



QUARTERLY STATEMENT

As of September 30, 2017  
of the Condition and Affairs of the

MOUNTAIN LAUREL ASSURANCE COMPANY

NAIC Group Code.....155, 155 (Current Period) (Prior Period)	NAIC Company Code..... 44180	Employer's ID Number..... 23-2599971
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... November 28, 1990	Commenced Business..... April 29, 1991	
Statutory Home Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND ..... OH ..... US ..... 44143-2182 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	6300 WILSON MILLS ROAD, W33..... CLEVELAND ..... OH ..... US ..... 44143-2182 440-461-5000 (Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)	
Mail Address	P.O. BOX 89490..... CLEVELAND ..... OH ..... US ..... 44101-6490 (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 440-395-4460 (Street and Number) (City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)	
Internet Web Site Address	PROGRESSIVE.COM	
Statutory Statement Contact	MARY BETH ANDREANO (Name) FINANCIAL_REPORTING@PROGRESSIVE.COM (E-Mail Address)	440-395-4460 (Area Code) (Telephone Number) (Extension) 440-603-5500 (Fax Number)

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

OFFICERS

Name	Title	Name	Title
SCOTT WESLEY ZIEGLER	PRESIDENT	MICHAEL ROBERT UTH	SECRETARY
DANIEL JOSEPH WITALEC	TREASURER		

OTHER

SCOTT EDWARD COLEMAN	(ASST. TREASURER)	JOHN ALLEN CURTISS JR.	(VICE PRESIDENT)
KAREN ANN KOSUDA	(ASST. SECRETARY)	MARIANN WOJTKUN MARSHALL	(VICE PRESIDENT)

DIRECTORS OR TRUSTEES

PATRICK KEVIN CALLAHAN	JOHN ALLEN CURTISS JR.	SANJAY MAHESH VYAS	DANIEL JOSEPH WITALEC
SCOTT WESLEY ZIEGLER			

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) SCOTT WESLEY ZIEGLER 1. (Printed Name) PRESIDENT (Title)	(Signature) KAREN ANN KOSUDA 2. (Printed Name) ASSISTANT SECRETARY (Title)	(Signature) SCOTT EDWARD COLEMAN 3. (Printed Name) ASSISTANT TREASURER (Title)
Subscribed and sworn to before me This 9TH day of NOVEMBER, 2017	a. Is this an original filing? b. If no: 1. State the amendment number 2. Date filed 3. Number of pages attached	Yes [ X ] No [ ]   

MOUNTAIN LAUREL ASSURANCE COMPANY  
ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds.....	126,286,898		126,286,898	108,484,690
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....			0	
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 (\$....4,888,769) and short-term investments (\$.....0).....	4,888,769		4,888,769	8,485,674
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	31,250		31,250	
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).....	131,206,917	0	131,206,917	116,970,364
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	1,597,436		1,597,436	1,310,477
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	7,151,995	1,794,543	5,357,452	4,630,529
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	36,948,355		36,948,355	30,854,800
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	(608)		(608)	(1,096)
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.....	5,479,586		5,479,586	4,684,416
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.....	5,983,759		5,983,759	6,092,410
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	30,474	30,469	5	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	188,397,914	1,825,012	186,572,902	164,541,900
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	188,397,914	1,825,012	186,572,902	164,541,900

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. PREPAID EXPENSES.....	29,726	29,726	0	
2502. MISCELLANEOUS OTHER ASSETS.....	748	743	5	
2503. ....			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).....	30,474	30,469	5	0

MOUNTAIN LAUREL ASSURANCE COMPANY  
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....26,717,955).....	42,466,830	37,760,229
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	7,753,139	6,675,776
4. Commissions payable, contingent commissions and other similar charges.....	22,610	16,814
5. Other expenses (excluding taxes, licenses and fees).....	12,455	13,837
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	794,032	536,828
7.1 Current federal and foreign income taxes (including \$.....(6,502) on realized capital gains (losses)).....	1,937,596	2,106,148
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 \$.....0 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).....	57,967,111	48,588,669
10. Advance premium.....	796,137	594,464
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		288
13. Funds held by company under reinsurance treaties.....		
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.....	6,771,063	6,330,535
19. Payable to parent, subsidiaries and affiliates.....		
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	318,068	367,789
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	118,839,041	102,991,377
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	118,839,041	102,991,377
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	2,350,000	2,350,000
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.....	21,150,000	21,150,000
35. Unassigned funds (surplus).....	44,233,861	38,050,523
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).....	67,733,861	61,550,523
38. Totals (Page 2, Line 28, Col. 3).....	186,572,902	164,541,900

