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ANNUAL STATEMENT

For the Year Ended December 31, 2016

of the Condition and Affairs of the

Chubb Insurance Company of Puerto Rico

NAIC Group Code.....626, 626 (Current Period) (Prior Period) | NAIC Company Code..... 30953 | Employer's ID Number..... 66-0600740

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

Incorporated/Organized..... January 16, 1987 | Commenced Business..... January 1, 1988

Statutory Home Office	33 Resolucion St. 5th Fl…... San Juan ..... PR .... 00920-2717 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	33 Resolucion St. 5th Fl…... San Juan ..... PR .... 00920-2717 *(Street and Number) (City or Town, State, Country and Zip Code)*	787-274-4700 *(Area Code) (Telephone Number)*
Mail Address	P.O. Box 191249….. San Juan ..... PR .... 00919-1249 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	33 Resolucion St. 5th Fl…... San Juan ..... PR .... 00920-2717 *(Street and Number) (City or Town, State, Country and Zip Code)*	787-274-4770 *(Area Code) (Telephone Number)*
Internet Web Site Address		
Statutory Statement Contact	Marilyn Campos *(Name)*	787-274-4770 *(Area Code) (Telephone Number) (Extension)*
	marilyn.campos@chubb.com *(E-Mail Address)*	787-641-2592 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Judith Hernandez	President	2. Mary Letty Hernandez	Treasurer
3. Omar Ortiz	Secretary	4. Javier Mendez	Vice President

OTHER

DIRECTORS OR TRUSTEES

Judith Hernandez	Javier Mendez	Mary Letty Hernandez	Lilliam Ortega
Roberto Salcedo			

State of........ Puerto Rico
County of..... San Juan

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)
Judith Hernandez	Mary Letty Hernandez	Omar Ortiz
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Treasurer	Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This ______ day of ______ 2017

a. Is this an original filing? Yes [ ] No [X]
b. If no
1. State the amendment number 1
2. Date filed April 3, 2017
3. Number of pages attached

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	89,573,052		89,573,052	93,124,111
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks			0	
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $..........0 encumbrances)	4,758,510		4,758,510	4,913,494
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....18,464,355, Schedule E-Part 1), cash equivalents ($..........0, Schedule E-Part 2) and short-term investments ($..........0, Schedule DA)	18,464,355		18,464,355	18,199,772
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)			0	
9. Receivables for securities	7,157,013	6,250	7,150,763	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	119,952,930	6,250	119,946,680	116,237,377
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	745,161		745,161	733,171
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	12,877,672	198,619	12,679,053	11,175,327
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)			0	
15.3 Accrued retrospective premiums ($..........0) and contracts subject to redetermination ($..........0)			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	2,159,694		2,159,694	1,262,775
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	727,880		727,880	1,128,216
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	45,290		45,290	89,363
21. Furniture and equipment, including health care delivery assets ($..........0)	1,049,597	1,049,597	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	1,372,475	209,343	1,163,132	1,342,307
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other-than-invested assets	919,373	321,586	597,788	1,508,028
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	139,850,072	1,785,394	138,064,678	133,476,565
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTAL (Lines 26 and 27)	139,850,072	1,785,394	138,064,678	133,476,565

DETAILS OF WRITE-INS

	1	2	3	4
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 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. OTHER ASSETS	752,891	321,586	431,306	204,515
2502. PREPAID TAXES	166,482		166,482	1,303,514
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	919,373	321,586	597,788	1,508,028

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	46,968,263	40,123,564
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	15,206,988	14,846,108
4.	Commissions payable, contingent commissions and other similar charges	507,922	1,270,110
5.	Other expenses (excluding taxes, licenses and fees)	3,990,388	3,238,724
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)		
7.1	Current federal and foreign income taxes (including $..........0 on realized capital gains (losses))		
7.2	Net deferred tax liability		
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $.....12,106,460 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)	14,096,539	16,965,645
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	3,989,029	2,370,787
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	184,399	262,654
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including $...........0 certified) (Schedule F, Part 8)	951	117,903
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	2,106,785	2,278,159
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	237,904	207,466
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	87,289,170	81,681,120
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	87,289,170	81,681,120
29.	Aggregate write-ins for special surplus funds	15,013,769	14,454,592
30.	Common capital stock	3,000,000	3,000,000
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	20,864,069	20,864,069
35.	Unassigned funds (surplus)	11,897,670	13,476,784
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) (Page 4, Line 39)	50,775,508	51,795,445
38.	TOTAL (Page 2, Line 28, Col. 3)	138,064,678	133,476,565

