reinsurance premiums payable (net of ceding commissions) | 4,341,722 | 2,839,728 |
| 13. | Funds held by company under reinsurance treaties | 22,038,903 | 10,882,930 |
| 14. | Amounts withheld or retained by company for account of others | | |
| 15. | Remittances and items not allocated | | |
| 16. | Provision for reinsurance (including $..........0 certified) | | |
| 17. | Net adjustments in assets and liabilities due to foreign exchange rates | | |
| 18. | Drafts outstanding | 39,898,169 | 39,597,734 |
| 19. | Payable to parent, subsidiaries and affiliates | | |
| 20. | Derivatives | | |
| 21. | Payable for securities | 20,263,367 | |
| 22. | Payable for securities lending | | |
| 23. | Liability for amounts held under uninsured plans | | |
| 24. | Capital notes $..........0 and interest thereon $..........0 | | |
| 25. | Aggregate write-ins for liabilities | 13,890,974 | 12,610,606 |
| 26. | Total liabilities excluding protected cell liabilities (Lines 1 through 25) | 2,453,620,692 | 2,232,257,512 |
| 27. | Protected cell liabilities | | |
| 28. | Total liabilities (Lines 26 and 27) | 2,453,620,692 | 2,232,257,512 |
| 29. | Aggregate write-ins for special surplus funds | 0 | 0 |
| 30. | Common capital stock | 3,008,000 | 3,008,000 |
| 31. | Preferred capital stock | | |
| 32. | Aggregate write-ins for other than special surplus funds | 0 | 0 |
| 33. | Surplus notes | | |
| 34. | Gross paid in and contributed surplus | 226,373,432 | 226,373,432 |
| 35. | Unassigned funds (surplus) | 522,629,001 | 435,017,161 |
| 36. | Less treasury stock, at cost: | | |
| | 36.1 ..........0.000 shares common (value included in Line 30 $..........0) | | |
| | 36.2 ..........0.000 shares preferred (value included in Line 31 $..........0) | | |
| 37. | Surplus as regards policyholders (Lines 29 to 35, less 36) | 752,010,433 | 664,398,593 |
| 38. | Totals (Page 2, Line 28, Col. 3) | 3,205,631,125 | 2,896,656,105 |

**DETAILS OF WRITE-INS**

| | | | |
|---|---|---|---|
| 2501. | STATE PLAN LIABILITY | 12,393,417 | 11,436,158 |
| 2502. | OTHER LIABILITIES | 935,000 | 925,489 |
| 2503. | ESCHEATABLE PROPERTY | 488,549 | 248,959 |
| 2598. | Summary of remaining write-ins for Line 25 from overflow page | 74,008 | 0 |
| 2599. | Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above) | 13,890,974 | 12,610,606 |
| 2901. | | | |
| 2902. | | | |
| 2903. | | | |
| 2998. | Summary of remaining write-ins for Line 29 from overflow page | 0 | 0 |
| 2999. | Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above) | 0 | 0 |
| 3201. | | | |
| 3202. | | | |
| 3203. | | | |
| 3298. | Summary of remaining write-ins for Line 32 from overflow page | 0 | 0 |
| 3299. | Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above) | 0 | 0 |

# STATEMENT OF INCOME

| | 1 Current Year to Date | 2 Prior Year to Date | 3 Prior Year Ended December 31 |
|---|---|---|---|
| **UNDERWRITING INCOME** | | | |
| 1. Premiums earned: | | | |
| 1.1 Direct (written $.....688,766,669) | 613,329,957 | 521,167,470 | 1,099,580,908 |
| 1.2 Assumed (written $.....446,419,683) | 417,802,853 | 389,753,700 | 805,359,694 |
| 1.3 Ceded (written $.....23,386,392) | 18,227,819 | 5,011,081 | 16,660,098 |
| 1.4 Net (written $.....1,111,799,960) | 1,012,904,991 | 905,910,089 | 1,888,280,504 |
| DEDUCTIONS: | | | |
| 2. Losses incurred (current accident year $.....624,553,844): | | | |
| 2.1 Direct | 380,430,045 | 326,151,560 | 711,639,250 |
| 2.2 Assumed | 257,562,319 | 239,638,433 | 513,331,688 |
| 2.3 Ceded | 22,123,594 | 4,776,024 | 18,903,364 |
| 2.4 Net | 615,868,770 | 561,013,969 | 1,206,067,574 |
| 3. Loss adjustment expenses incurred | 109,487,738 | 93,501,398 | 193,021,106 |
| 4. Other underwriting expenses incurred | 213,429,948 | 198,204,748 | 375,169,001 |
| 5. Aggregate write-ins for underwriting deductions | 0 | 0 | 0 |
| 6. Total underwriting deductions (Lines 2 through 5) | 938,786,456 | 852,720,115 | 1,774,257,681 |
| 7. Net income of protected cells | | | |
| 8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7) | 74,118,535 | 53,189,974 | 114,022,823 |
| **INVESTMENT INCOME** | | | |
| 9. Net investment income earned | 24,595,375 | 22,479,745 | 44,424,118 |
| 10. Net realized capital gains (losses) less capital gains tax of $.....4,078,683 | 14,336,630 | 5,412,956 | 11,325,234 |
| 11. Net investment gain (loss) (Lines 9 + 10) | 38,932,005 | 27,892,701 | 55,749,352 |
| **OTHER INCOME** | | | |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....376,343 amount charged off $.....6,948,866) | (6,572,523) | (6,174,289) | (12,476,660) |
| 13. Finance and service charges not included in premiums | 6,245,361 | 5,643,002 | 11,917,993 |
| 14. Aggregate write-ins for miscellaneous income | 4,061,499 | 4,054,330 | 8,156,355 |
| 15. Total other income (Lines 12 through 14) | 3,734,337 | 3,523,043 | 7,597,688 |
| 16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15) | 116,784,877 | 84,605,718 | 177,369,863 |
| 17. Dividends to policyholders | | | |
| 18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17) | 116,784,877 | 84,605,718 | 177,369,863 |
| 19. Federal and foreign income taxes incurred | 42,272,444 | 36,074,171 | 62,828,562 |
| 20. Net income (Line 18 minus Line 19) (to Line 22) | 74,512,433 | 48,531,547 | 114,541,301 |
| **CAPITAL AND SURPLUS ACCOUNT** | | | |
| 21. Surplus as regards policyholders, December 31 prior year | 664,398,593 | 554,735,621 | 554,735,621 |
| 22. Net income (from Line 20) | 74,512,433 | 48,531,547 | 114,541,301 |
| 23. Net transfers (to) from Protected Cell accounts | | | |
| 24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....4,461,076 | 8,284,854 | 2,248,297 | 11,298,652 |
| 25. Change in net unrealized foreign exchange capital gain (loss) | | | |
| 26. Change in net deferred income tax | 5,214,416 | 9,103,306 | 6,524,948 |
| 27. Change in nonadmitted assets | (399,863) | (273,809) | (601,929) |
| 28. Change in provision for reinsurance | | | |
| 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 | | | (22,100,000) |
| 36. Change in treasury stock | | | |
| 37. Aggregate write-ins for gains and losses in surplus | 0 | 0 | 0 |
| 38. Change in surplus as regards policyholders (Lines 22 through 37) | 87,611,840 | 59,609,341 | 109,662,972 |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38) | 752,010,433 | 614,344,962 | 664,398,593 |

**DETAILS OF WRITE-INS**

| | | | |
|---|---|---|---|
| 0501. | | | |
| 0502. | | | |
| 0503. | | | |
| 0598. Summary of remaining write-ins for Line 5 from overflow page | 0 | 0 | 0 |
| 0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above) | 0 | 0 | 0 |
| 1401. FINANCE & SERVICE CHARGE REVENUE ASSUMED | 3,722,869 | 3,901,600 | 7,855,097 |
| 1402. INTEREST INCOME ON INTERCOMPANY BALANCES | 355,763 | 99,698 | 257,673 |
| 1403. MISCELLANEOUS OTHER (EXPENSE) INCOME | (17,133) | 53,032 | 43,585 |
| 1498. Summary of remaining write-ins for Line 14 from overflow page | 0 | 0 | 0 |
| 1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above) | 4,061,499 | 4,054,330 | 8,156,355 |
| 3701. | | | |
| 3702. | | | |
| 3703. | | | |
| 3798. Summary of remaining write-ins for Line 37 from overflow page | 0 | 0 | 0 |
| 3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above) | 0 | 0 | 0 |

# CASH FLOW

| | | 1<br>Current Year<br>to Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year Ended<br>December 31 |
|---|---|---|---|---|
| | **CASH FROM OPERATIONS** | | | |
| 1. | Premiums collected net of reinsurance | 1,035,026,167 | 941,130,708 | 1,929,245,913 |
| 2. | Net investment income | 30,685,488 | 30,668,548 | 59,211,069 |
| 3. | Miscellaneous income | 2,956,371 | 3,987,674 | 8,332,937 |
| 4. | Total (Lines 1 through 3) | 1,068,668,026 | 975,786,930 | 1,996,789,919 |
| 5. | Benefit and loss related payments | 566,706,016 | 503,119,211 | 1,065,951,584 |
| 6. | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts | | | |
| 7. | Commissions, expenses paid and aggregate write-ins for deductions | 313,013,520 | 284,620,560 | 547,767,228 |
| 8. | Dividends paid to policyholders | | | |
| 9. | Federal and foreign income taxes paid (recovered) net of $.....2,150,423 tax on capital gains (losses) | 18,794,817 | 17,967,160 | 67,377,193 |
| 10. | Total (Lines 5 through 9) | 898,514,353 | 805,706,931 | 1,681,096,005 |
| 11. | Net cash from operations (Line 4 minus Line 10) | 170,153,673 | 170,079,999 | 315,693,914 |
| | **CASH FROM INVESTMENTS** | | | |
| 12. | Proceeds from investments sold, matured or repaid: | | | |
| | 12.1 Bonds | 437,751,472 | 664,177,336 | 1,031,550,989 |
| | 12.2 Stocks | 12,165,585 | 4,104,888 | 27,219,577 |
| | 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 | (180,974) | | 4,595 |
| | 12.7 Miscellaneous proceeds | 20,263,367 | 14,830,229 | |
| | 12.8 Total investment proceeds (Lines 12.1 to 12.7) | 469,999,450 | 683,112,453 | 1,058,775,161 |
| 13. | Cost of investments acquired (long-term only): | | | |
| | 13.1 Bonds | 602,078,882 | 388,269,757 | 1,069,762,174 |
| | 13.2 Stocks | 4,206,478 | 6,193,237 | 8,867,619 |
| | 13.3 Mortgage loans | | | |
| | 13.4 Real estate | | | |
| | 13.5 Other invested assets | | | |
| | 13.6 Miscellaneous applications | | | 164,817 |
| | 13.7 Total investments acquired (Lines 13.1 to 13.6) | 606,285,360 | 394,462,994 | 1,078,794,610 |
| 14. | Net increase or (decrease) in contract loans and premium notes | | | |
| 15. | Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) | (136,285,910) | 288,649,459 | (20,019,449) |
| | **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 | | | 22,100,000 |
| | 16.6 Other cash provided (applied) | (21,074,323) | (14,004,896) | 24,819,279 |
| 17. | Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6) | (21,074,323) | (14,004,896) | 2,719,279 |
| | **RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS** | | | |
| 18. | Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17) | 12,793,440 | 444,724,562 | 298,393,744 |
| 19. | Cash, cash equivalents and short-term investments: | | | |
| | 19.1 Beginning of year | 304,404,387 | 6,010,643 | 6,010,643 |
| | 19.2 End of period (Line 18 plus Line 19.1) | 317,197,827 | 450,735,205 | 304,404,387 |

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

| | | | |
|---|---|---|---|
| 20.0001 | | | |

# NOTES TO FINANCIAL STATEMENTS

**Note 1 – Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices

The accompanying statutory-basis financial statements of United Financial Casualty Company (the "Company") were prepared on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance ("DOI").

The Ohio DOI requires insurance companies domiciled in the state of Ohio to prepare their statutory-basis financial statements in accordance with the National Association of Insurance Commissioners' ("NAIC") *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Ohio DOI. No deviations from NAIC statutory accounting practices ("NAIC SAP") were used in preparing these statutory-basis financial statements as illustrated in the table below:

| | SSAP # | F/S Page | F/S Line # | 2017 | 2016 |
|---|---|---|---|---|---|
| **NET INCOME** | | | | | |
| (1) UNITED FINANCIAL CASUALTY COMPANY state basis (Page 4, Line 20, Columns 1 & 2) | XXX | XXX | XXX | $ 74,512,433 | $ 114,541,301 |
| (2) State Prescribed Practices that increase/decrease NAIC SAP | | | | | |
| | | | | | |
| (3) State Permitted Practices that increase/decrease NAIC SAP | | | | | |
| | | | | | |
| (4) NAIC SAP (1 – 2 – 3 = 4) | XXX | XXX | XXX | $ 74,512,433 | $ 114,541,301 |
| **SURPLUS** | | | | | |
| (5) UNITED FINANCIAL CASUALTY COMPANY state basis (Page 3, line 37, Columns 1 & 2) | XXX | XXX | XXX | $ 752,010,433 | $ 664,398,593 |
| (6) State Prescribed Practices that increase/decrease NAIC SAP | | | | | |
| | | | | | |
| (7) State Permitted Practices that increase/decrease NAIC SAP | | | | | |
| | | | | | |
| (8) NAIC SAP (5 – 6 – 7 = 8) | XXX | XXX | XXX | $ 752,010,433 | $ 664,398,593 |

C. Accounting Policy

6. Loan-backed securities

Loan-backed and structured securities are accounted for as prescribed by Statement of Statutory Accounting Principles No. 43R, Loan-backed and Structured Securities. These securities are generally stated at amortized cost as determined by the estimated value of future cash flows. Prepayment assumptions for loan-backed and structured debt securities are obtained from available market data, broker/dealers, and/or internal estimates, and are consistent with current interest rate and economic trends. See Note 5.D.

D. Going Concern

Management continuously monitors the Company's financial results and compliance with regulatory requirements and found no reason to expect the Company to not continue as a going concern

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

No significant changes

**Note 3 – Business Combinations and Goodwill**

No significant changes

**Note 4 – Discontinued Operations**

No significant changes

**Note 5 – Investments**

D. Loan-Backed Securities

1. The sources used to determine prepayment assumptions are derived from updated cash flows from widely utilized reputable industry sources. The Company's portfolio managers review the available cash flow data and prepayment assumptions and make adjustments based on current performance indicators on the underlying assets (e.g., delinquency rates, foreclosure rates, and default rates), credit support (via current levels of subordination), and historical credit ratings.

2. Intent to Sell or Inability to Hold Securities with a Recognized Other-Than-Temporary Impairment

Not applicable

3. During the year, the Company has not recorded an other-than-temporary impairment for loan-backed and structured debt securities during the current year.

4. At the end of the reporting period, the composition of fair value and gross unrealized losses on loan-backed and structured debt securities by the length of time that individual securities have been in a continuous unrealized loss position is as follows:

| | | | | | |
|---|---|---|---|---|---|
| a. | The aggregate amount of unrealized losses: | 1. | Less than 12 Months | $ | 2,210,369 |
| | | 2. | 12 Months or Longer | $ | 703,723 |
| b. | The aggregate related fair value of securities with unrealized losses: | 1. | Less than12 Months | $ | 476,131,140 |
| | | 2. | 12 Months or Longer | $ | 64,991,926 |

5. Additional information

Under SSAP No. 43R, the Company analyzes its structured debt securities to determine if the Company intends to sell, or if it is more likely than not that the Company will be required to sell, the security prior to recovery and, if so, the Company writes down the security to its current fair market value with the entire amount of the write-down recorded as a realized loss. To the extent that it is more likely than not that the Company will hold the debt security until recovery (which could be maturity), the Company determines if any of the decline in value is due to a credit loss (i.e., where the present value of cash flows expected to be collected is lower than the amortized cost basis of the security) and, if so, the Company recognizes that portion of the impairment as a realized loss.