DETAILS OF WRITE-INS		
2501. STATE PLAN LIABILITY.....	265,176	240,210
2502. ESCHEATABLE PROPERTY.....	36,113	122,112
2503. PREMIUM REFUND LIABILITY.....	16,779	5,467
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	318,068	367,789
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

MOUNTAIN LAUREL ASSURANCE COMPANY  
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 \$.....156,760,440).....	147,381,998	125,980,278	170,610,698
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....0).....			
1.4 Net..... (written \$.....156,760,440).....	147,381,998	125,980,278	170,610,698
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....90,447,255):			
2.1 Direct.....	91,889,829	74,786,023	101,356,716
2.2 Assumed.....			
2.3 Ceded.....	(9,234)	(16,204)	(25,405)
2.4 Net.....	91,899,063	74,802,227	101,382,121
3. Loss adjustment expenses incurred.....	15,012,067	12,096,412	16,071,187
4. Other underwriting expenses incurred.....	33,147,768	27,363,733	35,122,600
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	140,058,898	114,262,372	152,575,908
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	7,323,100	11,717,906	18,034,790
INVESTMENT INCOME			
9. Net investment income earned.....	1,618,832	1,418,972	1,858,825
10. Net realized capital gains (losses) less capital gains tax of \$.....(30,118).....	30,118	50,807	(20,435)
11. Net investment gain (loss) (Lines 9 + 10).....	1,648,950	1,469,779	1,838,390
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....201,842 amount charged off \$.....2,617,809).....	(2,415,967)	(2,041,984)	(2,642,380)
13. Finance and service charges not included in premiums.....	2,319,334	2,034,607	2,744,754
14. Aggregate write-ins for miscellaneous income.....	95,362	11,697	26,078
15. Total other income (Lines 12 through 14).....	(1,271)	4,320	128,452
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	8,970,779	13,192,005	20,001,632
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).....	8,970,779	13,192,005	20,001,632
19. Federal and foreign income taxes incurred.....	3,386,047	4,959,704	6,994,610
20. Net income (Line 18 minus Line 19) (to Line 22).....	5,584,732	8,232,301	13,007,022
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	61,550,523	54,648,069	54,648,069
22. Net income (from Line 20).....	5,584,732	8,232,301	13,007,022
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....			
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	765,101	776,167	701,801
27. Change in nonadmitted assets.....	(166,495)	2,879	(306,369)
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.....			(6,500,000)
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).....	6,183,338	9,011,347	6,902,454
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	67,733,861	63,659,416	61,550,523
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. INTEREST INCOME ON INTERCOMPANY BALANCES.....	94,651	26,035	39,819
1402. MISCELLANEOUS OTHER INCOME (EXPENSE).....	711	(14,338)	(13,741)
1403. ....			
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).....	95,362	11,697	26,078
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

MOUNTAIN LAUREL ASSURANCE COMPANY  
CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	149,893,901	127,698,698	170,763,995
2. Net investment income.....	2,879,790	2,470,395	3,637,807
3. Miscellaneous income.....	66,172	247,042	373,262
4. Total (Lines 1 through 3).....	152,839,863	130,416,135	174,775,064
5. Benefit and loss related payments.....	87,192,950	71,768,029	97,920,379
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	46,820,854	38,774,111	50,662,411
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....47,626 tax on capital gains (losses).....	3,524,481	5,164,022	6,315,208
10. Total (Lines 5 through 9).....	137,538,285	115,706,162	154,897,998
11. Net cash from operations (Line 4 minus Line 10).....	15,301,578	14,709,973	19,877,066
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	11,240,000	15,304,082	16,719,082
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....		2,805,424	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	11,240,000	18,109,506	16,719,082
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	30,590,125	31,398,250	35,543,267
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	31,250		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	30,621,375	31,398,250	35,543,267
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).....	(19,381,375)	(13,288,744)	(18,824,185)
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.....			6,500,000
16.6 Other cash provided (applied).....	482,892	407,496	22,262
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	482,892	407,496	(6,477,738)
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).....	(3,596,905)	1,828,725	(5,424,857)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	8,485,674	13,910,531	13,910,531
19.2 End of period (Line 18 plus Line 19.1).....	4,888,769	15,739,256	8,485,674