DETAILS OF WRITE-INS

2501.	LOSSES IN PROCESS	237,268	246,482
2502.	MISCELLANEOUS LIABILITIES		
2503.	PROVISION FOR UNEARNED PREMIUM ASSESMENTS	636	(39,015)
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	237,904	207,466
2901.	CATASTROPHIC RESERVE	15,013,769	14,454,592
2902.			
2903.			
2998.	Summary of remaining write-ins for Line 29 from overflow page	0	0
2999.	Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	15,013,769	14,454,592
3201.	PRIOR PERIOD ADJUSTMENT		
3202.			
3203.			
3298.	Summary of remaining write-ins for Line 32 from overflow page	0	0
3299.	Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	66,704,177	47,189,189
	DEDUCTIONS:		
2.	Losses incurred (Part 2, Line 35, Column 7)	17,356,163	9,995,677
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,257,077	4,495,280
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	42,901,070	26,288,009
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	63,514,310	40,778,966
7.	Net income of protected cells		
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	3,189,866	6,410,223
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	2,387,073	2,686,690
10.	Net realized capital gains (losses) less capital gains tax of $..........0 (Exhibit of Capital Gains (Losses))	(66,483)	(429,033)
11.	Net investment gain (loss) (Lines 9 + 10)	2,320,591	2,257,658
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $..........0 amount charged off $..........0)	0	
13.	Finance and service charges not included in premiums		
14.	Aggregate write-ins for miscellaneous income	(859,268)	(726,908)
15.	Total other income (Lines 12 through 14)	(859,268)	(726,908)
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,651,189	7,940,972
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)	4,651,189	7,940,972
19.	Federal and foreign income taxes incurred	1,388,975	2,800,900
20.	Net income (Line 18 minus Line 19) (to Line 22)	3,262,214	5,140,072
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	51,795,446	50,823,406
22.	Net income (from Line 20)	3,262,214	5,140,072
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	(400,336)	(55,139)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	501,233	(17,556)
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	116,952	(95,481)
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	(4,500,000)	(4,000,000)
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	0	143
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	(1,019,937)	972,040
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	50,775,509	51,795,446

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401.	OTHER INCOME	(510,214)	(452,660)
1402.	PREPAID INCOME TAX		
1403.	Foreign Exchange Transactions	(349,054)	(274,248)
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0
1499.	Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	(859,268)	(726,908)
3701.	PRIOR PERIOD ADJUSTMENT CESSION YEAR 2000		
3702.	CATASTROPHE LOSSES RESERVE		
3703.	ADJUSTMENT PREMIUM BAD DEBT RESERVE		143
3798.	Summary of remaining write-ins for Line 37 from overflow page	0	0
3799.	Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	143

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	64,306,182	46,706,015
2.	Net investment income	3,390,043	3,435,012
3.	Miscellaneous income	(859,268)	(726,908)
4.	Total (Lines 1 through 3)	66,836,957	49,414,119
5.	Benefit and loss related payments	11,408,383	8,274,418
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	44,855,822	30,536,432
8.	Dividends paid to policyholders		
9.	Federal and foreign income taxes paid (recovered) net of $..........0 tax on capital gains (losses)	1,388,975	2,800,900
10.	Total (Lines 5 through 9)	57,653,180	41,611,750
11.	Net cash from operations (Line 4 minus Line 10)	9,183,777	7,802,368
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	20,789,479	21,040,604
	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		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	20,789,479	21,040,604
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	18,164,874	21,754,450
	13.2 Stocks		
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets		
	13.6 Miscellaneous applications	7,157,013	
	13.7 Total investments acquired (Lines 13.1 to 13.6)	25,321,887	21,754,450
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(4,532,408)	(713,846)
	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	4,500,000	4,000,000
	16.6 Other cash provided (applied)	113,214	(2,256,413)
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(4,386,786)	(6,256,413)
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	264,583	832,109
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	18,199,772	17,367,663
	19.2 End of year (Line 18 plus Line 19.1)	18,464,355	18,199,772