# NOTES TO FINANCIAL STATEMENTS

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

I. Working Capital Finance Investments

Not applicable

J. Offsetting and Netting of Assets and Liabilities

Not applicable

M. Short Sales

Not applicable

N. Prepayment Penalty and Acceleration Fees

Not applicable

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

No significant changes

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

No significant changes

**Note 9 – Income Taxes**

No significant changes

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

No significant changes

**Note 11 – Debt**

B. FHLB (Federal Home Loan Bank) Agreements

Not applicable

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

A. Defined Benefit Plan

Not applicable

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

No significant changes

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

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

UNITED FINANCIAL CASUALTY COMPANY paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

| | Direct |
|---|---|
| Claims related ECO and bad faith losses paid during the reporting period | $ 42,750 |

Number of claims where amounts were paid to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits during the reporting period:

| (a)<br>0-25 Claims | (b)<br>26-50 Claims | (c)<br>51-100 Claims | (d)<br>101-500 Claims | (e)<br>More than 500 Claims |
|---|---|---|---|---|
| X | | | | |

Indicate whether claim count information is disclosed per claim or per claimant:
(f) Per Claim [ ] (g) Per Claimant [ X ]

G. All Other Contingencies

The Company routinely assesses the collectibility of premiums and agents' balances receivable and records a bad debt reserve for amounts exceeding the nonadmitted balance that the Company believes are uncollectible.

The Company is named as defendant in various lawsuits arising out of its insurance operations. All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and LAE reserves. The Company also has potential exposure relating to lawsuits due to its participation in management agreements for which it is allocated litigation expenses.

# NOTES TO FINANCIAL STATEMENTS

The following is a discussion of potentially significant pending cases at the reporting date. Unless specifically noted, the Company does not consider a loss from these cases to be probable and is unable to estimate a range of loss, if any, at this time.

There was a putative statewide class action lawsuit and one case consolidated into multi-district proceedings alleging that the Company improperly steers automobile repair work to certain auto body repair shops and challenging the labor rates the Company pays to auto body repair shops.

There was a lawsuit alleging that as a result of the alleged fraud of an independent insurance agency, the Company should be liable to a premium finance company for its losses relating to fraudulent financed policies.

**Note 15 – Leases**

No significant changes

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

No significant changes

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

B. Transfer and Servicing of Financial Assets

Not applicable

C. Wash Sales

The Company had no wash sales of securities with a NAIC rating of 3 or below during the reporting period.

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

No significant changes

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

No significant changes

**Note 20 – Fair Value Measurements**

A. Inputs Used for Assets and Liabilities Measured at Fair Value

1. Fair Value Measurements by Levels 1, 2 and 3

The Company categorizes its financial instruments, based on the degree of subjectivity inherent in the method by which they are valued, into a fair value hierarchy of three levels, as follows:

Level 1 - Inputs are unadjusted, quoted prices in active markets for identical instruments at the measurement date (e.g., active exchange-traded equity securities).

Level 2 - Inputs (other than quoted prices included within Level 1) that are observable for the instrument either directly or indirectly. This includes: (i) quoted prices for similar instruments in active markets, (ii) quoted prices for identical or similar instruments in markets that are not active, (iii) inputs other than quoted prices that are observable for the instruments, and (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 - Inputs that are unobservable. Unobservable inputs reflect the Company's subjective evaluation about the assumptions market participants would use in pricing the financial instrument.

The Company's management evaluated whether the market was distressed or inactive in determining the fair value of the Company's securities and reviewed certain market level inputs to evaluate whether sufficient activity, volume, and new issuances existed to create an active market. Based on this evaluation, management concluded that there was sufficient activity in determining the fair market value of the Company's securities.

The valuations classified as either Level 1 or Level 2 in the table below are priced exclusively by external sources, including: pricing vendors, dealers/market makers, and exchange-quoted prices. The Company did not have any transfers between Level 1 and Level 2. At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

Fair Value Measurements at the reporting date:

| Assets at Fair Value | Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|
| Bonds industrial & miscellaneous | $ | $ 19,057,636 | $ | $ 19,057,636 |
| Common stock industrial & miscellaneous | $ 242,768,350 | $ | $ | $ 242,768,350 |
| Preferred stock industrial & miscellaneous | $ | $ 48,816,000 | $ | $ 48,816,000 |

The Company does not have any liabilities measured at fair value on the balance sheet.

2. Rollforward of Level 3 Items

Not applicable

3. Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

See Note 20.A.1 above.

5. Derivative Fair Values

Not applicable

B. Other Fair Value Disclosures

Not applicable

# NOTES TO FINANCIAL STATEMENTS

C. Fair Values for all Financial Instruments by Levels 1, 2, and 3

The table below represents the fair value of all financial instruments at the reporting date, however, not all financial instruments are reported at fair value in the Company's financial statements.

| Type of Financial Instrument | Aggregate Fair Value | Admitted Assets | (Level 1) | (Level 2) | (Level 3) | Not Practicable (Carrying Value) |
|---|---|---|---|---|---|---|
| Bonds | $ 1,829,271,541 | $ 1,824,505,864 | $ 205,993,321 | $ 1,623,278,220 | $ | $ |
| Cash equivalents | $ 69,903,007 | $ 69,903,007 | $ 69,903,007 | $ | $ | $ |
| Common stock | $ 242,768,350 | $ 242,768,350 | $ 242,768,350 | $ | $ | $ |
| Preferred stock | $ 48,816,000 | $ 48,816,000 | $ | $ 48,816,000 | $ | $ |
| Short-term investments | $ 247,245,949 | $ 247,294,820 | $ 104,942,903 | $ 142,303,046 | $ | $ |

D. Not Practicable to Estimate Fair Value

Not applicable

**Note 21 – Other Items**

J. Agents' Balances Certification, Florida Statute 625.012 (5):

For the reporting period, the Company reported net admitted premiums and agents' balances in the course of collection of $77,821,237. Of this amount there were no premiums due from a controlled or controlling person as defined in Florida statute 625.012 (5).

**Note 22 – Events Subsequent**

The Company was not impacted by any subsequent events. Subsequent events have been considered through August 4, 2017 for the statutory statement that was available for issuance by August 15, 2017.

The Company does not write health insurance and therefore has no premiums subject to assessment under section 9010 of the Affordable Care Act for either the current or prior years.

**Note 23 – Reinsurance**

No significant changes

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

F. Risk Sharing Provisions of the Affordable Care Act

The Company does not write health insurance

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

Incurred losses and LAE attributable to insured events of prior accident years decreased by $252,282 in 2017, which is less than 1% of the total prior year net unpaid losses and LAE of $1,189,483,175. Commercial auto liability reserves developed unfavorably due to originally anticipated severity for accident year 2016 increasing by 2.0% partially offset by originally anticipated severity for accident years 2014 and prior decreasing by less than 1%. Auto physical damage reserves developed favorably due to more recoveries than anticipated. LAE reserves developed unfavorably primarily in defense and cost containment reserves from accident year 2016.

**Note 26 – Intercompany Pooling Arrangements**

No significant changes

**Note 27 – Structured Settlements**

No significant changes

**Note 28 – Health Care Receivables**

No significant changes

**Note 29 – Participating policies**

No significant changes

**Note 30 – Premium Deficiency Reserves**

No significant changes

**Note 31 – High Deductibles**

No significant changes

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

No significant changes

**Note 33 – Asbestos/Environmental Reserves**

No significant changes

**Note 34 – Subscriber Savings Accounts**

No significant changes

# NOTES TO FINANCIAL STATEMENTS

**Note 35 – Multiple Peril Crop Insurance**

No significant changes

**Note 36 – Financial Guaranty Insurance**

B. Schedule of Insured Financial Obligations at the End of the Period:

Not Applicable

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [ X ]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]

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 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [ X ] No [ ]
If yes, complete Schedule Y, Parts 1 and 1A.

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ X ] No [ ]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

1. ARK ROYAL INSURANCE COMPANY CHANGED ITS NAME TO PROGRESSIVE PROPERTY INSURANCE COMPANY EFFECTIVE 4/1/2017 2. BLUE HILL SPECIALTY INSURANCE COMPANY INC. WAS ADDED 5/1/2017 3. OWNERSHIP OF ASI AUTO SELECT INSURANCE COMPANY WAS ADDED AS ALL ISSUED AND OUTSTANDING SHARES WERE ISSUED TO ARX HOLDINGS, INC. (SHARES WERE ISSUED UPON APPROVAL OF THE COMPANY'S CALIFORNIA LICENSE)

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation. Yes [ ] No [X] N/A [ ]

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2012

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2012

6.3 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). 08/06/2013

6.4 By what department or departments?
OHIO

6.5 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 ]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] No [ ] N/A [ ]

7.1 Has this 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 ]

7.2 If yes, give full information:

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [ X ]

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

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]

8.4 If the response to 8.3 is yes, please provide below the names and 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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---|---|---|---|---|---|
| | | | | | |

9.1 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.

9.11 If the response to 9.1 is No, please explain:

9.2 Has the code of ethics for senior managers been amended? Yes [ X ] No [ ]

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
THE COMPANY'S MANAGEMENT APPROVED CHANGES TO OUR CHIEF EXECUTIVE OFFICER/SENIOR FINANCIAL OFFICERS CODE OF ETHICS, EFFECTIVE MARCH 1, 2017. SIGNIFICANT CHANGES TO THE CODE INCLUDED THE FOLLOWING: PROVISIONS WERE ADDED TO CLARIFY THAT A "COVERED EXECUTIVE" AND HIS OR HER FAMILY MAY OWN MORE THAN 2% OF THE OUTSTANDING SECURITIES OF A PUBLIC COMPANY THAT IS A SUPPLIER TO OR COMPETES WITH THE COMPANY, OR THEY MAY OWN AN INTEREST IN A PRIVATE COMPANY THAT IS A SUPPLIER TO OR COMPETES WITH THE COMPANY, IN EACH CASE WITH APPROPRIATE NOTICES TO THE COMPANY AND RECEIPT OF APPROVAL. THE REQUIREMENTS THAT MUST BE SATISFIED BEFORE A COVERED EXECUTIVE CAN TAKE A DIRECTOR POSITION OR OTHER SPECIFIED ADVISORY POSITIONS WITH A SUPPLIER OR WITH A COMPETITOR WERE ALSO AMENDED. THESE

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

PROVISIONS REQUIRE NON-EXECUTIVE OFFICERS TO PROVIDE PRIOR NOTICE AND CERTAIN DISCLOSURES TO THE COMPANY AND RECEIVE APPROPRIATE APPROVALS BEFORE TAKING A BOARD POSITION WITH A COMPANY THAT DOES BUSINESS WITH PROGRESSIVE. EXECUTIVE OFFICERS HAVE SIMILAR DISCLOSURE REQUIREMENTS, ALTHOUGH A POSITION WOULD ONLY REQUIRE APPROVAL OF OUR BOARD OF DIRECTORS IF THE VOLUME OF BUSINESS BETWEEN THE COMPANIES EXCEEDS SPECIFIED ANNUAL DOLLAR LIMITS, IF THERE IS POTENTIAL OR ACTUAL COMPETITION BETWEEN THE COMPANIES, OR IF THE SITUATION IS NOT OTHERWISE EXPLICITLY COVERED. THERE ARE EXPLICIT EXCLUSIONS FROM THE APPROVAL REQUIREMENTS IF THE BUSINESS RELATIONSHIP WITH THE OTHER COMPANY SOLELY INVOLVES PAYMENTS ARISING FROM THE ADMINISTRATION OF INSURANCE CLAIMS IN THE ORDINARY COURSE OF OUR BUSINESSES. ANY APPROVAL GIVEN BY THE BOARD OF DIRECTORS IN SUCH CIRCUMSTANCES WOULD BE REVIEWED ON AN ANNUAL BASIS. THE COVERED EXECUTIVE IS REQUIRED TO UPDATE THE PREVIOUSLY DISCLOSED INFORMATION AS NECESSARY, AND THE BOARD MAY WITHDRAW ITS PREVIOUSLY GIVEN APPROVAL AT ANY TIME.

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 0

### INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [ X ]

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

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: $ 0

13. Amount of real estate and mortgages held in short-term investments: $ 0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ ] No [ X ]

14.2 If yes, please complete the following:

| | | 1<br>Prior Year End Book/Adjusted Carrying Value | 2<br>Current Quarter Book/Adjusted Carrying Value |
|---|---|---|---|
| 14.21 | Bonds | $ 0 | $ 0 |
| 14.22 | Preferred Stock | 0 | 0 |
| 14.23 | Common Stock | 0 | 0 |
| 14.24 | Short-Term Investments | 0 | 0 |
| 14.25 | Mortgage Loans on Real Estate | 0 | 0 |
| 14.26 | All Other | 0 | 0 |
| 14.27 | Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | $ 0 | $ 0 |
| 14.28 | Total Investment in Parent included in Lines 14.21 to 14.26 above | $ 0 | $ 0 |

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ ] No [ X ]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ]

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.3 Total payable for securities lending reported on the liability page: $ 0

17. 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 [ ]

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

| 1<br>Name of Custodian(s) | 2<br>Custodian Address |
|---|---|
| CITIBANK, N.A. | 338 GREENWICH STREET NEW YORK, NY 10013 |
| STATE STREET | 801 PENNSYLVANIA AVE KANSAS CITY, MO 64105 |

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

| 1<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|---|---|---|
| NONE | | |

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [ X ]

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

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|---|---|---|---|
| NONE | | | |

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

| 1<br>Name of Firm or Individual | 2<br>Affiliation |
|---|---|
| STATE STREET GLOBAL MARKETS, LLC | U |
| PROGRESSIVE CAPITAL MANAGEMENT CORP. | A |

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes [ ] No [ X ]

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [ X ]

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

| 1<br>Central Registration Depository Number | 2<br>Name of Firm or Individual | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment Management Agreement (IMA) Filed |
|---|---|---|---|---|
| 30107 | STATE STREET GLOBAL MARKETS, LLC | | SEC | DS |
| N/A | PROGRESSIVE CAPITAL MANAGEMENT CORP. | | N/A | DS |

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

18.2 If no, list exceptions:

# GENERAL INTERROGATORIES (continued)

## PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [ ] N/A [ X ]

   If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [ X ]

   If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [ X ]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [ ] No [ X ]

4.2 If yes, complete the following schedule:

| 1 | 2 | 3 | Total Discount | | | | Discount Taken During Period | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 |
| Line of Business | Maximum Interest | Disc. Rate | Unpaid Losses | Unpaid LAE | IBNR | Total | Unpaid Losses | Unpaid LAE | IBNR | Total |
| | 0.000 | 0.000 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | XXX | XXX | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

5.1 Operating Percentages:

5.1 A&H loss percent 0.000%

5.2 A&H cost containment percent 0.000%

5.3 A&H expense percent excluding cost containment expenses 0.000%

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

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

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

6.4 If yes, please provide the amount of funds administered as of the reporting date. $ 0

# SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

| 1<br>NAIC Company Code | 2<br>ID Number | 3<br>Name of Reinsurer | 4<br>Domiciliary Jurisdiction | 5<br>Type of Reinsurer | 6<br>Certified Reinsurer Rating (1 through 6) | 7<br>Effective Date of Certified Reinsurer Rating |
|---|---|---|---|---|---|---|