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying statutory-basis financial statements of Mountain Laurel Assurance 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) MOUNTAIN LAUREL ASSURANCE COMPANY state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 5,584,732	\$ 13,007,022
(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	\$ 5,584,732	\$ 13,007,022
SURPLUS					
(5) MOUNTAIN LAUREL ASSURANCE COMPANY state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 67,733,861	\$ 61,550,523
(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	\$ 67,733,861	\$ 61,550,523

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

The Company does not own any loan-backed or structured debt securities.

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

NOTES TO FINANCIAL STATEMENTS

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

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.

All legal actions relating to claims made under insurance policies are considered by the Company in establishing its loss and loss adjustment expense ("LAE") reserves. The Company also has potential exposure relating to lawsuits due to its participation in the management agreement for which it is allocated litigation expenses.

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.

NOTES TO FINANCIAL STATEMENTS

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.

As of the reporting date, the Company did not measure and report any securities at fair value on the balance sheet. All bonds were carried at amortized cost.

2. Roll forward 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

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	\$ 127,439,601	\$ 126,286,898	\$ 5,461,099	\$ 121,978,502	\$	\$
Cash equivalents	\$ 4,888,769	\$ 4,888,769	\$ 4,888,769	\$	\$	\$
Common stock	\$	\$	\$	\$	\$	\$
Preferred stock	\$	\$	\$	\$	\$	\$
Short-term investments	\$	\$	\$	\$	\$	\$

D. Not Practicable to Estimate Fair Value

Not applicable

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

The Company was not impacted by any subsequent events. Subsequent events have been considered through November 3, 2017 for the statutory statement that was available for issuance by November 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 increased by \$1,712,990 in 2017, which is 3.9% of the total prior year net unpaid losses and LAE of \$44,436,005. The unfavorable development is primarily due to private passenger auto liability originally anticipated severity increasing for accident year 2016 by 3.5%. LAE reserves developed unfavorably in both defense cost containment and adjusting and other expense reserves primarily from accident year 2015.

Note 26 – Intercompany Pooling Arrangements

No significant changes

Note 27 – Structured Settlements

No significant changes

Note 28 – Health Care Receivables

No significant changes



NOTES TO FINANCIAL STATEMENTS

**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

**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

MOUNTAIN LAUREL ASSURANCE COMPANY  
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?  
If yes, complete Schedule Y, Parts 1 and 1A.

Yes [ ☒ X ] No [ ☐ ]
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes [ ☐ ] No [ ☒ X ]
- 3.3

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

- 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	2	3
Name of Entity	NAIC Company Code	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	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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 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

MOUNTAIN LAUREL ASSURANCE COMPANY  
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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:

- 14.21 Bonds
- 14.22 Preferred Stock
- 14.23 Common Stock
- 14.24 Short-Term Investments
- 14.25 Mortgage Loans on Real Estate
- 14.26 All Other
- 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)
- 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above

1	2
Prior Year End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
\$0	\$0
0	0
0	0
0	0
0	0
0	0
0	0
\$0	\$0
\$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	2
Name of Custodian(s)	Custodian Address
CITIBANK, N.A.	338 GREENWICH STREET NEW YORK, NY 10013

- 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	2	3
Name(s)	Location(s)	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	2	3	4
Old Custodian	New Custodian	Date of Change	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	2
Name of Firm or Individual	Affiliation
PROGRESSIVE CAPITAL MANAGEMENT CORP.	A

- 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 [ ]
- 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 [ ]

- 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.

MOUNTAIN LAUREL ASSURANCE COMPANY  
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
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?  
  
If yes, attach an explanation.

Yes [ ☐ ]

No [ ☒ X ]

N/A [ ☐ ]

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?  
  
If yes, attach an explanation.