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

20.0001			

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	(774,654)	523,530	472,984	(724,108)
2.	Allied lines	1,223,738	906,574	888,348	1,241,964
3.	Farmowners multiple peril	0		0	0
4.	Homeowners multiple peril	0		0	0
5.	Commercial multiple peril	4,665,959	3,664,134	3,251,017	5,079,076
6.	Mortgage guaranty	0		0	0
8.	Ocean marine	774,608	270,023	79,468	965,163
9.	Inland marine	(2,976)	3,940	(26)	990
10.	Financial guaranty	0		0	0
11.1	Medical professional liability - occurrence	0		0	0
11.2	Medical professional liability - claims-made	0		0	0
12.	Earthquake	0		0	0
13.	Group accident and health	39,438,744	426,946	628,629	39,237,062
14.	Credit accident and health (group and individual)	0		0	0
15.	Other accident and health	269,070	20,275	8,481	280,865
16.	Workers' compensation	39,608	28,380	30,070	37,918
17.1	Other liability - occurrence	16,766,984	11,108,510	8,729,837	19,145,658
17.2	Other liability - claims-made	0		0	0
17.3	Excess workers' compensation	0		0	0
18.1	Products liability - occurrence	0		0	0
18.2	Products liability - claims-made	0		0	0
19.1, 19.2	Private passenger auto liability	0		0	0
19.3, 19.4	Commercial auto liability	0	583	0	583
21.	Auto physical damage	4,482	4,310	2,329	6,463
22.	Aircraft (all perils)	0		0	0
23.	Fidelity	0		0	0
24.	Surety	0		0	0
26.	Burglary and theft	1,429,507	8,439	5,401	1,432,544
27.	Boiler and machinery	0		0	0
28.	Credit	0		0	0
29.	International	0		0	0
30.	Warranty	0		0	0
31.	Reinsurance - nonproportional assumed property	0		0	0
32.	Reinsurance - nonproportional assumed liability	0		0	0
33.	Reinsurance - nonproportional assumed financial lines	0		0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	63,835,071	16,965,645	14,096,539	66,704,177

DETAILS OF WRITE-INS

3401.		0		0	0
3402.		0		0	0
3403.		0		0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	472,984				472,984
2.	Allied lines	888,348				888,348
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril					0
5.	Commercial multiple peril	3,251,017				3,251,017
6.	Mortgage guaranty					0
8.	Ocean marine	79,468				79,468
9.	Inland marine	(26)				(26)
10.	Financial guaranty					0
11.1	Medical professional liability - occurrence					0
11.2	Medical professional liability - claims-made					0
12.	Earthquake					0
13.	Group accident and health	628,629				628,629
14.	Credit accident and health (group and individual)					0
15.	Other accident and health	8,481				8,481
16.	Workers' compensation	30,070				30,070
17.1	Other liability - occurrence	8,729,837				8,729,837
17.2	Other liability - claims-made					0
17.3	Excess workers' compensation					0
18.1	Products liability - occurrence					0
18.2	Products liability - claims-made					0
19.1, 19.2	Private passenger auto liability					0
19.3, 19.4	Commercial auto liability					0
21.	Auto physical damage	2,329				2,329
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft	5,401				5,401
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance - nonproportional assumed property					0
32.	Reinsurance - nonproportional assumed liability					0
33.	Reinsurance - nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	14,096,539	0	0	0	14,096,539
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					0
38.	Balance (sum of Lines 35 through 37)					14,096,539