**NONE**

# SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

| | | 1 | Direct Premiums Written | | Direct Losses Paid (Deducting Salvage) | | Direct Losses Unpaid | |
|---|---|---|---|---|---|---|---|---|
| | | | 2 | 3 | 4 | 5 | 6 | 7 |
| | States, Etc. | Active Status | Current Year to Date | Prior Year to Date | Current Year to Date | Prior Year to Date | Current Year to Date | Prior Year to Date |
| 1. | Alabama AL | L | | | | | | |
| 2. | Alaska AK | L | 4,053,383 | 4,414,423 | 1,143,426 | 1,386,619 | 3,061,305 | 2,454,017 |
| 3. | Arizona AZ | L | 16,806,750 | 16,647,234 | 9,120,211 | 5,101,029 | 20,647,010 | 15,358,295 |
| 4. | Arkansas AR | L | 16,786,982 | 15,229,938 | 5,268,377 | 8,754,937 | 16,019,283 | 13,404,360 |
| 5. | California CA | L | 375,432,691 | 321,846,293 | 199,409,854 | 173,452,632 | 278,011,166 | 239,708,428 |
| 6. | Colorado CO | L | 981,700 | 1,128,728 | 262,353 | 806,843 | 2,120,016 | 1,593,422 |
| 7. | Connecticut CT | L | | | | | | |
| 8. | Delaware DE | L | 4,684,320 | 3,483,765 | 1,549,865 | 945,563 | 4,519,572 | 4,838,471 |
| 9. | District of Columbia DC | L | | | | | | |
| 10. | Florida FL | L | | | | | | |
| 11. | Georgia GA | L | | | | | | |
| 12. | Hawaii HI | L | 179,716 | | 42,515 | | 4,184 | |
| 13. | Idaho ID | L | 9,944,601 | 8,836,353 | 4,941,536 | 3,239,442 | 7,515,142 | 7,566,677 |
| 14. | Illinois IL | L | | | | | | |
| 15. | Indiana IN | L | | | | | | |
| 16. | Iowa IA | L | | | | | | |
| 17. | Kansas KS | L | 10,950,619 | 9,348,320 | 4,573,920 | 3,316,508 | 10,439,904 | 5,618,312 |
| 18. | Kentucky KY | L | 13,827,754 | 13,580,244 | 5,623,175 | 5,820,822 | 10,813,133 | 16,212,834 |
| 19. | Louisiana LA | L | | | | | | |
| 20. | Maine ME | L | 22,554,331 | 20,679,328 | 10,957,710 | 10,305,545 | 10,898,620 | 9,467,715 |
| 21. | Maryland MD | L | 1,374,119 | 1,609,758 | 818,458 | 1,433,214 | 1,622,201 | 1,671,898 |
| 22. | Massachusetts MA | L | 3,041,889 | 2,382,358 | 841,607 | 1,049,514 | 3,271,984 | 2,706,767 |
| 23. | Michigan MI | L | | | | | | |
| 24. | Minnesota MN | L | 13,753,506 | 11,881,201 | 5,316,087 | 4,741,621 | 12,784,689 | 11,990,164 |
| 25. | Mississippi MS | L | | | | | | |
| 26. | Missouri MO | L | | | 18 | 23,807 | | 1 |
| 27. | Montana MT | L | 8,029,067 | 7,088,111 | 3,695,571 | 4,455,033 | 7,202,984 | 6,392,726 |
| 28. | Nebraska NE | L | | | | | | |
| 29. | Nevada NV | L | 9,063,432 | 8,138,961 | 4,818,316 | 5,480,364 | 12,006,030 | 10,134,731 |
| 30. | New Hampshire NH | L | 4,048,122 | 3,404,024 | 1,673,432 | 2,316,997 | 2,768,455 | 4,044,711 |
| 31. | New Jersey NJ | L | | | | | | |
| 32. | New Mexico NM | L | 12,439,002 | 11,022,877 | 6,334,556 | 4,537,529 | 15,395,080 | 15,748,241 |
| 33. | New York NY | L | 11,560,670 | 13,271,566 | 5,944,975 | 6,980,886 | 24,513,714 | 25,193,466 |
| 34. | North Carolina NC | L | (60) | | (533) | | | |
| 35. | North Dakota ND | L | 6,010,377 | 5,875,868 | 2,250,226 | 2,264,958 | 6,944,459 | 6,462,431 |
| 36. | Ohio OH | L | 2,220,537 | 2,459,510 | 1,482,011 | 1,005,853 | 2,945,434 | 3,641,778 |
| 37. | Oklahoma OK | L | | | (160) | (14,893) | | (101) |
| 38. | Oregon OR | L | | | | | | |
| 39. | Pennsylvania PA | L | 55,891,658 | 49,416,480 | 22,067,807 | 18,486,630 | 61,317,093 | 44,421,606 |
| 40. | Rhode Island RI | L | 5,058,753 | 4,554,375 | 2,586,744 | 2,021,481 | 5,855,411 | 6,534,402 |
| 41. | South Carolina SC | L | | | (4,567) | (2,692) | | (3) |
| 42. | South Dakota SD | L | 3,717,562 | 3,305,590 | 1,693,583 | 1,811,490 | 2,157,144 | 1,669,608 |
| 43. | Tennessee TN | L | | | | | | |
| 44. | Texas TX | L | 27,840,745 | 11,099,622 | 7,963,404 | 1,189,867 | 35,317,585 | 4,664,925 |
| 45. | Utah UT | L | 11,572,810 | 10,505,371 | 4,326,897 | 4,403,629 | 8,398,917 | 8,129,933 |
| 46. | Vermont VT | L | 3,975,139 | 4,113,065 | 1,234,942 | 1,484,076 | 4,159,037 | 3,465,990 |
| 47. | Virginia VA | L | 256,064 | 435,339 | 124,295 | 342,383 | 581,608 | 713,772 |
| 48. | Washington WA | L | 26,053,260 | 25,598,623 | 13,179,846 | 9,722,549 | 37,495,989 | 27,746,050 |
| 49. | West Virginia WV | L | 6,657,171 | 5,490,070 | 2,451,159 | 1,850,184 | 6,601,776 | 3,853,936 |
| 50. | Wisconsin WI | L | | | | | | |
| 51. | Wyoming WY | L | | | | | | |
| 52. | American Samoa AS | N | | | | | | |
| 53. | Guam GU | N | | | | | | |
| 54. | Puerto Rico PR | N | | | | | | |
| 55. | US Virgin Islands VI | N | | | | | | |
| 56. | Northern Mariana Islands MP | N | | | | | | |
| 57. | Canada CAN | N | | | | | | |
| 58. | Aggregate Other Alien OT | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 59. | Totals | (a) 51 | 688,766,669 | 596,847,395 | 331,691,617 | 288,714,418 | 615,388,924 | 505,409,565 |
| | **DETAILS OF WRITE-INS** | | | | | | | |
| 58001. | | XXX | | | | | | |
| 58002. | | XXX | | | | | | |
| 58003. | | XXX | | | | | | |
| 58998. | Summary of remaining write-ins for Line 58 from overflow page | XXX | 0 | 0 | 0 | 0 | 0 | 0 |
| 58999. | Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above) | XXX | 0 | 0 | 0 | 0 | 0 | 0 |

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

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

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

- **THE PROGRESSIVE CORPORATION** — OH — 34-0963169
  - **PROGRESSIVE DIRECT HOLDINGS, INC.** — 83-0371538 — DE
    - PROGRESSIVE FREEDOM INSURANCE COMPANY — 20-3187886 — 155-12302 — NJ 1
    - PROGRESSIVE SPECIALTY INSURANCE AGENCY, INC. — 34-1804869 — OH 1
    - PROGRESSIVE AUTO PRO INSURANCE AGENCY, INC. — 58-1772717 — FL 1
    - PROGRESSIVE CHOICE INSURANCE COMPANY — 62-1444848 — 155-44288 — OH 1
    - MOUNTAIN LAUREL ASSURANCE COMPANY — 23-2599971 — 155-44180 — OH 1
    - PROGRESSIVE ADVANCED INSURANCE COMPANY — 62-0484104 — 155-11851 — OH 1
    - PROGRESSIVE MARATHON INSURANCE COMPANY — 33-0350911 — 155-37605 — MI 1
    - PROGRESSIVE SELECT INSURANCE COMPANY — 59-3213815 — 155-10192 — OH 1
    - PROGRESSIVE MAX INSURANCE COMPANY — 34-0472535 — 155-24279 — OH 1
    - PROGRESSIVE PALOVERDE INSURANCE COMPANY — 86-0686869 — 155-44695 — IN 1
    - PROGRESSIVE PREMIER INSURANCE COMPANY OF ILLINOIS — 36-3789786 — 155-21735 — OH 1
    - PROGRESSIVE UNIVERSAL INSURANCE COMPANY — 36-3789787 — 155-21727 — WI 1
    - PROGRESSIVE DIRECT INSURANCE COMPANY — 34-1524319 — 155-16322 — OH 1
      - GADSDEN,AL, LLC — OH 1
    - PROGRESSIVE GARDEN STATE INSURANCE COMPANY — 22-2404709 — 155-14800 — NJ 1
  - **PROGRESSIVE COMMERCIAL HOLDINGS, INC.** — 20-1583033 — DE
    - NATIONAL CONTINENTAL INSURANCE COMPANY — 06-0281045 — 155-10243 — NY 1
    - PROGRESSIVE EXPRESS INSURANCE COMPANY — 59-3213719 — 155-10193 — OH 1
    - ARTISAN AND TRUCKERS CASUALTY COMPANY — 59-3213819 — 155-10194 — WI 1
    - UNITED FINANCIAL CASUALTY COMPANY — 36-3298008 — 155-11770 — OH 1
    - BLUE HILL SPECIALTY INSURANCE COMPANY INC. — 47-1849658 — 155-15643 — IL 1
  - **DRIVE INSURANCE HOLDINGS, INC.** — 83-0371533 — DE
    - PROGRESSIVE WEST INSURANCE COMPANY — 95-2676519 — 155-27804 — OH 1
    - PROGRESSIVE MOUNTAIN INSURANCE COMPANY — 93-0935623 — 155-35190 — OH 1
    - PROGRESSIVE PREFERRED INSURANCE COMPANY — 34-1287020 — 155-37834 — OH 1
    - PROGRESSIVE CLASSIC INSURANCE COMPANY — 39-1453002 — 155-42994 — WI 1
    - PROGRESSIVE BAYSIDE INSURANCE COMPANY — 31-1193845 — 155-17350 — OH 1
    - PROGRESSIVE HAWAII INSURANCE CORP. — 99-0311930 — 155-10067 — OH 1
    - PROGRESSIVE SOUTHEASTERN INSURANCE COMPANY — 59-1951700 — 155-38784 — IN 1
    - DRIVE NEW JERSEY INSURANCE COMPANY — 68-0004572 — 155-11410 — NJ 1
    - PROGRESSIVE MICHIGAN INSURANCE COMPANY — 34-1787734 — 155-10187 — MI 1
    - PROGRESSIVE NORTHERN INSURANCE COMPANY — 34-1318335 — 155-38628 — WI 1
    - PROGRESSIVE COMMERCIAL ADVANTAGE AGENCY, INC. — 27-2393886 — OH 1
    - PROGRESSIVE COMMERCIAL CASUALTY COMPANY — 20-4093467 — 155-12879 — OH 1
    - PROGRESSIVE SECURITY INSURANCE COMPANY — 72-1269745 — 155-10050 — LA 1
    - PROGRESSIVE NORTHWESTERN INSURANCE COMPANY — 91-1187829 — 155-42919 — OH 1
    - PROGRESSIVE AMERICAN INSURANCE COMPANY — 34-1094197 — 155-24252 — OH 1
    - PROGRESSIVE CASUALTY INSURANCE COMPANY — 34-6513736 — 155-24260 — OH 1
      - PROGRESSIVE SPECIALTY INSURANCE COMPANY — 34-1172685 — 155-32786 — OH 1
        - TRUSSVILLE/ CAHABA,AL, LLC — OH 1
      - PROGRESSIVE GULF INSURANCE COMPANY — 34-1374634 — 155-42412 — OH 1
      - PC INVESTMENT COMPANY — 34-1576555 — DE 1
  - **ARX HOLDING CORP.*** (69.01% ownership) — 59-3491541 — DE 2
    - *SEE ATTACHED **EXHIBIT A** FOR LIST OF SUBSIDIARIES
  - PROGRESSIVE RSC, Inc. — 34-1574448 — OH 1
  - PACIFIC MOTOR CLUB — 95-2706008 — CA 1
  - PROGRESSIVE CAPITAL MANAGEMENT CORP. — 13-3673368 — NY 1
  - PROGRESSIVE INVESTMENT COMPANY, INC. — 34-1378861 — DE 1
  - PROGRESSIVE ADJUSTING COMPANY, INC. — 34-1574447 — OH 1
  - PROGRESSIVE PREMIUM BUDGET, INC. — 34-6530101 — OH 1
  - WILSON MILLS LAND CO. — 34-1324270 — OH 1
  - VILLAGE TRANSPORT CORP. — 51-0295493 — DE 1
  - GARDEN SUN INSURANCE SERVICES, INC. — 99-0311966 — HI 1
  - PROGNY AGENCY, INC. — 11-3203413 — NY 1
  - PROGRESSIVE VEHICLE SERVICE COMPANY — 20-2702408 — OH 1

**PROGRESSIVE COUNTY MUTUAL INSURANCE COMPANY (A Texas county mutual insurance company managed by Progressive Casualty Insurance Company)** — **74-1082840** — **155-29203** — **TX 2**

**Makaira Indica, L.P.** **(a limited partnership in which Progressive Casualty Insurance Company is the sole limited partner)** — **80-0832526** — **DE 2**