Yes [ ☐ ]

No [ ☒ X ]

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

MOUNTAIN LAUREL ASSURANCE COMPANY  
SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

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

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

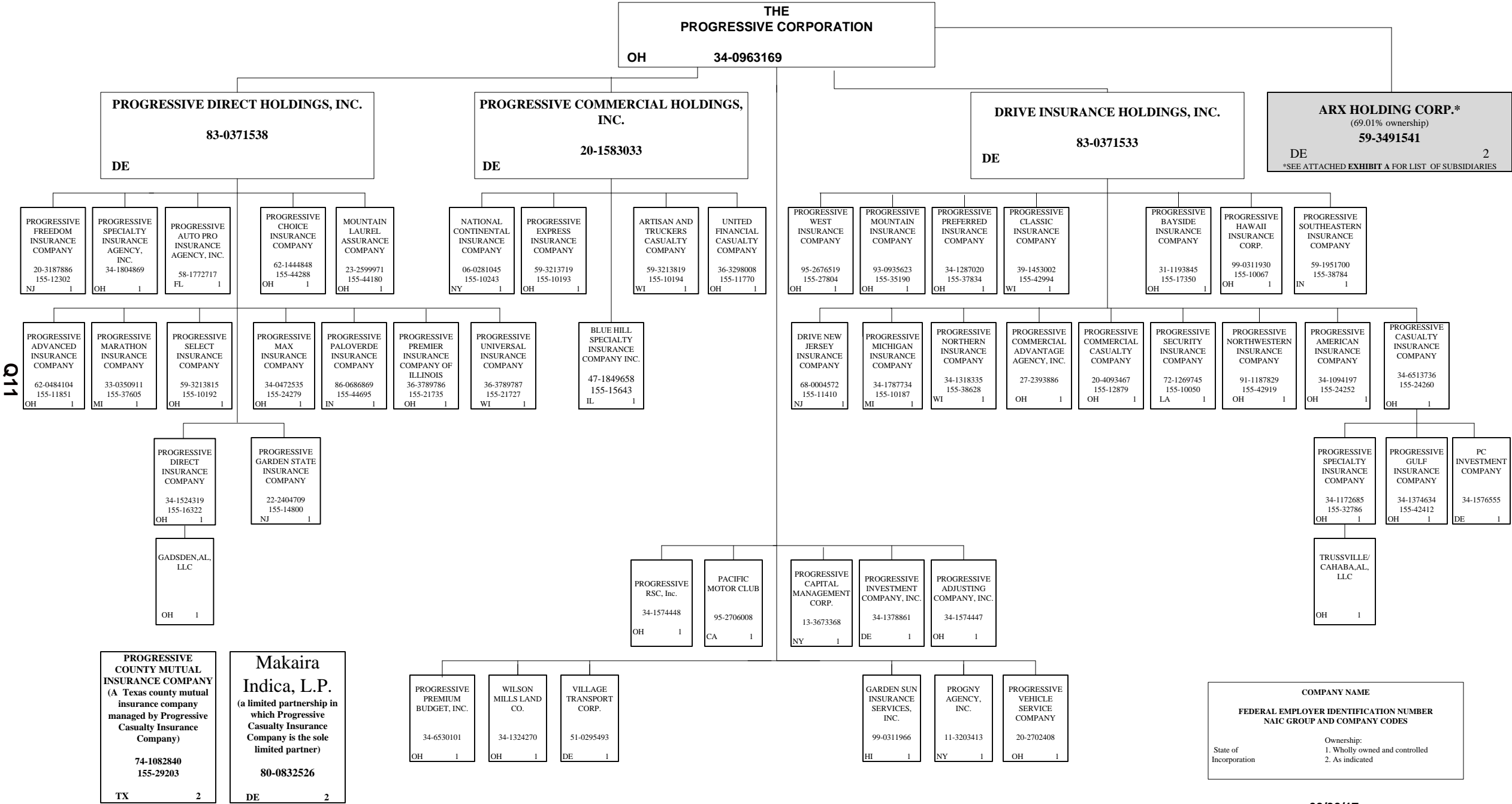
		1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
			2	3	4	5	6	7
States, Etc.		Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1.	Alabama.....	AL.....N...						
2.	Alaska.....	AK.....N...						
3.	Arizona.....	AZ.....N...						
4.	Arkansas.....	AR.....N...						
5.	California.....	CA.....N...						
6.	Colorado.....	CO.....N...						
7.	Connecticut.....	CT.....N...						
8.	Delaware.....	DE.....N...						
9.	District of Columbia.....	DC.....N...						
10.	Florida.....	FL.....N...						
11.	Georgia.....	GA.....N...						
12.	Hawaii.....	HI.....N...						
13.	Idaho.....	ID.....N...						
14.	Illinois.....	IL.....N...						
15.	Indiana.....	IN.....N...						
16.	Iowa.....	IA.....N...						
17.	Kansas.....	KS.....N...						
18.	Kentucky.....	KY.....N...						
19.	Louisiana.....	LA.....N...						
20.	Maine.....	ME.....N...						
21.	Maryland.....	MD.....N...						
22.	Massachusetts.....	MA.....N...						
23.	Michigan.....	MI.....N...						
24.	Minnesota.....	MN.....N...						
25.	Mississippi.....	MS.....L...	45,497,598	38,111,803	24,848,332	19,614,454	15,107,596	11,659,804
26.	Missouri.....	MO.....N...						
27.	Montana.....	MT.....N...						
28.	Nebraska.....	NE.....N...						
29.	Nevada.....	NV.....N...						
30.	New Hampshire.....	NH.....N...						
31.	New Jersey.....	NJ.....N...						
32.	New Mexico.....	NM.....N...						
33.	New York.....	NY.....N...						
34.	North Carolina.....	NC.....N...						
35.	North Dakota.....	ND.....N...						
36.	Ohio.....	OH.....L...						
37.	Oklahoma.....	OK.....N...						
38.	Oregon.....	OR.....N...						
39.	Pennsylvania.....	PA.....L...	415,421	870,673	381,572	602,657	239,875	495,274
40.	Rhode Island.....	RI.....N...						
41.	South Carolina.....	SC.....N...						
42.	South Dakota.....	SD.....N...						
43.	Tennessee.....	TN.....L...	110,847,421	96,632,570	61,953,324	51,535,028	27,119,359	25,178,088
44.	Texas.....	TX.....N...						
45.	Utah.....	UT.....N...						
46.	Vermont.....	VT.....N...						
47.	Virginia.....	VA.....N...						
48.	Washington.....	WA.....N...						
49.	West Virginia.....	WV.....N...						
50.	Wisconsin.....	WI.....N...						
51.	Wyoming.....	WY.....N...						
52.	American Samoa.....	AS.....N...						
53.	Guam.....	GU.....N...						
54.	Puerto Rico.....	PR.....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).....4	156,760,440	135,615,046	87,183,229	71,752,139	42,466,830	37,333,167