Q11

**COMPANY NAME**

**FEDERAL EMPLOYER IDENTIFICATION NUMBER**
**NAIC GROUP AND COMPANY CODES**

State of Incorporation

Ownership:
1. Wholly owned and controlled
2. As indicated

**06/30/17**

Statement for June 30, 2017 of the **UNITED FINANCIAL CASUALTY COMPANY**

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

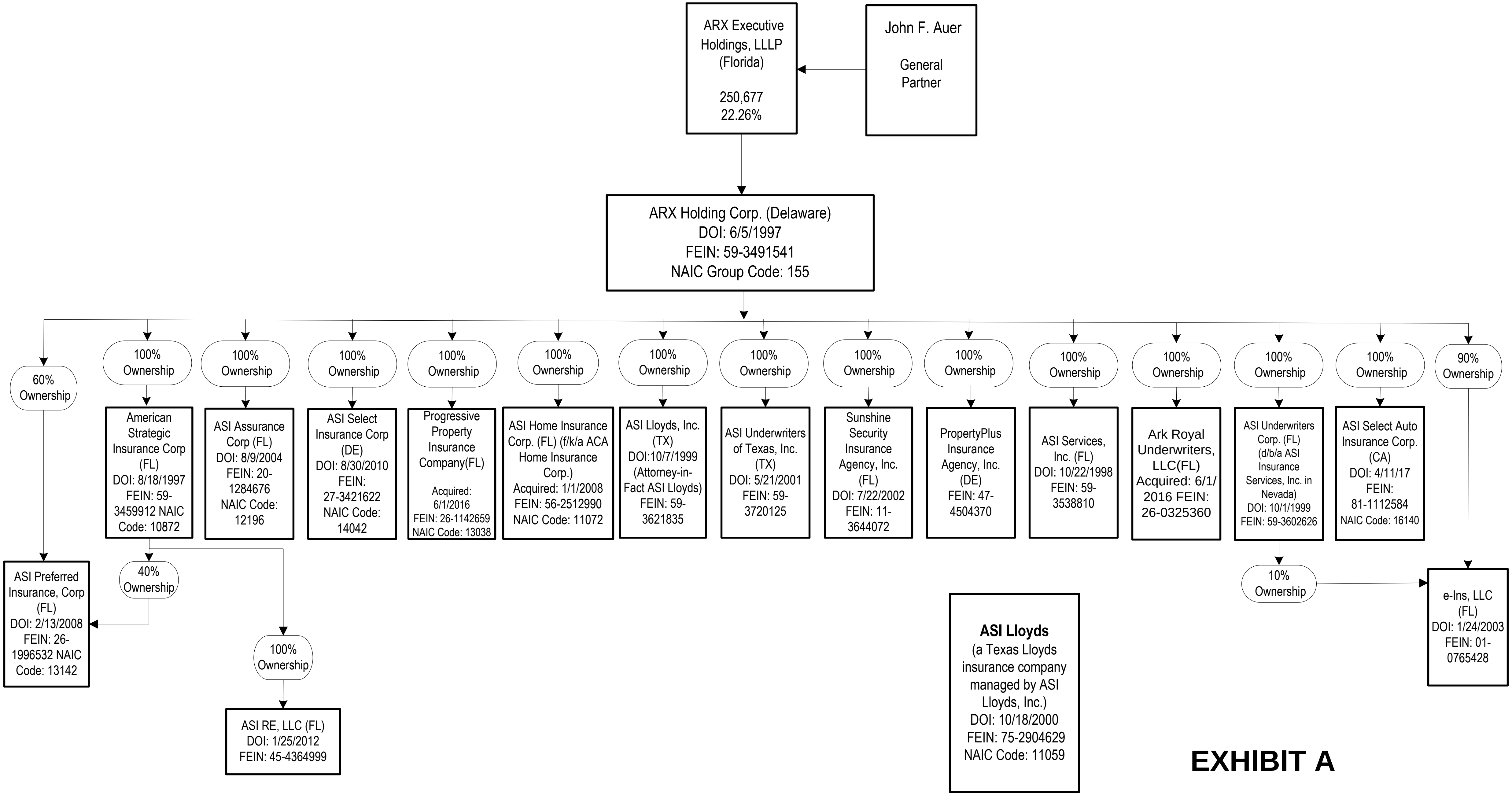


**EXHIBIT A**

Statement for June 30, 2017 of the **UNITED FINANCIAL CASUALTY COMPANY**

# SCHEDULE Y

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

| 1<br>Group Code | 2<br>Group Name | 3<br>NAIC Company Code | 4<br>ID Number | 5<br>Federal RSSD | 6<br>CIK | 7<br>Name of Securities Exchange if Publicly Traded (U.S. or International) | 8<br>Names of Parent, Subsidiaries or Affiliates | 9<br>omicilia Locatior | 10<br>Relationship to Reporting Entity | 11<br>Directly Controlled by (Name of Entity/Person) | 12<br>Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | 13<br>If Control is Ownership Provide Percentage | 14<br>Ultimate Controlling Entity(ies)/Person(s) | 15<br>Is an SCA Filing Required? (Y/N) | 16<br>* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Members** | | | | | | | | | | | | | | | |
| | | 00000 | 34-0963169 | | 80661 | NYSE | The Progressive Corporation | OH | UIP | Board, Management | Board | | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 83-0371533 | | | | Drive Insurance Holdings, Inc. | DE | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 11410 | 68-0004572 | | | | Drive New Jersey Insurance Company | NJ | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 24252 | 34-1094197 | | | | Progressive American Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 17350 | 31-1193845 | | | | Progressive Bayside Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 24260 | 34-6513736 | | | | Progressive Casualty Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1576555 | | | | PC Investment Company | DE | NIA | Progressive Casualty Insurance Company | Ownership | 100.000 | The Progressive Corporation | Y | 1, 3 |
| 0155 | Progressive Insurance Group | 29203 | 74-1082840 | | | | Progressive County Mutual Insurance Company | TX | IA | Progressive Casualty Insurance Company | Management | | The Progressive Corporation | N | 2, 3 |
| 0155 | Progressive Insurance Group | 42412 | 34-1374634 | | | | Progressive Gulf Insurance Company | OH | IA | Progressive Casualty Insurance Company | Ownership | 100.000 | The Progressive Corporation | Y | 1, 3 |
| 0155 | Progressive Insurance Group | 32786 | 34-1172685 | | | | Progressive Specialty Insurance Company | OH | IA | Progressive Casualty Insurance Company | Ownership | 100.000 | The Progressive Corporation | Y | 1, 3 |
| | | 00000 | | | | | Trussville/Cahaba, AL , LLC | OH | NIA | Progressive Specialty Insurance Company | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 42994 | 39-1453002 | | | | Progressive Classic Insurance Company | WI | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10067 | 99-0311930 | | | | Progressive Hawaii Insurance Corp | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10187 | 34-1787734 | | | | Progressive Michigan Insurance Company | MI | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 35190 | 93-0935623 | | | | Progressive Mountain Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 38628 | 34-1318335 | | | | Progressive Northern Insurance Company | WI | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 42919 | 91-1187829 | | | | Progressive Northwestern Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 37834 | 34-1287020 | | | | Progressive Preferred Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10050 | 72-1269745 | | | | Progressive Security Insurance Company | LA | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 38784 | 59-1951700 | | | | Progressive Southeastern Insurance Company | IN | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 27804 | 95-2676519 | | | | Progressive West Insurance Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 27-2393886 | | | | Progressive Commercial Advantage Agency, Inc. | OH | NIA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 20-1583033 | | | | Progressive Commercial Holdings, Inc. | DE | UDP | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10194 | 59-3213819 | | | | Artisan and Truckers Casualty Company | WI | IA | Progressive Commercial Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10243 | 06-0281045 | | | | National Continental Insurance Company | NY | IA | Progressive Commercial Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 12879 | 20-4093467 | | | | Progressive Commercial Casualty Company | OH | IA | Drive Insurance Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10193 | 59-3213719 | | | | Progressive Express Insurance Company | OH | IA | Progressive Commercial Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 11770 | 36-3298008 | | | | United Financial Casualty Company | OH | RE | Progressive Commercial Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 83-0371538 | | | | Progressive Direct Holdings, Inc. | DE | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 44180 | 23-2599971 | | | | Mountain Laurel Assurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 11851 | 62-0484104 | | | | Progressive Advanced Insurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 58-1772717 | | | | Progressive Auto Pro Insurance Agency, Inc. | FL | NIA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 44288 | 62-1444848 | | | | Progressive Choice Insurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 16322 | 34-1524319 | | | | Progressive Direct Insurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | | | | | Gadsden, AL, LLC | OH | NIA | Progressive Direct Insurance Company | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 12302 | 20-3187886 | | | | Progressive Freedom Insurance Company | NJ | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |

Statement for June 30, 2017 of the **UNITED FINANCIAL CASUALTY COMPANY**

# SCHEDULE Y

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

| 1<br>Group Code | 2<br>Group Name | 3<br>NAIC Company Code | 4<br>ID Number | 5<br>Federal RSSD | 6<br>CIK | 7<br>Name of Securities Exchange if Publicly Traded (U.S. or International) | 8<br>Names of Parent, Subsidiaries or Affiliates | 9<br>Domiciliary Location | 10<br>Relationship to Reporting Entity | 11<br>Directly Controlled by (Name of Entity/Person) | 12<br>Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | 13<br>If Control is Ownership Provide Percentage | 14<br>Ultimate Controlling Entity(ies)/Person(s) | 15<br>Is an SCA Filing Required? (Y/N) | 16<br>* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 0155 | Progressive Insurance Group | 14800 | 22-2404709 | | | | Progressive Garden State Insurance Company | NJ | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 37605 | 33-0350911 | | | | Progressive Marathon Insurance Company | MI | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 24279 | 34-0472535 | | | | Progressive Max Insurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 44695 | 86-0686869 | | | | Progressive Paloverde Insurance Company | IN | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 21735 | 36-3789786 | | | | Progressive Premier Insurance Company of Illinois | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 10192 | 59-3213815 | | | | Progressive Select Insurance Company | OH | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1804869 | | | | Progressive Specialty Insurance Agency, Inc. | OH | NIA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| 0155 | Progressive Insurance Group | 21727 | 36-3789787 | | | | Progressive Universal Insurance Company | WI | IA | Progressive Direct Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 99-0311966 | | | | Garden Sun Insurance Services, LLC | HI | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 95-2706008 | | | | Pacific Motor Club | CA | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 11-3203413 | | | | PROGNY Agency, Inc. | NY | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1574447 | | | | Progressive Adjusting Company, Inc. | OH | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 13-3673368 | | | | Progressive Capital Management Corp. | NY | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1378861 | | | | Progressive Investment Company, Inc. | DE | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-6530101 | | | | Progressive Premium Budget, Inc. | OH | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1574448 | | | | Progressive RSC, Inc. | OH | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 20-2702408 | | | | Progressive Vehicle Service Company | OH | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 51-0295493 | | | | Village Transport Corp. | DE | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 34-1324270 | | | | Wilson Mills Land Co. | OH | NIA | The Progressive Corporation | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 80-0832526 | | | | Makaira Indica, LP | CA | NIA | Progressive Casualty Insurance Company | Other | | The Progressive Corporation | N | 1, 3, 4 |
| 0155 | Progressive Insurance Group | 15643 | 47-1849658 | | | | Blue Hill Specialty Insurance Company, Inc. | IL | IA | Progressive Commercial Holdings, Inc. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3 |
| | | 00000 | 59-3491541 | | | | ARX Holding Corp. | DE | NIA | The Progressive Corporation | Ownership | 69.010 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 11072 | 56-2512990 | | | | ASI Home Insurance Corp. | FL | IA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 45-4364999 | | | | ASI RE, LLC | FL | NIA | American Strategic Insurance Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 13142 | 26-1996532 | | | | ASI Preferred Insurance Corp. | FL | IA | American Strategic Insurance Corp. | Ownership | 40.000 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 13142 | 26-1996532 | | | | ASI Preferred Insurance Corp. | FL | IA | ARX Holding Corp. | Ownership | 60.000 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 10872 | 59-3459912 | | | | American Strategic Insurance Corp. | FL | IA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 11059 | 75-2904629 | | | | ASI Lloyds | TX | IA | ASI Lloyds, Inc. | Management | | The Progressive Corporation | N | 1, 3, 5, 6 |
| 0155 | Progressive Insurance Group | 12196 | 20-1284676 | | | | ASI Assurance Corp. | FL | IA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| 0155 | Progressive Insurance Group | 14042 | 27-3421622 | | | | ASI Select Insurance Corp. | DE | IA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 59-3538810 | | | | ASI Services Inc. | FL | NIA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 59-3621835 | | | | ASI Lloyds, Inc. | TX | NIA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 59-3720125 | | | | ASI Underwriters of Texas, Inc. | TX | NIA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 11-3644072 | | | | Sunshine Security Insurance Agency, Inc. | FL | NIA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 59-3602626 | | | | ASI Underwriters Corp. | FL | NIA | ARX Holding Corp. | Ownership | 100.000 | The Progressive Corporation | N | 1, 3, 5 |
| | | 00000 | 01-0765428 | | | | e-Ins, LLC | FL | NIA | ARX Holding Corp. | Ownership | 90.000 | The Progressive Corporation | N | 1, 3, 5 |

# SCHEDULE Y

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

| 1<br>Group Code | 2<br>Group Name | 3<br>NAIC Company Code | 4<br>ID Number | 5<br>Federal RSSD | 6<br>CIK | 7<br>Name of Securities Exchange if Publicly Traded (U.S. or International) | 8<br>Names of Parent, Subsidiaries or Affiliates | 9<br>Domiciliary Location | 10<br>Relationship to Reporting Entity | 11<br>Directly Controlled by (Name of Entity/Person) | 12<br>Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other) | 13<br>If Control is Ownership Provide Percentage | 14<br>Ultimate Controlling Entity(ies)/Person(s) | 15<br>Is an SCA Filing Required? (Y/N) | 16<br>* |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| ........ | ............................................. | 00000... | 01-0765428.. | .................. | .................. | ........................ | e-Ins, LLC.......................................................................... | FL...... | NIA.............. | ASI Underwriters Corp.................................... | Ownership......... | ......10.000 | The Progressive Corporation............... | .....N........ | 1, 3, 5..... |
| 0155 | Progressive Insurance Group. | 13038... | 26-1142659.. | .................. | .................. | ........................ | Progressive Property Insurance Company.......................... | FL...... | IA.................. | ARX Holding Corp........................................... | Ownership......... | ....100.000 | The Progressive Corporation............... | .....N........ | 1, 3, 5..... |
| 0155 | Progressive Insurance Group. | 16140... | 81-1112584.. | .................. | .................. | ........................ | ASI Select Auto Insurance Corp.......................................... | CA..... | IA.................. | ARX Holding Corp........................................... | Ownership......... | ....100.000 | The Progressive Corporation............... | .....N........ | 1,3,5....... |
| ........ | ............................................. | 00000... | 26-0325360.. | .................. | .................. | ........................ | Ark Royal Underwriters, LLC............................................... | FL...... | NIA.............. | ARX Holding Corp........................................... | Ownership......... | ....100.000 | The Progressive Corporation............... | .....N........ | 1, 3, 5..... |
| ........ | ............................................. | 00000... | 47-4504370.. | .................. | .................. | ........................ | PropertyPlus Insurance Agency, Inc.................................. | DE..... | NIA.............. | ARX Holding Corp........................................... | Ownership......... | ....100.000 | The Progressive Corporation............... | .....N........ | 1, 3, 5..... |

| Asterisk | Explanation |
|---|---|
| 1 | Schedule Y Part 1A is a common schedule for all companies of The Progressive Corporation, however column 10 requires specific relationship information relative to the reporting entity. |
| 2 | Progressive County Mutual Insurance Company is a Texas county mutual insurance company that is managed, but not owned by Progressive Casualty Insurance Company. |
| 3 | None of the companies that are part of The Progressive Corporation are Federally chartered or insured institutions and therefore, do not have Federal RSSD numbers. |
| 4 | Makaira Indica, LP is a limited partnership in which Progressive Casualty Insurance Company is the sole limited partner. |
| 5 | Effective April 1, 2015, The Progressive Corporation purchased a majority ownership share in the ARX Holding Corp. |
| 6 | ASI Lloyds is a Texas Lloyds insurance company that is managed, but not owned by ASI Lloyds, Inc. |