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





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

Q11.1

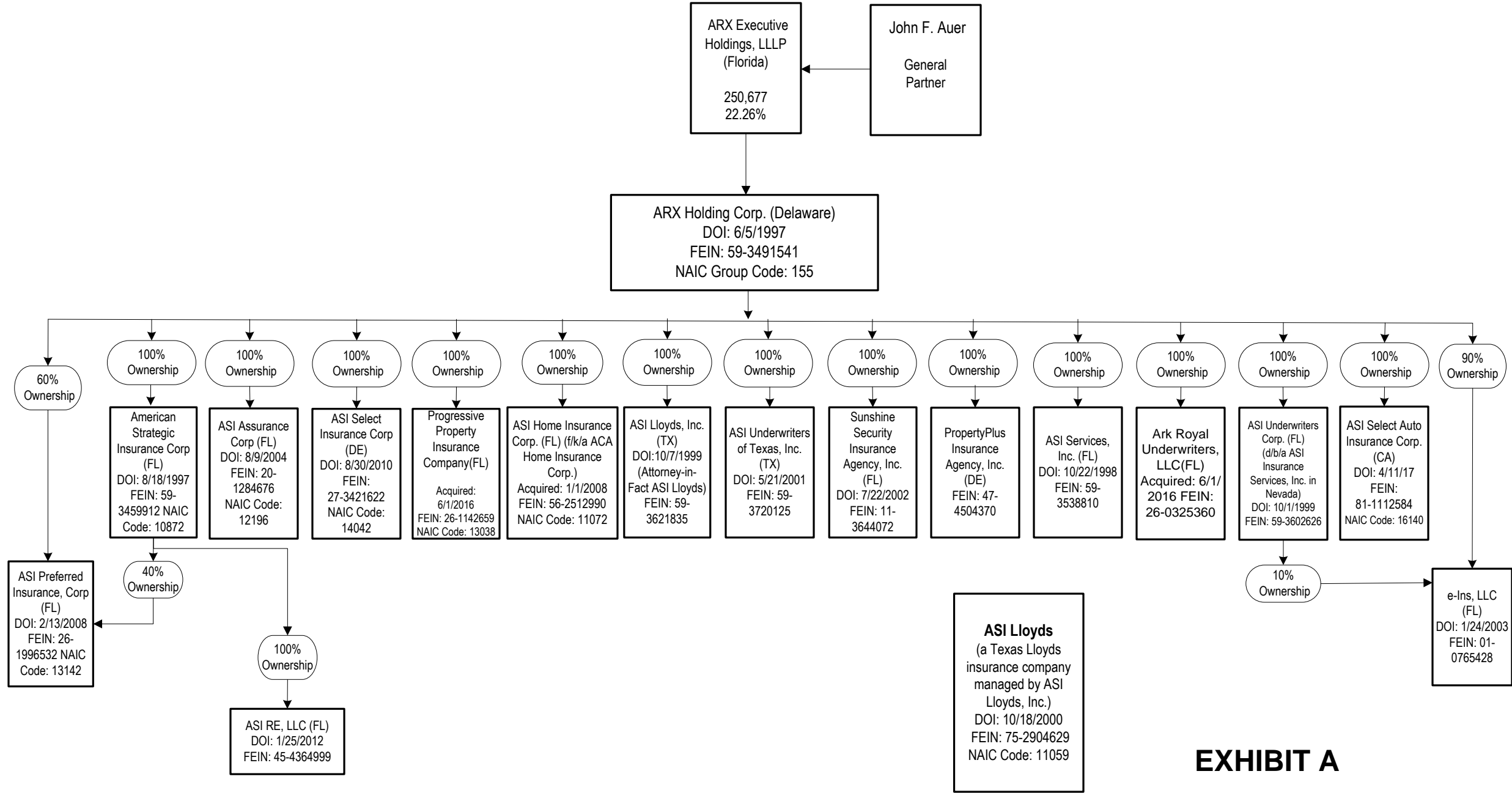


EXHIBIT A

**SCHEDULE Y**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	omicilia Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
<b>Members</b>															
		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....	NIA.....	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....	IA.....	Progressive Commercial Holdings, Inc.....	Ownership.....	100.000	The Progressive Corporation.....	....N.....	1, 3.....
		00000..	83-0371538..				Progressive Direct Holdings, Inc.....	DE....	UDP.....	The Progressive Corporation.....	Ownership.....	100.000	The Progressive Corporation.....	....N.....	1, 3.....
0155	Progressive Insurance Group.	44180..	23-2599971..				Mountain Laurel Assurance Company.....	OH....	RE.....	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.....

Q12

**SCHEDULE Y**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	omicilia Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
Q12.1	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.....
	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.....
	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.....
	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.....
	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.....
	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.....
	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...
	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...
	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...
	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...
	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...
	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...
	Progressive Insurance Group.	11059...	75-2904629..	.....	.....	.....	ASI Lloyds.....	TX.....	IA.....	ASI Lloyds, Inc.....	Management.....	.....	The Progressive Corporation.....	....N.....	1, 3, 5, 6
	Progressive Insurance Group.	12196...	20-1284676..	.....	.....	.....	ASI Assurance Corp.....	FL.....	IA.....	ARX Holding Corp.....	Ownership.....	...100.000	The Progressive Corporation.....	....N.....	1, 3, 5...
	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	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	omicilia Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
.....	.....	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...

Aster 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.

MOUNTAIN LAUREL ASSURANCE COMPANY  
PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	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.....	1,964,872	951,786	48.440	42.720
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.....	566,715	150,978	26.641	19.106
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.....	87,395,181	53,408,566	61.112	55.900
19.3, 19.4 Commercial auto liability.....	276,554	122,776	44.395	17.733
21. Auto physical damage.....	57,178,676	37,255,722	65.157	66.166
22. Aircraft (all perils).....			0.000	
23. Fidelity.....			0.000	
24. Surety.....			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.....	147,381,998	91,889,829	62.348	59.363
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.....	741,638	2,482,340	2,309,812
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.....	210,467	708,286	673,581
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.....	31,453,585	92,585,117	80,432,669
19.3 19.4 Commercial auto liability.....	42,026	263,585	296,415
21. Auto physical damage.....	20,256,223	60,721,111	51,902,569
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
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.....	52,703,939	156,760,440	135,615,046
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



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:



**MOUNTAIN LAUREL ASSURANCE COMPANY**  
**Overflow Page for Write-Ins**

**NONE**



MOUNTAIN LAUREL ASSURANCE COMPANY  
SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended 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

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended 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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended 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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	108,484,690	91,480,730
2. Cost of bonds and stocks acquired.....	30,590,125	35,543,267
3. Accrual of discount.....		2,898
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		76,553
6. Deduct consideration for bonds and stocks disposed of.....	11,240,000	16,719,082
7. Deduct amortization of premium.....	1,547,917	1,899,676
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).....	126,286,898	108,484,690
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	126,286,898	108,484,690

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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	127,977,817	14,288,022	10,610,000	(480,172)	120,911,676	127,977,817	131,175,667	116,970,364
2. NAIC 2 (a).....							0	
3. NAIC 3 (a).....							0	
4. NAIC 4 (a).....							0	
5. NAIC 5 (a).....							0	
6. NAIC 6 (a).....							0	
7. Total Bonds.....	127,977,817	14,288,022	10,610,000	(480,172)	120,911,676	127,977,817	131,175,667	116,970,364
PREFERRED STOCK								
8. NAIC 1.....							0	
9. NAIC 2.....							0	
10. NAIC 3.....							0	
11. NAIC 4.....							0	
12. NAIC 5.....							0	
13. NAIC 6.....							0	
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	127,977,817	14,288,022	10,610,000	(480,172)	120,911,676	127,977,817	131,175,667	116,970,364

(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 \$.....4,888,769; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

MOUNTAIN LAUREL ASSURANCE COMPANY  
SCHEDULE DA - PART 1

Short-Term Investments					
	1	NONE		4	5
	Book/Adjusted Carrying Value	Par Value	Book Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999.....		XXX.....			

SCHEDULE DA - VERIFICATION

Short-Term Investments		
	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.....8,485,674	.....3,911,482
2. Cost of short-term investments acquired.....	.....	.....14,964,739
3. Accrual of discount.....	.....14,326	.....20,935
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	.....	.....
6. Deduct consideration received on disposals.....	.....8,500,000	.....10,240,000
7. Deduct amortization of premium.....	.....	.....171,482
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).....	.....0	.....8,485,674
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	.....0	.....8,485,674

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

MOUNTAIN LAUREL ASSURANCE COMPANY

SCHEDULE E- VERIFICATION

Cash Equivalents

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	9,999,049
2. Cost of cash equivalents acquired.....	11,887,262	19,195,032
3. Accrual of discount.....	1,507	5,919
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	7,000,000	29,200,000
7. Deduct amortization of premium.....		
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).....	4,888,769	0
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	4,888,769	0