# PART 1 - LOSS EXPERIENCE

| Lines of Business | Current Year to Date 1 Direct Premiums Earned | 2 Direct Losses Incurred | 3 Direct Loss Percentage | 4 Prior Year to Date Direct Loss Percentage |
|---|---|---|---|---|
| 1. Fire | | | 0.000 | |
| 2. Allied lines | | | 0.000 | |
| 3. Farmowners multiple peril | | | 0.000 | |
| 4. Homeowners multiple peril | | | 0.000 | |
| 5. Commercial multiple peril | | | 0.000 | |
| 6. Mortgage guaranty | | | 0.000 | |
| 8. Ocean marine | | | 0.000 | |
| 9. Inland marine | 13,427,236 | 7,171,402 | 53.409 | 47.551 |
| 10. Financial guaranty | | | 0.000 | |
| 11.1. Medical professional liability - occurrence | | | 0.000 | |
| 11.2. Medical professional liability - claims-made | | | 0.000 | |
| 12. Earthquake | | | 0.000 | |
| 13. Group accident and health | | | 0.000 | |
| 14. Credit accident and health | | | 0.000 | |
| 15. Other accident and health | | | 0.000 | |
| 16. Workers' compensation | | | 0.000 | |
| 17.1 Other liability-occurrence | 1,948,901 | 997,898 | 51.203 | (3.294) |
| 17.2 Other liability-claims made | | | 0.000 | |
| 17.3 Excess workers' compensation | | | 0.000 | |
| 18.1 Products liability-occurrence | | | 0.000 | |
| 18.2 Products liability-claims made | | | 0.000 | |
| 19.1, 19.2 Private passenger auto liability | 133,627,993 | 81,602,254 | 61.067 | 62.908 |
| 19.3, 19.4 Commercial auto liability | 261,783,225 | 162,201,971 | 61.960 | 61.834 |
| 21. Auto physical damage | 202,516,680 | 128,456,519 | 63.430 | 64.774 |
| 22. Aircraft (all perils) | | | 0.000 | |
| 23. Fidelity | | | 0.000 | |
| 24. Surety | 25,922 | | 0.000 | |
| 26. Burglary and theft | | | 0.000 | |
| 27. Boiler and machinery | | | 0.000 | |
| 28. Credit | | | 0.000 | |
| 29. International | | | 0.000 | |
| 30. Warranty | | | 0.000 | |
| 31. Reinsurance-nonproportional assumed property | XXX | XXX | XXX | XXX |
| 32. Reinsurance-nonproportional assumed liability | XXX | XXX | XXX | XXX |
| 33. Reinsurance-nonproportional assumed financial lines | XXX | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | 0 | 0 | 0.000 | |
| 35. Totals | 613,329,957 | 380,430,045 | 62.027 | 62.581 |

**DETAILS OF WRITE-INS**

| | | | | |
|---|---|---|---|---|
| 3401. | | | 0.000 | |
| 3402. | | | 0.000 | |
| 3403. | | | 0.000 | |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0.000 | XXX |
| 3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34) | 0 | 0 | 0.000 | |

# PART 2 - DIRECT PREMIUMS WRITTEN

| Lines of Business | 1 Current Quarter | 2 Current Year to Date | 3 Prior Year Year to Date |
|---|---|---|---|
| 1. Fire | | | |
| 2. Allied lines | | | |
| 3. Farmowners multiple peril | | | |
| 4. Homeowners multiple peril | | | |
| 5. Commercial multiple peril | | | |
| 6. Mortgage guaranty | | | |
| 8. Ocean marine | | | |
| 9. Inland marine | 8,911,180 | 15,501,698 | 14,685,781 |
| 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 | | | |
| 15. Other accident and health | | | |
| 16. Workers' compensation | | | |
| 17.1 Other liability-occurrence | 1,327,346 | 2,307,676 | 2,086,094 |
| 17.2 Other liability-claims made | | | |
| 17.3 Excess workers' compensation | | | |
| 18.1 Products liability-occurrence | | | |
| 18.2 Products liability-claims made | | | |
| 19.1 19.2 Private passenger auto liability | 66,471,928 | 137,879,431 | 124,668,766 |
| 19.3 19.4 Commercial auto liability | 187,765,702 | 310,387,445 | 261,971,701 |
| 21. Auto physical damage | 119,371,460 | 222,638,420 | 193,383,053 |
| 22. Aircraft (all perils) | | | |
| 23. Fidelity | | | |
| 24. Surety | | 52,000 | 52,000 |
| 26. Burglary and theft | | | |
| 27. Boiler and machinery | | | |
| 28. Credit | | | |
| 29. International | | | |
| 30. Warranty | | | |
| 31. Reinsurance-nonproportional assumed property | XXX | XXX | XXX |
| 32. Reinsurance-nonproportional assumed liability | XXX | XXX | XXX |
| 33. Reinsurance-nonproportional assumed financial lines | XXX | XXX | XXX |
| 34. Aggregate write-ins for other lines of business | 0 | 0 | 0 |
| 35. Totals | 383,847,616 | 688,766,669 | 596,847,395 |

**DETAILS OF WRITE-INS**

| | | | |
|---|---|---|---|
| 3401. | | | |
| 3402. | | | |
| 3403. | | | |
| 3498. Sum. of remaining write-ins for Line 34 from overflow page | 0 | 0 | 0 |
| 3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34) | 0 | 0 | 0 |

# PART 3 (000 omitted)

## LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

| Years in Which Losses Occurred | 1 Prior Year-End Known Case Loss and LAE Reserves | 2 Prior Year-End IBNR Loss and LAE Reserves | 3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2) | 4 2017 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5 2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6 Total 2017 Loss and LAE Payments (Cols. 4 + 5) | 7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End | 8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End | 9 Q.S. Date IBNR Loss and LAE Reserves | 10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9) | 11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1) | 12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2) | 13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 1. 2014 + Prior | 225,044 | 34,428 | 259,473 | 69,484 | 725 | 70,208 | 151,918 | 7,078 | 23,685 | 182,681 | (3,642) | (2,941) | (6,583) |
| 2. 2015 | 248,466 | 34,464 | 282,930 | 71,020 | 1,877 | 72,896 | 173,725 | 12,493 | 22,594 | 208,812 | (3,721) | 2,500 | (1,221) |
| 3. Subtotals 2015 + Prior | 473,510 | 68,892 | 542,402 | 140,503 | 2,601 | 143,105 | 325,643 | 19,571 | 46,279 | 391,493 | (7,364) | (441) | (7,805) |
| 4. 2016 | 536,021 | 111,060 | 647,081 | 162,110 | 18,614 | 180,724 | 357,989 | 55,146 | 60,775 | 473,910 | (15,922) | 23,475 | 7,553 |
| 5. Subtotals 2016 + Prior | 1,009,531 | 179,952 | 1,189,483 | 302,613 | 21,215 | 323,828 | 683,632 | 74,716 | 107,054 | 865,403 | (23,286) | 23,034 | (252) |
| 6. 2017 | XXX | XXX | XXX | XXX | 338,853 | 338,853 | XXX | 303,387 | 83,369 | 386,756 | XXX | XXX | XXX |
| 7. Totals | 1,009,531 | 179,952 | 1,189,483 | 302,613 | 360,068 | 662,682 | 683,632 | 378,103 | 190,423 | 1,252,158 | (23,286) | 23,034 | (252) |
| 8. Prior Year-End's Surplus As Regards Policyholders | 664,399 | | | | | | | | | | Col. 11, Line 7 As % of Col. 1, Line 7 | Col. 12, Line 7 As % of Col. 2, Line 7 | Col. 13, Line 7 As % of Col. 3, Line 7 |
| | | | | | | | | | | | 1. (2.307)% | 2. 12.800 % | 3. (0.021)% |
| | | | | | | | | | | | | | Col. 13, Line 7 Line 8 |
| | | | | | | | | | | | | | 4. (0.038)% |

# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason, enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

| | | Response |
|---|---|---|
| 1. | Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement? | NO |
| 2. | Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement? | NO |
| 3. | Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | NO |
| 4. | Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement? | NO |

**Explanation:**

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
4. The data for this supplement is not required to be filed.

**Bar Code:**

* 1 1 7 7 0 2 0 1 7 4 9 0 0 0 0 0 2 *

* 1 1 7 7 0 2 0 1 7 4 5 5 0 0 0 0 2 *

* 1 1 7 7 0 2 0 1 7 3 6 5 0 0 0 0 2 *

* 1 1 7 7 0 2 0 1 7 5 0 5 0 0 0 0 2 *

# Overflow Page for Write-Ins

**Additional Write-ins for Liabilities:**

| | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|---|---|---|
| 2504. PREMIUM REFUND LIABILITY | 74,008 | |
| 2597. Summary of remaining write-ins for Line 25 | 74,008 | 0 |

# SCHEDULE A - VERIFICATION

Real Estate

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 0 | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Current year change in encumbrances | | |
| 4. Total gain (loss) on disposals | | |
| 5. Deduct amounts received on disposals | | |
| 6. Total foreign exchange change in book/adjusted carrying value | | |
| 7. Deduct current year's other-than-temporary impairment recognized | | |
| 8. Deduct current year's depreciation | | |
| 9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8) | 0 | 0 |
| 10. Deduct total nonadmitted amounts | | |
| 11. Statement value at end of current period (Line 9 minus Line 10) | 0 | 0 |

NONE

# SCHEDULE B - VERIFICATION

Mortgage Loans

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book value/recorded investment excluding accrued interest, December 31 of prior year | 0 | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and mortgage interest points and commitment fees | | |
| 9. Total foreign exchange change in book value/recorded investment excluding accrued interest | | |
| 10. Deduct current year's other-than-temporary impairment recognized | | |
| 11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 0 | 0 |
| 12. Total valuation allowance | | |
| 13. Subtotal (Line 11 plus Line 12) | 0 | 0 |
| 14. Deduct total nonadmitted amounts | | |
| 15. Statement value at end of current period (Line 13 minus Line 14) | 0 | 0 |

NONE

# SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 0 | |
| 2. Cost of acquired: | | |
| 2.1 Actual cost at time of acquisition | | |
| 2.2 Additional investment made after acquisition | | |
| 3. Capitalized deferred interest and other | | |
| 4. Accrual of discount | | |
| 5. Unrealized valuation increase (decrease) | | |
| 6. Total gain (loss) on disposals | | |
| 7. Deduct amounts received on disposals | | |
| 8. Deduct amortization of premium and depreciation | | |
| 9. Total foreign exchange change in book/adjusted carrying value | | |
| 10. Deduct current year's other-than-temporary impairment recognized | | |
| 11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) | 0 | 0 |
| 12. Deduct total nonadmitted amounts | | |
| 13. Statement value at end of current period (Line 11 minus Line 12) | 0 | 0 |

NONE

# SCHEDULE D - VERIFICATION

Bonds and Stocks

| | 1<br>Year to Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year | 1,935,899,895 | 1,896,737,280 |
| 2. Cost of bonds and stocks acquired | 606,285,357 | 1,078,629,793 |
| 3. Accrual of discount | 1,394,256 | 2,550,715 |
| 4. Unrealized valuation increase (decrease) | 12,745,930 | 17,382,540 |
| 5. Total gain (loss) on disposals | 18,812,748 | 16,710,208 |
| 6. Deduct consideration for bonds and stocks disposed of | 449,917,050 | 1,058,770,566 |
| 7. Deduct amortization of premium | 8,914,457 | 17,326,747 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | 216,464 | 13,328 |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 2,116,090,215 | 1,935,899,895 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 2,116,090,215 | 1,935,899,895 |

# SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

| NAIC Designation | 1 Book/Adjusted Carrying Value Beginning of Current Quarter | 2 Acquisitions During Current Quarter | 3 Dispositions During Current Quarter | 4 Non-Trading Activity During Current Quarter | 5 Book/Adjusted Carrying Value End of First Quarter | 6 Book/Adjusted Carrying Value End of Second Quarter | 7 Book/Adjusted Carrying Value End of Third Quarter | 8 Book/Adjusted Carrying Value December 31 Prior Year |
|---|---|---|---|---|---|---|---|---|
| BONDS | | | | | | | | |
| 1. NAIC 1 (a) | 1,436,802,713 | 525,684,628 | 392,519,769 | 6,822,912 | 1,436,802,713 | 1,576,790,484 | | 1,502,896,531 |
| 2. NAIC 2 (a) | 579,518,831 | 86,018,069 | 113,000,446 | (10,655,367) | 579,518,831 | 541,881,087 | | 428,156,206 |
| 3. NAIC 3 (a) | | | | | | 0 | | 4,460,857 |
| 4. NAIC 4 (a) | 6,860,000 | | 2,980,426 | 94,911 | 6,860,000 | 3,974,485 | | 6,755,000 |
| 5. NAIC 5 (a) | | | | | | 0 | | |
| 6. NAIC 6 (a) | 18,970,399 | | 38,777 | 126,014 | 18,970,399 | 19,057,636 | | 18,522,590 |
| 7. Total Bonds | 2,042,151,943 | 611,702,697 | 508,539,418 | (3,611,530) | 2,042,151,943 | 2,141,703,692 | 0 | 1,960,791,184 |
| PREFERRED STOCK | | | | | | | | |
| 8. NAIC 1 | | | | | | 0 | | |
| 9. NAIC 2 | 38,308,000 | | | 173,000 | 38,308,000 | 38,481,000 | | 47,410,500 |
| 10. NAIC 3 | 9,675,000 | | | 660,000 | 9,675,000 | 10,335,000 | | 9,690,000 |
| 11. NAIC 4 | | | | | | 0 | | |
| 12. NAIC 5 | | | | | | 0 | | |
| 13. NAIC 6 | | | | | | 0 | | |
| 14. Total Preferred Stock | 47,983,000 | 0 | 0 | 833,000 | 47,983,000 | 48,816,000 | 0 | 57,100,500 |
| 15. Total Bonds and Preferred Stock | 2,090,134,943 | 611,702,697 | 508,539,418 | (2,778,530) | 2,090,134,943 | 2,190,519,692 | 0 | 2,017,891,684 |

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:
NAIC 1 $.....208,703,829; NAIC 2 $.....108,493,998; NAIC 3 $..........0; NAIC 4 $..........0; NAIC 5 $..........0; NAIC 6 $..........0.

# SCHEDULE DA - PART 1

Short-Term Investments

| | 1<br>Book/Adjusted<br>Carrying Value | 2<br><br>Par Value | 3<br>Actual<br>Cost | 4<br>Interest Collected<br>Year To Date | 5<br>Paid for Accrued Interest<br>Year To Date |
|---|---|---|---|---|---|
| 9199999 | 247,294,820 | XXX | 247,896,327 | 1,070,640 | 353,468 |

# SCHEDULE DA - VERIFICATION

Short-Term Investments

| | 1<br><br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 240,131,560 | 111,724 |
| 2. Cost of short-term investments acquired | 256,075,657 | 457,884,191 |
| 3. Accrual of discount | 646,528 | 501,585 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | (180,971) | 6,191 |
| 6. Deduct consideration received on disposals | 248,538,632 | 218,120,172 |
| 7. Deduct amortization of premium | 839,322 | 251,959 |
| 8. Total foreign exchange change in book/adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 247,294,820 | 240,131,560 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 247,294,820 | 240,131,560 |

# Sch. DB - Pt. A - Verification
# NONE

# Sch. DB - Pt. B - Verification
# NONE

# Sch. DB - Pt. C - Sn. 1
# NONE

# Sch. DB - Pt. C - Sn. 2
# NONE

# Sch. DB - Verification
# NONE

# SCHEDULE E- VERIFICATION

## Cash Equivalents

| | 1<br>Year To Date | 2<br>Prior Year Ended December 31 |
|---|---|---|
| 1. Book/adjusted carrying value, December 31 of prior year | 64,272,827 | 5,898,919 |
| 2. Cost of cash equivalents acquired | 104,045,235 | 969,086,113 |
| 3. Accrual of discount | 101,504 | 583,251 |
| 4. Unrealized valuation increase (decrease) | | |
| 5. Total gain (loss) on disposals | | (1,596) |
| 6. Deduct consideration received on disposals | 98,515,000 | 911,113,456 |
| 7. Deduct amortization of premium | 1,559 | 180,404 |
| 8. Total foreign exchange change in book/ adjusted carrying value | | |
| 9. Deduct current year's other-than-temporary impairment recognized | | |
| 10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) | 69,903,007 | 64,272,827 |
| 11. Deduct total nonadmitted amounts | | |
| 12. Statement value at end of current period (Line 10 minus Line 11) | 69,903,007 | 64,272,827 |