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	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Special Revenue and Special Assessment									
64971Q YH 0	NEW YORK N Y CITY TRANSITIONAL 0.940%.....		09/18/2017.....	US Bank.....		9,400,000	9,400,000	3,523	1FE.....
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments.....					9,400,000	9,400,000	3,523	XXX.....
8399997	Total - Bonds - Part 3.....					9,400,000	9,400,000	3,523	XXX.....
8399999	Total - Bonds.....					9,400,000	9,400,000	3,523	XXX.....
9999999	Total - Bonds, Preferred and Common Stocks.....					9,400,000	XXX	3,523	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					16	17	18	19	20	21	22	
												11	12	13	14	15								
CUSIP Identification	Description			F o r e i g n	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. States, Territories and Possessions																								
880541	WH	6	TENNESSEE ST	3.000%	08/01/17			5,790,000	5,790,000	5,927,339	5,875,888		(85,888)		(85,888)		5,790,000			0	162,120	08/01/2017	1FE	
1799999	Total - Bonds - U.S. States, Territories & Possessions							5,790,000	5,790,000	5,927,339	5,875,888	0	(85,888)	0	(85,888)	0	5,790,000	0	0	0	0	162,120	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																								
60535G	AX	0	MISSISSIPPI HOME CORP	4.500%	12/01/31			75,000	75,000	80,827	77,438		(2,438)		(2,438)		75,000			0	2,250	12/01/2020	1FE	
60535Q	ND	8	MISSISSIPPI HOME CORP	3.500%	12/01/38			70,000	70,000	74,332	74,246		(4,246)		(4,246)		70,000			0	1,611	12/01/2025	1FE	
88045R	B7	6	TENNESSEE HSG DEV	3.500%	07/01/45			205,000	205,000	218,245	216,045		(11,045)		(11,045)		205,000			0	7,890	07/01/2026	1FE	
88045R	WH	1	TENNESSEE HSG DEV	4.500%	07/01/31			90,000	90,000	94,596	93,271		(3,271)		(3,271)		90,000			0	4,481	07/01/2022	1FE	
88045R	YE	6	TENNESSEE HSG DEV	4.500%	07/01/37			40,000	40,000	44,164	42,177		(2,177)		(2,177)		40,000			0	1,950	07/01/2022	1FE	
88045R	ZG	0	TENNESSEE HSG DEV	4.000%	07/01/38			130,000	130,000	142,990	136,356		(6,356)		(6,356)		130,000			0	5,633	07/01/2022	1FE	
880461	BD	9	TENNESSEE HSG DEV	3.000%	07/01/38			300,000	300,000	317,970	310,000		(10,000)		(10,000)		300,000			0	9,750	07/01/2023	1FE	
880461	CE	6	TENNESSEE HSG DEV	4.000%	07/01/43			270,000	270,000	289,586	281,361		(11,361)		(11,361)		270,000			0	11,700	07/01/2024	1FE	
880461	EU	8	TENNESSEE HSG DEV	4.000%	07/01/45			255,000	255,000	274,446	270,086		(15,086)		(15,086)		255,000			0	11,067	07/01/2025	1FE	
880461	GG	7	TENNESSEE HSG DEV	4.000%	01/01/46			120,000	120,000	128,563	126,937		(6,937)		(6,937)		120,000			0	5,383	01/01/2026	1FE	
880461	HR	2	TENNESSEE HSG DEV	3.500%	01/01/47			130,000	130,000	138,947	137,878		(7,878)		(7,878)		130,000			0	5,633	01/01/2027	1FE	
880461	KB	3	TENNESSEE HSG DEV	3.500%	01/01/47			45,000	45,000	48,277	48,148		(3,148)		(3,148)		45,000			0	1,326	01/01/2027	1FE	
880461	NL	8	TENNESSEE HSG DEV	4.000%	07/01/42			90,000	90,000	96,954			(6,954)		(6,954)		90,000			0	1,127	01/01/2027	1FE	
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments							1,820,000	1,820,000	1,949,897	1,813,943	0	(90,897)	0	(90,897)	0	1,820,000	0	0	0	69,801	XXX	XXX	
8399997	Total - Bonds - Part 4							7,610,000	7,610,000	7,877,236	7,689,831	0	(176,785)	0	(176,785)	0	7,610,000	0	0	0	231,921	XXX	XXX	
8399999	Total - Bonds							7,610,000	7,610,000	7,877,236	7,689,831	0	(176,785)	0	(176,785)	0	7,610,000	0	0	0	231,921	XXX	XXX	
9999999	Total - Bonds, Preferred and Common Stocks							7,610,000	XXX	7,877,236	7,689,831	0	(176,785)	0	(176,785)	0	7,610,000	0	0	0	231,921	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

MOUNTAIN LAUREL ASSURANCE COMPANY  
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
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....0	.....0	.....0	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations							
EXXON MOBIL CORP.....		09/26/2017.....	.....1.100	12/15/2017.....	.....4,888,769		.....747
3299999. Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations.....					.....4,888,769	.....0	.....747
3899999. Total - Industrial and Miscellaneous (Unaffiliated).....					.....4,888,769	.....0	.....747
Total Bonds							
7799999. Subtotals - Issuer Obligations.....					.....4,888,769	.....0	.....747
8399999. Subtotals - Bonds.....					.....4,888,769	.....0	.....747
8699999. Total - Cash Equivalents.....					.....4,888,769	.....0	.....747