## Sch. A - Pt. 2
## NONE

## Sch. A - Pt. 3
## NONE

## Sch. B - Pt. 2
## NONE

## Sch. B - Pt. 3
## NONE

## Sch. BA - Pt. 2
## NONE

## Sch. BA - Pt. 3
## NONE

# SCHEDULE D - PART 3

## Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

| 1<br>CUSIP Identification | 2<br>Description | 3<br>Foreign | 4<br>Date Acquired | 5<br>Name of Vendor | 6<br>Number of Shares of Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for Accrued Interest and Dividends | 10<br>NAIC Designation or Market Indicator (a) |
|---|---|---|---|---|---|---|---|---|---|
| **Bonds - U.S. Government** | | | | | | | | | |
| 912828 J4 3 | US TREASURY NOTE 1.750% 02/28/22 | | 05/25/2017 | Barclays Capital | | 7,992,500 | 8,000,000 | 33,098 | 1 |
| 912828 W8 9 | US TREASURY NOTE 1.875% 03/31/22 | | 05/12/2017 | Various | | 55,024,219 | 55,000,000 | 83,248 | 1 |
| 912828 X4 7 | US TREASURY NOTE 1.875% 04/30/22 | | 06/29/2017 | Various | | 15,876,219 | 15,800,000 | 26,138 | 1 |
| 912828 X9 6 | US TREASURY NOTE 1.500% 05/15/20 | | 06/26/2017 | Barclays Capital | | 14,006,250 | 14,000,000 | 7,826 | 1 |
| 912828 XR 6 | US TREASURY NOTE 1.750% 05/31/22 | | 05/26/2017 | Goldman Sachs | | 9,982,031 | 10,000,000 | | 1 |
| 0599999. Total - Bonds - U.S. Government | | | | | | 102,881,219 | 102,800,000 | 150,310 | XXX |
| **Bonds - U.S. States, Territories and Possessions** | | | | | | | | | |
| 452152 MR 9 | ILLINOIS ST 5.000% 08/01/25 | | 06/12/2017 | JP Morgan Securities Inc. | | 4,053,840 | 3,990,000 | 74,258 | 2FE |
| 882723 YT 0 | TEXAS ST 0.910% 06/01/46 | | 04/25/2017 | JP Morgan Securities Inc. | | 16,700,000 | 16,700,000 | 9,059 | 1FE |
| 1799999. Total - Bonds - U.S. States, Territories & Possessions | | | | | | 20,753,840 | 20,690,000 | 83,317 | XXX |
| **Bonds - U.S. Special Revenue and Special Assessment** | | | | | | | | | |
| 20775B VQ 6 | CONN ST HSG FIN AUTH HSG MTG 0.950% 05 | | 04/20/2017 | Goldman Sachs | | 28,525,000 | 28,525,000 | 85,948 | 1FE |
| 60637B NS 5 | MISSOURI ST HSG DEV COMMN 4.000% 05/01 | | 05/17/2017 | Various | | 3,715,479 | 3,430,000 | | 1FE |
| 3199999. Total - Bonds - U.S. Special Revenue and Special Assessments | | | | | | 32,240,479 | 31,955,000 | 85,948 | XXX |
| **Bonds - Industrial and Miscellaneous** | | | | | | | | | |
| 00192M AA 7 | ARIFL 2017-A A1 1.250% 06/15/18 | | 05/16/2017 | JP Morgan Securities Inc. | | 30,000,000 | 30,000,000 | | 1FE |
| 002824 BK 5 | ABBOTT LABORATORIES 2.800% 09/15/20 | | 04/01/2017 | Citigroup | | 28,000 | | | 2FE |
| 00507V AE 9 | ACTIVISION BLIZZARD INC 6.125% 09/15/2 | | 06/01/2017 | Bank of America Corp. | | 7,159,320 | 6,629,000 | 91,356 | 2FE |
| 035242 AL 0 | ANHEUSER-BUSCH INBEV FIN 3.300% 02/01/ | | 06/13/2017 | Bank of America Corp. | | 15,481,300 | 15,000,000 | 184,708 | 1FE |
| 052769 AE 6 | AUTODESK INC 3.500% 06/15/27 | | 06/05/2017 | Citigroup | | 9,937,200 | 10,000,000 | | 2FE |
| 056083 AJ 7 | BXP 2017-GM C 3.425% 06/13/39 | | 06/21/2017 | Morgan Stanley | | 25,040,608 | 25,000,000 | 68,972 | 1FE |
| 125283 AA 9 | CGDB 2017-BIO A 1.800% 05/15/30 | | 06/09/2017 | Citigroup | | 12,031,875 | 12,000,000 | | 1FE |
| 14149Y BF 4 | CARDINAL HEALTH INC 2.616% 06/15/22 | | 06/01/2017 | Wells Fargo Bank | | 15,000,000 | 15,000,000 | | 2FE |
| 151020 AQ 7 | CELGENE CORP 2.875% 08/15/20 | | 04/19/2017 | Toronto Dominion | | 4,159,760 | 4,075,000 | 22,455 | 2FE |
| 165183 AA 2 | CFII 2016-1A A1 2.110% 03/15/28 | | 06/26/2017 | Toronto Dominion | | 16,555,665 | 16,518,126 | 25,400 | 1FE |
| 17305E FU 4 | CCCIT 2014-A8 A8 1.730% 04/09/20 | | 04/06/2017 | Citigroup | | 8,824,750 | 8,800,000 | 846 | 1FE |
| 21036P AH 1 | CONSTELLATION BRANDS INC 6.000% 05/01/ | | 04/17/2017 | Various | | 11,451,200 | 10,000,000 | 280,833 | 2FE |
| 233062 AA 6 | DBCG 2017-BBG A 1.800% 06/15/34 | | 06/14/2017 | Deutsche Bank | | 7,000,000 | 7,000,000 | | 1FE |
| 27035B AB 3 | EARN 2017-A A2 2.650% 01/25/41 | | 05/18/2017 | Goldman Sachs | | 10,997,260 | 11,000,000 | | 1FE |
| 336158 AK 6 | FIRST REPUBLIC BANK 2.500% 06/06/22 | | 05/30/2017 | Bank of America Corp. | | 8,992,440 | 9,000,000 | | 1FE |
| 35802X AD 5 | FRESENIUS MED CARE II 5.625% 07/31/19 | | 06/23/2017 | Bank of America Corp. | | 7,390,913 | 6,926,000 | 145,641 | 2FE |
| 36257C AA 5 | GSMS 2017-GPTX A 2.856% 05/10/34 | | 04/26/2017 | Goldman Sachs | | 12,000,000 | 12,000,000 | 6,663 | 1FE |
| 58769D AB 6 | MBALT 2017-A A2A 1.530% 08/15/19 | | 04/19/2017 | JP Morgan Securities Inc. | | 49,999,950 | 50,000,000 | | 1FE |
| 83405D AB 4 | SOFI 2017-C A2A 1.750% 07/25/40 | | 05/19/2017 | Bank of America Corp. | | 6,499,441 | 6,500,000 | | 1FE |
| 931427 AA 6 | WALGREENS BOOTS ALLIANCE 2.700% 11/18/ | | 06/02/2017 | Bank of America Corp. | | 2,741,688 | 2,700,000 | 3,848 | 2FE |
| 3899999. Total - Bonds - Industrial and Miscellaneous | | | | | | 261,291,370 | 258,148,126 | 830,722 | XXX |
| 8399997. Total - Bonds - Part 3 | | | | | | 417,166,908 | 413,593,126 | 1,150,297 | XXX |
| 8399999. Total - Bonds | | | | | | 417,166,908 | 413,593,126 | 1,150,297 | XXX |
| **Common Stocks - Industrial and Miscellaneous** | | | | | | | | | |
| 016255 10 1 | ALIGN TECHNOLOGY INC. | | 06/19/2017 | State Street Bank | 3,600.000 | 541,137 | XXX | | L |
| 459200 10 1 | INTL BUSINESS MACHINES CORP | | 06/19/2017 | State Street Bank | 400.000 | 62,017 | XXX | | L |
| 53223X 10 7 | LIFE STORAGE INC. | | 06/19/2017 | State Street Bank | 5,600.000 | 419,811 | XXX | | L |
| 9099999. Total - Common Stocks - Industrial and Miscellaneous | | | | | | 1,022,965 | XXX | 0 | XXX |
| 9799997. Total - Common Stocks - Part 3 | | | | | | 1,022,965 | XXX | 0 | XXX |

# SCHEDULE D - PART 3

## Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

| 1<br>CUSIP Identification | 2<br>Description | 3<br>Foreign | 4<br>Date Acquired | 5<br>Name of Vendor | 6<br>Number of Shares of Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for Accrued Interest and Dividends | 10<br>NAIC Designation or Market Indicator (a) |
|---|---|---|---|---|---|---|---|---|---|
| 9799999. Total - Common Stocks | | | | | | 1,022,965 | XXX | 0 | XXX |
| 9899999. Total - Preferred and Common Stocks | | | | | | 1,022,965 | XXX | 0 | XXX |
| 9999999. Total - Bonds, Preferred and Common Stocks | | | | | | 418,189,873 | XXX | 1,150,297 | XXX |

(a) For all common stock bearing NAIC market indicator "U" provide the number of such issues:...............0.

# SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| **Bonds - U.S. Government** | | | | | | | | | | | | | | | | | | | | | |
| 912828 W8 9 | US TREASURY NOTE 1.875% 03/31/22 | | 04/26/2017 | Goldman Sachs | | 20,039,844 | 20,000,000 | 19,994,531 | | | (23) | | (23) | | 19,994,509 | | 45,335 | 45,335 | 27,664 | 03/31/2022 | 1 |
| 912828 X9 6 | US TREASURY NOTE 1.500% 05/15/20 | | 06/01/2017 | Goldman Sachs | | 10,016,406 | 10,000,000 | 10,003,906 | | | (77) | | (77) | | 10,003,829 | | 12,577 | 12,577 | 7,337 | 05/15/2020 | 1 |
| 912828 XR 6 | US TREASURY NOTE 1.750% 05/31/22 | | 06/13/2017 | Various | | 9,990,820 | 10,000,000 | 9,982,031 | | | 59 | | 59 | | 9,982,091 | | 8,730 | 8,730 | 3,825 | 05/31/2022 | 1 |
| 0599999. | Total - Bonds - U.S. Government | | | | | 40,047,070 | 40,000,000 | 39,980,468 | 0 | 0 | (41) | 0 | (41) | 0 | 39,980,429 | 0 | 66,642 | 66,642 | 38,826 | XXX | XXX |
| **Bonds - U.S. States, Territories and Possessions** | | | | | | | | | | | | | | | | | | | | | |
| 882723 YT 0 | TEXAS ST 0.910% 06/01/46 | | 06/01/2017 | Redemption 100.0000 | | 400,000 | 400,000 | 400,000 | | | | | 0 | | 400,000 | | | 0 | 555 | 06/01/2046 | 1FE |
| 1799999. | Total - Bonds - U.S. States, Territories & Possessions | | | | | 400,000 | 400,000 | 400,000 | 0 | 0 | 0 | 0 | 0 | 0 | 400,000 | 0 | 0 | 0 | 555 | XXX | XXX |
| **Bonds - U.S. Special Revenue and Special Assessment** | | | | | | | | | | | | | | | | | | | | | |
| 20775B N8 5 | CONN ST HSG FIN AUTH HSG MTG 4.000% 11 | | 06/15/2017 | Redemption 100.0000 | | 550,000 | 550,000 | 585,470 | 570,239 | | (20,239) | | (20,239) | | 550,000 | | | 0 | 12,833 | 11/15/2021 | 1FE |
| 20775B VQ 6 | CONN ST HSG FIN AUTH HSG MTG 0.950% 05 | | 06/15/2017 | Redemption 100.0000 | | 19,695,000 | 19,695,000 | 19,695,000 | | | | | 0 | | 19,695,000 | | | 0 | 84,801 | 05/15/2034 | 1FE |
| 20775F CG 0 | CONNECTICUT ST HSG FIN AUTH SF 4.500% | | 06/01/2017 | Redemption 100.0000 | | 370,000 | 370,000 | 389,714 | 379,235 | | (9,235) | | (9,235) | | 370,000 | | | 0 | 8,325 | 06/01/2021 | 1FE |
| 3137AA 4X 8 | FHMS 2011-K013 X1 IO 0.556% 01/25/21 | | 06/01/2017 | Paydown | | | | 64,429 | 28,047 | | (28,047) | | (28,047) | | | | | 0 | 3,709 | 01/25/2021 | 1FE |
| 3137AD TK 3 | FHMS 2011-K014 X1 IO 1.191% 04/25/21 | | 06/01/2017 | Paydown | | | | 71,662 | 35,932 | | (35,932) | | (35,932) | | | | | 0 | 4,376 | 04/25/2021 | 1FE |
| 3137AK KD 2 | FHMS 2012-K705 X1 IO 1.712% 09/25/18 | | 06/01/2017 | Paydown | | | | 60,554 | 15,033 | | (15,033) | | (15,033) | | | | | 0 | 4,746 | 09/25/2018 | 1FE |
| 3137AL 6W 4 | FHMS 2012-K706 X1 IO 1.546% 10/25/18 | | 06/01/2017 | Paydown | | | | 26,236 | 7,040 | | (7,040) | | (7,040) | | | | | 0 | 2,019 | 10/25/2018 | 1FE |
| 3137B1 BT 8 | FHMS 2013-K026 X1 IO 1.021% 11/25/22 | | 06/01/2017 | Paydown | | | | 39,143 | 26,707 | | (26,707) | | (26,707) | | | | | 0 | 2,447 | 11/25/2022 | 1FE |
| 3137B6 ZN 4 | FHMS 2014-K714 X1 IO 0.691% 10/25/20 | | 06/01/2017 | Paydown | | | | 52,717 | 28,559 | | (28,559) | | (28,559) | | | | | 0 | 3,921 | 10/25/2020 | 1FE |
| 3137B7 N2 1 | FHMS 2014-K036 X1 IO 0.769% 10/25/23 | | 06/01/2017 | Paydown | | | | 57,228 | 40,952 | | (40,952) | | (40,952) | | | | | 0 | 3,208 | 10/25/2023 | 1FE |
| 31392C MS 0 | FNW 2002-W1 2A 6.104% 02/25/42 | | 06/01/2017 | Paydown | | 1,079 | 1,079 | 1,134 | 1,091 | | (12) | | (12) | | 1,079 | | | 0 | 27 | 02/25/2042 | 1FE |
| 45506A EK 3 | INDIANA ST HSG & CMNTY DEV 4.500% 12/0 | | 06/01/2017 | Redemption 100.0000 | | 380,000 | 380,000 | 408,709 | 394,169 | | (14,169) | | (14,169) | | 380,000 | | | 0 | 8,550 | 12/01/2021 | 1FE |
| 57587A HY 7 | MASSACHUSETTS ST HSG 4.000% 06/01/39 | | 06/01/2017 | Redemption 100.0000 | | 370,000 | 370,000 | 396,566 | 390,477 | | (20,477) | | (20,477) | | 370,000 | | | 0 | 7,400 | 06/01/2024 | 1FE |
| 60416Q FS 8 | MINNESOTA ST HSG FIN AGY 4.250% 07/01/ | | 06/01/2017 | Redemption 100.0000 | | 90,000 | 90,000 | 96,108 | 92,594 | | (2,594) | | (2,594) | | 90,000 | | | 0 | 3,188 | 01/01/2021 | 1FE |
| 60637B DV 9 | MISSOURI ST HSG DEV COMMN 4.000% 11/01 | | 05/01/2017 | Redemption 100.0000 | | 195,000 | 195,000 | 214,473 | 208,067 | | (13,067) | | (13,067) | | 195,000 | | | 0 | 3,467 | 05/01/2024 | 1FE |
| 64972F X5 0 | NEW YORK NY CITY MUN 0.860% 06/15/43 | | 04/19/2017 | US Bank | | 13,920,000 | 13,920,000 | 13,920,000 | | | | | 0 | | 13,920,000 | | | 0 | 31,077 | 06/15/2043 | 1FE |
| 649883 H6 5 | NEW YORK ST MTGE AGY HOMEOWNER 3.500% | | 04/01/2017 | Redemption 100.0000 | | 195,000 | 195,000 | 206,109 | 203,357 | | (8,357) | | (8,357) | | 195,000 | | | 0 | 3,413 | 10/01/2024 | 1FE |
| 708796 4R 5 | PENNSYLVANIA HSG FIN 4.000% 10/01/46 | | 06/20/2017 | Redemption 100.0000 | | 285,000 | 285,000 | 303,186 | | | (18,186) | | (18,186) | | 285,000 | | | 0 | 4,402 | 04/01/2026 | 1FE |
| 83756C AM 7 | SOUTH DAKOTA HSG DEV AUTH 4.500% 05/01 | | 06/15/2017 | Redemption 100.0000 | | 145,000 | 145,000 | 155,140 | 151,085 | | (6,085) | | (6,085) | | 145,000 | | | 0 | 4,060 | 05/01/2023 | 1FE |
| 93978T LQ 0 | WASHINGTON ST HSG 4.400% 06/01/40 | | 06/01/2017 | Redemption 100.0000 | | 75,000 | 75,000 | 77,325 | 75,656 | | (656) | | (656) | | 75,000 | | | 0 | 1,650 | 11/30/2019 | 1FE |
| 93978T VD 8 | WASHINGTON ST HSG 3.500% 12/01/46 | | 06/01/2017 | Redemption 100.0000 | | 230,000 | 230,000 | 243,237 | 242,956 | | (12,956) | | (12,956) | | 230,000 | | | 0 | 4,047 | 12/01/2024 | 1FE |
| 3199999. | Total - Bonds - U.S. Special Revenue and Special Assessments | | | | | 36,501,079 | 36,501,079 | 37,064,140 | 2,891,196 | 0 | (308,303) | 0 | (308,303) | 0 | 36,501,079 | 0 | 0 | 0 | 201,666 | XXX | XXX |
| **Bonds - Industrial and Miscellaneous** | | | | | | | | | | | | | | | | | | | | | |
| 00192C AB 7 | ARIFL 2016-A A2 1.820% 07/15/24 | | 06/15/2017 | Paydown | | 355,775 | 355,775 | 355,748 | 355,761 | | 14 | | 14 | | 355,775 | | | 0 | 2,716 | 07/15/2024 | 1FE |
| 00287Y AU 3 | ABBVIE INC 2.300% 05/14/21 | | 04/27/2017 | Toronto Dominion | | 4,969,800 | 5,000,000 | 4,991,300 | 4,992,289 | | 605 | | 605 | | 4,992,894 | | (23,094) | (23,094) | 53,667 | 05/14/2021 | 2FE |
| 02007C AB 8 | ALLYA 2016-1 A2A 1.200% 08/15/18 | | 06/15/2017 | Paydown | | 2,066,700 | 2,066,700 | 2,066,571 | 2,066,662 | | 38 | | 38 | | 2,066,700 | | | 0 | 10,240 | 08/15/2018 | 1FE |
| 03523T BP 2 | ANHEUSER-BUSCH INBEV WORLDWIDE 2.500% | | 06/12/2017 | Bank of America Corp | | 10,008,000 | 10,000,000 | 10,319,900 | 10,296,958 | | (23,292) | | (23,292) | | 10,273,666 | | (265,666) | (265,666) | 229,167 | 07/15/2022 | 1FE |
| 03524B AE 6 | ANHEUSER-BUSCH INBEV FIN 3.700% 02/01/ | | 06/13/2017 | Bank of America Corp | | 5,255,100 | 5,000,000 | 5,408,300 | 5,387,222 | | (23,079) | | (23,079) | | 5,364,143 | | (109,043) | (109,043) | 161,875 | 02/01/2024 | 1FE |
| 04032Y AB 5 | ARIFL 2015-A A2 1.110% 11/15/18 | | 06/15/2017 | Paydown | | 960,338 | 960,338 | 960,220 | 960,301 | | 38 | | 38 | | 960,338 | | | 0 | 4,381 | 11/15/2018 | 1FE |
| 05533D FT 8 | BCAP 2010-RR7 14A1 3.658% 07/26/35 | | 06/01/2017 | Paydown | | 803,506 | 803,506 | 806,519 | 804,136 | | (629) | | (629) | | 803,506 | | | 0 | 10,970 | 07/26/2035 | 1FM |
| 05542X AJ 0 | BCAP LLC TRUST 2013-RR11 3A1 4.000% 11 | | 06/01/2017 | Paydown | | 783,029 | 783,029 | 797,466 | 791,620 | | (8,591) | | (8,591) | | 783,029 | | | 0 | 13,782 | 11/26/2035 | 1FM |
| 05542X AS 0 | BCAP LLC TRUST 2013-RR11 5A1 1.174% 07 | | 06/25/2017 | Paydown | | 452,308 | 452,308 | 427,996 | 446,982 | | 5,326 | | 5,326 | | 452,308 | | | 0 | 1,829 | 07/26/2036 | 1FM |
| 05543A AA 8 | BCAP 2014-RR1 1A1 3.153% 03/26/35 | | 06/01/2017 | Paydown | | 468,918 | 468,918 | 483,572 | 493,648 | | (24,729) | | (24,729) | | 468,918 | | | 0 | 6,322 | 03/26/2035 | 1FM |

# SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 05565E AD 7 | BMW US CAPITAL LLC 1.500% 04/11/19 | .. | 05/25/2017. | Various |  | 17,554,801 | 17,615,000 | 17,609,237 | 17,610,593 |  | 771 |  | 771 |  | 17,611,364 |  | (56,564) | (56,564) | 165,685 | 04/11/2019. | 1FE |
| 05580P AE 1 | BMWLT 2015-1 A4 1.340% 06/20/18 | .. | 06/20/2017. | Paydown |  | 29,500,000 | 29,500,000 | 29,497,056 | 29,499,401 |  | 599 |  | 599 |  | 29,500,000 |  |  | 0 | 193,673 | 06/20/2018. | 1FE |
| 05582X AB 8 | BMWLT 2016-2 A2A 1.230% 01/22/19 | .. | 06/20/2017. | Paydown |  | 2,237,198 | 2,237,198 | 2,237,041 | 2,237,046 |  | 151 |  | 151 |  | 2,237,198 |  |  | 0 | 11,593 | 01/22/2019. | 1FE |
| 07387A GH 2 | BSARM 2005-12 25A1 2.570% 05/25/53 | .. | 05/09/2017. | Credit Suisse First Boston |  | 1,093,737 | 1,349,772 | 838,954 | 838,954 |  |  |  | 0 |  | 838,954 |  | 254,784 | 254,784 | 26,824 | 05/25/2053. | 1FM |
| 07387A GH 2 | BSARM 2005-12 25A1 2.570% 05/25/53 | .. | 05/01/2017. | Paydown |  | 3,497 | 7,799 | 4,848 | 4,848 |  | (1,351) |  | (1,351) |  | 3,497 |  |  | 0 | 140 | 05/25/2053. | 1FM |
| 07387A GH 2 | BSARM 2005-12 25A1 2.570% 05/25/53 | .. | 05/31/2017. | Reclass Adjustment |  |  |  |  |  |  | (22,668) |  | (22,668) |  | (22,668) |  | 22,668 | 22,668 |  | 05/25/2053. | 1FM |
| 125354 AJ 9 | CGRBS 2013-VN05 D 3.703% 03/13/35 | .. | 04/05/2017. | Deutsche Bank |  | 6,316,661 | 6,385,000 | 6,357,686 | 6,362,988 |  | 806 |  | 806 |  | 6,363,794 |  | (47,134) | (47,134) | 82,636 | 03/13/2035. | 1FM |
| 12643P AJ 1 | CSMC 2010-6R 2A3 6.250% 07/26/37 | .. | 06/01/2017. | Paydown |  | 1,606,360 | 1,606,360 | 1,740,892 | 1,617,111 |  | (10,751) |  | (10,751) |  | 1,606,360 |  |  | 0 | 44,383 | 07/26/2037. | 1FM |
| 126673 2M 3 | CWL 2005-7 MV6 1.791% 11/25/35 | .. | 04/25/2017. | Goldman Sachs |  | 8,659,720 | 11,978,000 | 186,598 | 186,598 |  |  |  | 0 |  | 186,598 |  | 8,473,122 | 8,473,122 | 65,948 | 11/25/2035. | 1FM |
| 126673 2M 3 | CWL 2005-7 MV6 1.791% 11/25/35 | .. | 04/30/2017. | Reclass Adjustment |  |  |  |  |  |  | 227,656 |  | 227,656 |  | 227,656 |  | (227,656) | (227,656) |  | 11/25/2035. | 1FM |
| 144531 EW 6 | CARR 2006-NC1 A3 1.234% 01/25/36 | .. | 06/25/2017. | Paydown |  | 2,422,131 | 2,422,131 | 2,276,002 | 2,385,097 |  | 37,034 |  | 37,034 |  | 2,422,131 |  |  | 0 | 11,213 | 01/25/2036. | 1FM |
| 165183 AA 2 | CFII 2016-1A A1 2.110% 03/15/28 | .. | 06/15/2017. | Paydown |  | 650,705 | 650,705 | 652,230 |  |  | (1,525) |  | (1,525) |  | 650,705 |  |  | 0 | 1,144 | 03/15/2028. | 1FE |
| 17307G JM 1 | CMLTI 2004-OPT1 M5 2.566% 07/25/37 | .. | 04/25/2017. | Bank of America Corp |  | 1,093,658 | 1,316,916 | 942,846 | 942,846 |  |  |  | 0 |  | 942,846 |  | 150,812 | 150,812 | 10,702 | 07/25/2037. | 1FM |
| 17307G JM 1 | CMLTI 2004-OPT1 M5 2.566% 07/25/37 | .. | 04/30/2017. | Reclass Adjustment |  |  |  |  |  |  | (942,846) |  | (942,846) |  | (942,846) |  | 942,846 | 942,846 |  | 07/25/2037. | 1FM |
| 20267U AB 5 | CBSLT 2016-B A2 2.666% 10/25/40 | .. | 06/25/2017. | Paydown |  | 709,365 | 709,365 | 709,365 | 709,639 |  | (275) |  | (275) |  | 709,365 |  |  | 0 | 6,741 | 10/25/2040. | 1FE |
| 27034M AA 2 | EARN 2016-D A1 2.616% 01/25/41 | .. | 06/25/2017. | Paydown |  | 759,159 | 759,159 | 759,159 | 759,862 |  | (702) |  | (702) |  | 759,159 |  |  | 0 | 6,975 | 01/25/2041. | 1FE |
| 28108P AA 4 | ESLFT 2012-A AP 4.200% 10/01/25 | .. | 04/01/2017. | Paydown |  | 992,890 | 992,890 | 1,010,457 | 1,003,761 |  | (10,870) |  | (10,870) |  | 992,890 |  |  | 0 | 19,193 | 10/01/2025. | 1FE |
| 29372E BS 6 | EFF 2016-2 A2 1.740% 02/22/22 | .. | 06/20/2017. | Paydown |  | 518,200 | 518,200 | 518,165 | 518,172 |  | 27 |  | 27 |  | 518,200 |  |  | 0 | 4,234 | 02/22/2022. | 1FE |
| 30711X DP 6 | CAS 2016-06 1M1 2.516% 04/25/29 | .. | 06/25/2017. | Paydown |  | 150,615 | 150,615 | 150,615 | 150,769 |  | (154) |  | (154) |  | 150,615 |  |  | 0 | 1,347 | 04/25/2029. | 2FE |
| 36192P AF 3 | GSMS 2012-GCJ9 A2 1.762% 11/10/45 | .. | 06/01/2017. | Paydown |  | 5,746,498 | 5,746,498 | 5,772,716 | 5,751,413 |  | (4,915) |  | (4,915) |  | 5,746,498 |  |  | 0 | 51,307 | 11/10/2045. | 1FM |
| 36193A AN 8 | GSMS 2013-KING E 3.435% 12/10/27 | .. | 04/05/2017. | Deutsche Bank |  | 2,988,164 | 3,000,000 | 2,880,938 | 2,916,880 |  | 7,209 |  | 7,209 |  | 2,924,088 |  | 64,076 | 64,076 | 37,213 | 12/10/2027. | 1FM |
| 36257C AA 5 | GSMS 2017-GPTX A 2.856% 05/10/34 | .. | 05/01/2017. | Goldman Sachs |  | 12,017,813 | 12,000,000 | 12,000,000 |  |  |  |  | 0 |  | 12,000,000 |  | 17,813 | 17,813 | 6,663 | 05/10/2034. | 1FE |
| 362631 AB 9 | GSR 2006-OA1 2A1 1.214% 08/25/46 | .. | 06/25/2017. | Paydown |  | 805,669 | 805,669 | 770,421 | 802,242 |  | 3,426 |  | 3,426 |  | 805,669 |  |  | 0 | 3,471 | 08/25/2046. | 1FM |
| 39154T AB 4 | GALC 2016-1 A2 1.570% 05/20/18 | .. | 06/20/2017. | Paydown |  | 2,420,445 | 2,420,445 | 2,420,420 | 2,420,411 |  | 35 |  | 35 |  | 2,420,445 |  |  | 0 | 15,820 | 05/20/2018. | 1FE |
| 41284C AB 0 | HDMOT 2015-2 A2A 0.800% 01/15/19 | .. | 04/15/2017. | Paydown |  | 190,576 | 190,576 | 190,574 | 190,576 |  |  |  | 0 |  | 190,576 |  |  | 0 | 508 | 01/15/2019. | 1FE |
| 43814R AB 2 | HAROT 2016-4 A2 1.040% 04/18/19 | .. | 06/18/2017. | Paydown |  | 975,797 | 975,797 | 975,769 | 975,774 |  | 23 |  | 23 |  | 975,797 |  |  | 0 | 5,074 | 04/18/2019. | 1FE |
| 44891B AB 1 | HALST 2016-B A2A 1.240% 11/15/18 | .. | 06/15/2017. | Paydown |  | 1,731,764 | 1,731,764 | 1,731,706 | 1,731,732 |  | 32 |  | 32 |  | 1,731,764 |  |  | 0 | 8,995 | 11/15/2018. | 1FE |
| 44891M AB 7 | HALST 2016-A A2A 1.330% 07/16/18 | .. | 06/15/2017. | Paydown |  | 2,739,430 | 2,739,430 | 2,739,348 | 2,739,398 |  | 31 |  | 31 |  | 2,739,430 |  |  | 0 | 15,234 | 07/16/2018. | 1FE |
| 47788N AB 4 | JDOT 2016-B A2 1.090% 02/15/19 | .. | 06/15/2017. | Paydown |  | 5,290,197 | 5,290,197 | 5,289,874 | 5,289,995 |  | 201 |  | 201 |  | 5,290,197 |  |  | 0 | 25,892 | 02/15/2019. | 1FE |
| 50116W AB 1 | KCOT 2016-1A A2 1.250% 04/15/19 | .. | 06/15/2017. | Paydown |  | 5,186,537 | 5,186,537 | 5,186,195 | 5,186,296 |  | 241 |  | 241 |  | 5,186,537 |  |  | 0 | 28,019 | 04/15/2019. | 1FE |
| 576433 UF 1 | MARM 2004-13 3A1 3.190% 02/21/54 | .. | 06/01/2017. | Paydown |  | 77,163 | 77,163 | 75,122 | 84,568 |  | (7,405) |  | (7,405) |  | 77,163 |  |  | 0 | 961 | 02/21/2054. | 1FM |
| 57643L GJ 9 | MABS 2005-NC1 M4 2.122% 09/25/41 | .. | 05/04/2017. | Cantor Fitzgerald |  | 962,873 | 997,311 | 581,103 | 581,103 |  |  |  | 0 |  | 581,103 |  | 381,770 | 381,770 | 7,284 | 09/25/2041. | 1FM |
| 57643L GJ 9 | MABS 2005-NC1 M4 2.122% 09/25/41 | .. | 05/31/2017. | Reclass Adjustment |  |  |  |  |  |  | (581,103) |  | (581,103) |  | (581,103) |  | 581,103 | 581,103 |  | 09/25/2041. | 1FM |
| 61762L BH 5 | MSRR 2013-R6 5B1 1.304% 04/26/53 | .. | 06/25/2017. | Paydown |  | 38,777 | 38,777 | 32,512 | 33,546 | 847 | 4,384 |  | 5,231 |  | 38,777 |  |  | 0 | 186 | 04/26/2053. | 6* |
| 65477U AC 4 | NAROT 2015-A A3 1.050% 10/15/19 | .. | 06/15/2017. | Paydown |  | 312,651 | 312,651 | 312,138 |  |  | 513 |  | 513 |  | 312,651 |  |  | 0 | 1,083 | 10/15/2019. | 1FE |
| 65478U AB 5 | NAROT 2016-A A2A 1.060% 02/15/19 | .. | 06/15/2017. | Paydown |  | 823,437 | 823,437 | 823,412 | 823,427 |  | 10 |  | 10 |  | 823,437 |  |  | 0 | 3,612 | 02/15/2019. | 1FE |
| 65535V BZ 0 | NAA 2003-A3 A1 5.500% 08/25/33 | .. | 05/01/2017. | Paydown |  | 2,011 | 2,011 | 2,016 | 2,035 |  | (24) |  | (24) |  | 2,011 |  |  | 0 | 43 | 08/25/2033. | 1FM |
| 68389F KP 8 | OOMLT 2006-1 2A3 1.406% 01/25/36 | .. | 06/25/2017. | Paydown |  | 88,253 | 88,253 | 74,529 | 84,648 |  | 3,606 |  | 3,606 |  | 88,253 |  |  | 0 | 386 | 01/25/2036. | 1FM |
| 73316P FT 2 | POPLR 2005-C M1 1.666% 11/25/35 | .. | 06/25/2017. | Paydown |  | 870,512 | 870,512 | 839,500 | 868,404 |  | 2,108 |  | 2,108 |  | 870,512 |  |  | 0 | 5,026 | 11/25/2035. | 1FM |
| 75606D AE 1 | REALOGY GROUP/CO-ISSUER 4.875% 06/01/2 | .. | 04/28/2017. | JP Morgan Securities Inc |  | 3,030,000 | 3,000,000 | 2,978,070 | 2,895,000 | 84,497 | 929 |  | 85,426 |  | 2,980,426 |  | 49,575 | 49,575 | 61,750 | 06/01/2023. | 4FE |
| 784419 AE 3 | SLCLT 2006-A A5 1.328% 07/15/36 | .. | 04/15/2017. | Paydown |  | 3,771,327 | 3,771,327 | 3,771,327 |  |  |  |  | 0 |  | 3,771,327 |  |  | 0 | 11,236 | 07/15/2036. | 1FE |
| 78444V AB 7 | SLCLT 2010-B A2 4.489% 07/15/42 | .. | 06/15/2017. | Paydown |  | 382,096 | 382,096 | 405,320 | 385,952 |  | (3,856) |  | (3,856) |  | 382,096 |  |  | 0 | 6,594 | 07/15/2042. | 1FE |

# SCHEDULE D - PART 4

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

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | Change in Book/Adjusted Carrying Value | | | | | 16 | 17 | 18 | 19 | 20 | 21 | 22 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | 11 | 12 | 13 | 14 | 15 | | | | | | | |
| CUSIP Identification | Description | Foreign | Disposal Date | Name of Purchaser | Number of Shares of Stock | Consideration | Par Value | Actual Cost | Prior Year Book/Adjusted Carrying Value | Unrealized Valuation Increase (Decrease) | Current Year's (Amortization) / Accretion | Current Year's Other-Than-Temporary Impairment Recognized | Total Change in B./A.C.V. (11+12-13) | Total Foreign Exchange Change in B./A.C.V. | Book/Adjusted Carrying Value at Disposal Date | Foreign Exchange Gain (Loss) on Disposal | Realized Gain (Loss) on Disposal | Total Gain (Loss) on Disposal | Bond Interest / Stock Dividends Received During Year | Stated Contractual Maturity Date | NAIC Designation or Market Indicator (a) |
| 78447R AA 5 | SLMA 2013-A A1 1.589% 08/15/22 | | 06/15/2017. | Paydown | | 9,586,791 | 9,586,791 | 9,595,112 | 9,596,858 | | (10,067) | | (10,067) | | 9,586,791 | | | 0 | 56,517 | 08/15/2022. | 1FE |
| 78447V AA 6 | SLMA 2013-B A1 1.809% 07/15/22 | | 06/15/2017. | Paydown | | 33,735 | 33,735 | 33,777 | 33,778 | | (43) | | (43) | | 33,735 | | | 0 | 211 | 07/15/2022. | 1FE |
| 78448P AA 8 | SMB 2015-A A1 1.759% 07/17/23 | | 06/15/2017. | Paydown | | 3,359,323 | 3,359,323 | 3,361,947 | | | (2,624) | | (2,624) | | 3,359,323 | | | 0 | 20,039 | 07/17/2023. | 1FE |
| 78449K AA 8 | SMB 2016-C A1 1.709% 11/15/23 | | 06/15/2017. | Paydown | | 1,445,118 | 1,445,118 | 1,445,254 | 1,445,140 | | (22) | | (22) | | 1,445,118 | | | 0 | 8,389 | 11/15/2023. | 1FE |
| 78470N AA 4 | SOFI 2015-D A1 2.716% 10/25/36 | | 06/25/2017. | Paydown | | 1,306,191 | 1,306,191 | 1,306,191 | 1,307,400 | | (1,209) | | (1,209) | | 1,306,191 | | | 0 | 12,374 | 10/25/2036. | 1FE |
| 790849 AM 5 | ST JUDE MEDICAL INC 2.800% 09/15/20 | | 04/01/2017. | Citigroup | | 28,000 | | | | | | | 0 | | | | 28,000 | 28,000 | | 09/15/2020. | 2FE |
| 85172H AA 3 | SLFMT 2013-3A A 1.870% 09/25/57 | | 06/01/2017. | Paydown | | 816,650 | 816,650 | 816,542 | 815,995 | | 655 | | 655 | | 816,650 | | | 0 | 6,291 | 09/25/2057. | 1FM |
| 855541 AB 4 | STARM 2007-S1 2A1 3.354% 01/25/37 | | 06/01/2017. | Paydown | | 177,112 | 177,112 | 155,549 | 155,549 | | 21,563 | | 21,563 | | 177,112 | | | 0 | 2,671 | 01/25/2037. | 1FM |
| 863576 DG 6 | SASC 2005-WF4 M2 1.646% 11/25/35 | | 06/25/2017. | Paydown | | 580,862 | 580,862 | 494,277 | 564,577 | | 16,285 | | 16,285 | | 580,862 | | | 0 | 3,586 | 11/25/2035. | 1FM |
| 86358E UV 6 | SAIL 2005-HE1 M1 1.921% 07/25/35 | | 06/25/2017. | Paydown | | 373,107 | 373,107 | 339,528 | 367,464 | | 5,644 | | 5,644 | | 373,107 | | | 0 | 2,442 | 07/25/2035. | 1FM |
| 86358E WC 6 | SAIL 2005-7 M1 1.951% 08/25/35 | | 06/25/2017. | Paydown | | 428,509 | 428,509 | 408,691 | 424,172 | | 4,337 | | 4,337 | | 428,509 | | | 0 | 2,921 | 08/25/2035. | 1FM |
| 89231R AD 6 | TAOT 2014-B A4 1.310% 09/16/19 | | 06/15/2017. | Paydown | | 673,401 | 673,401 | 673,559 | | | (158) | | (158) | | 673,401 | | | 0 | 3,652 | 09/16/2019. | 1FE |
| 89231T AD 2 | TAOT 2015-C A3 1.340% 06/17/19 | | 06/15/2017. | Paydown | | 242,388 | 242,388 | 242,406 | | | (19) | | (19) | | 242,388 | | | 0 | 1,125 | 06/17/2019. | 1FE |
| 89231U AB 3 | TAOT 2016-B A2A 1.020% 10/15/18 | | 06/15/2017. | Paydown | | 1,526,057 | 1,526,057 | 1,526,030 | 1,526,047 | | 11 | | 11 | | 1,526,057 | | | 0 | 6,449 | 10/15/2018. | 1FE |
| 931427 AM 0 | WALGREENS BOOTS ALLIANCE 1.750% 05/30/ | | 06/05/2017. | Call 100.0000 | | 28,480,000 | 28,480,000 | 28,517,326 | 9,997,311 | | (9,551) | | (9,551) | | 28,508,786 | | (28,786) | (28,786) | 540,922 | 05/30/2018. | 2FE |
| 94980Q AA 7 | WFMBS 2004-W A1 3.010% 11/25/34 | | 06/01/2017. | Paydown | | 194,097 | 194,097 | 189,509 | 189,509 | | 4,588 | | 4,588 | | 194,097 | | | 0 | 2,459 | 11/25/2034. | 1FM |
| 94983C AD 9 | WFMBS 2005-AR10 2A1 3.152% 06/25/35 | | 06/01/2017. | Paydown | | 183,317 | 183,317 | 179,880 | 190,957 | | (7,640) | | (7,640) | | 183,317 | | | 0 | 2,291 | 06/25/2035. | 1FM |
| 98161F AB 1 | WOLS 2016-A A2A 1.200% 02/15/19 | | 06/15/2017. | Paydown | | 3,095,501 | 3,095,501 | 3,095,424 | 3,095,450 | | 51 | | 51 | | 3,095,501 | | | 0 | 15,554 | 02/15/2019. | 1FE |
| 98157D AH 9 | WORLDCOM INC. 6.500% 05/15/2004 | | 05/10/2017. | Class Action Litigation | | 114 | | | | | | | 0 | | | | 114 | 114 | | 05/15/2004. | 1FE |
| 81378B AB 5 | SSTRT 2016-1A A2A 1.284% 11/26/18 | A | 06/25/2017. | Paydown | | 5,831,101 | 5,831,101 | 5,831,101 | 5,831,101 | | | | 0 | | 5,831,101 | | | 0 | 31,638 | 11/26/2018. | 1FE |
| 709629 AN 9 | PENTAIR FINANCE SA 3.625% 09/15/20 | D | 05/26/2017. | Citigroup | | 10,485,300 | 10,000,000 | 9,989,100 | 9,991,328 | | 852 | | 852 | | 9,992,180 | | 493,120 | 493,120 | 252,743 | 09/15/2020. | 2FE |
| 3899999. | Total - Bonds - Industrial and Miscellaneous | | | | | 219,690,835 | 222,873,395 | 210,162,956 | 170,719,300 | 85,344 | (1,350,299) | 0 | (1,264,955) | 0 | 208,988,975 | 0 | 10,701,860 | 10,701,860 | 2,416,011 | XXX | XXX |
| 8399997. | Total - Bonds - Part 4 | | | | | 296,638,984 | 299,774,474 | 287,607,564 | 173,610,496 | 85,344 | (1,658,643) | 0 | (1,573,299) | 0 | 285,870,483 | 0 | 10,768,502 | 10,768,502 | 2,657,058 | XXX | XXX |
| 8399999. | Total - Bonds | | | | | 296,638,984 | 299,774,474 | 287,607,564 | 173,610,496 | 85,344 | (1,658,643) | 0 | (1,573,299) | 0 | 285,870,483 | 0 | 10,768,502 | 10,768,502 | 2,657,058 | XXX | XXX |
| 9999999. | Total - Bonds, Preferred and Common Stocks | | | | | 296,638,984 | XXX | 287,607,564 | 173,610,496 | 85,344 | (1,658,643) | 0 | (1,573,299) | 0 | 285,870,483 | 0 | 10,768,502 | 10,768,502 | 2,657,058 | XXX | XXX |

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues: 0.

## Sch. DB - Pt. A - Sn. 1
## NONE

## Sch. DB - Pt. B - Sn. 1
## NONE

## Sch. DB - Pt. D - Sn. 1
## NONE

## Sch. DB - Pt. D - Sn. 2
## NONE

## Sch. DL - Pt. 1
## NONE

## Sch. DL - Pt. 2
## NONE

# SCHEDULE E - PART 1 - CASH

## Month End Depository Balances

| 1 | 2 | 3 | 4 | 5 | Book Balance at End of Each Month During Current Quarter | | | 9 |
|---|---|---|---|---|---|---|---|---|
| | | | | | 6 | 7 | 8 | |
| Depository | Code | Rate of Interest | Amount of Interest Received During Current Quarter | Amount of Interest Accrued at Current Statement Date | First Month | Second Month | Third Month | * |
| **Open Depositories** | | | | | | | | |
| CITIBANK NEW YORK, NY | | | | | | | | XXX |
| STATE STREET BANK KANSAS CITY, MO | | | | | | 4,635 | | XXX |
| 0199999. Total Open Depositories | XXX | XXX | 0 | 0 | 0 | 4,635 | 0 | XXX |
| 0399999. Total Cash on Deposit | XXX | XXX | 0 | 0 | 0 | 4,635 | 0 | XXX |
| 0599999. Total Cash | XXX | XXX | 0 | 0 | 0 | 4,635 | 0 | XXX |

# SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

| 1<br>Description | 2<br>Code | 3<br>Date Acquired | 4<br>Rate of Interest | 5<br>Maturity Date | 6<br>Book/Adjusted Carrying Value | 7<br>Amount of Interest Due & Accrued | 8<br>Amount Received During Year |
|---|---|---|---|---|---|---|---|
| **Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations** | | | | | | | |
| AMERICAN EXPRESS CREDIT | | 05/22/2017 | 1.200 | 08/21/2017 | 9,982,977 | | 13,311 |
| APPLE INC | | 06/19/2017 | 1.070 | 08/18/2017 | 9,985,728 | | 3,562 |
| EXXON MOBIL CORP | | 06/20/2017 | 1.050 | 08/22/2017 | 19,969,657 | | 6,407 |
| WAL-MART STORES INC | | 06/15/2017 | 1.000 | 07/19/2017 | 9,994,998 | | 4,165 |
| SVENSKA HANDELSBANKEN | | 05/22/2017 | 1.070 | 08/21/2017 | 19,969,647 | | 23,742 |
| 3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations | | | | | 69,903,007 | 0 | 51,187 |
| 3899999. Total - Industrial and Miscellaneous (Unaffiliated) | | | | | 69,903,007 | 0 | 51,187 |
| **Total Bonds** | | | | | | | |
| 7799999. Subtotals - Issuer Obligations | | | | | 69,903,007 | 0 | 51,187 |
| 8399999. Subtotals - Bonds | | | | | 69,903,007 | 0 | 51,187 |
| 8699999. Total - Cash Equivalents | | | | | 69,903,007 | 0 | 51,187 |