DETAILS OF WRITE-INS

		1	2	3	4	5
3401.						0
3402.						0
3403.						0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire	1,824,668		95,141	2,282,462	412,000	(774,654)
2.	Allied lines	2,054,171		1,336,121	1,861,154	305,400	1,223,738
3.	Farmowners multiple peril						0
4.	Homeowners multiple peril						0
5.	Commercial multiple peril	12,717,332	248,571	320,494	7,633,978	986,460	4,665,959
6.	Mortgage guaranty						0
8.	Ocean marine	1,485,349			625,344	85,396	774,608
9.	Inland marine	(11,049)			(8,073)		(2,976)
10.	Financial guaranty						0
11.1	Medical professional liability - occurrence						0
11.2	Medical professional liability - claims-made						0
12.	Earthquake						0
13.	Group accident and health	11,198,488	153	32,650,441	4,401,375	8,963	39,438,744
14.	Credit accident and health (group and individual)						0
15.	Other accident and health	687,695			418,625		269,070
16.	Workers' compensation	104,269			64,661		39,608
17.1	Other liability - occurrence	28,239,946	35,925	646,113	9,900,088	2,254,911	16,766,984
17.2	Other liability - claims-made						0
17.3	Excess workers' compensation						0
18.1	Products liability - occurrence						0
18.2	Products liability - claims-made						0
19.1, 19.2	Private passenger auto liability						0
19.3, 19.4	Commercial auto liability	184,600			184,600		0
21.	Auto physical damage	15,305			10,823		4,482
22.	Aircraft (all perils)						0
23.	Fidelity						0
24.	Surety						0
26.	Burglary and theft	16,701		1,418,619	5,813		1,429,507
27.	Boiler and machinery						0
28.	Credit						0
29.	International						0
30.	Warranty						0
31.	Reinsurance - nonproportional assumed property	XXX					0
32.	Reinsurance - nonproportional assumed liability	XXX					0
33.	Reinsurance - nonproportional assumed financial lines	XXX					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
35.	TOTALS	58,517,474	284,648	36,466,928	27,380,850	4,053,131	63,835,071

DETAILS OF WRITE-INS

3401.							0
3402.							0
3403.							0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0

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

If yes: 1. The amount of such installment premiums $..........0.

2. Amount at which such installment premiums would have been reported had they been recorded on an annualized basis $..........0.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

	Line of Business	Losses Paid Less Salvage 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire	117,136	119,785	139,147	97,774	1,155,378	1,690,579	(437,427)	60.4
2.	Allied lines	3,948	35,420	13,825	25,543	17,413	138,103	(95,147)	(7.7)
3.	Farmowners multiple peril				0	0		0	0.0
4.	Homeowners multiple peril				0	0		0	0.0
5.	Commercial multiple peril	1,702,197		641,093	1,061,104	1,239,884	538,776	1,762,212	34.7
6.	Mortgage guaranty				0	0		0	0.0
8.	Ocean marine	(283,951)		182,391	(466,342)	85,889	(241,274)	(139,179)	(14.4)
9.	Inland marine				0	0		0	0.0
10.	Financial guaranty				0	0		0	0.0
11.1	Medical professional liability - occurrence				0	0		0	0.0
11.2	Medical professional liability - claims-made				0	0		0	0.0
12.	Earthquake				0	0		0	0.0
13.	Group accident and health	4,436,042	952,085	1,202,220	4,185,907	5,115,264	3,193,046	6,108,124	15.6
14.	Credit accident and health (group and individual)				0	0		0	0.0
15.	Other accident and health	71,592		42,955	28,637	400	181	28,856	10.3
16.	Workers' compensation	31,384		3,024	28,360	268,388	247,549	49,198	129.7
17.1	Other liability - occurrence	24,991,617		19,509,648	5,481,969	38,708,074	34,214,391	9,975,651	52.1
17.2	Other liability - claims-made				0	0		0	0.0
17.3	Excess workers' compensation				0	0		0	0.0
18.1	Products liability - occurrence				0	0		0	0.0
18.2	Products liability - claims-made				0	0		0	0.0
19.1, 19.2	Private passenger auto liability				0	0		0	0.0
19.3, 19.4	Commercial auto liability	36,883		36,883	0	2,119	2,798	(679)	(116.4)
21.	Auto physical damage	1,282		1,159	123	1,025	740	408	6.3
22.	Aircraft (all perils)				0	0		0	0.0
23.	Fidelity				0	0		0	0.0
24.	Surety				0	0		0	0.0
26.	Burglary and theft	59,451	8,939		68,390	331,386	269,844	129,932	9.1
27.	Boiler and machinery				0	43,044	68,830	(25,786)	0.0
28.	Credit				0	0		0	0.0
29.	International				0	0		0	0.0
30.	Warranty				0	0		0	0.0
31.	Reinsurance - nonproportional assumed property	XXX			0	0		0	0.0
32.	Reinsurance - nonproportional assumed liability	XXX			0	0		0	0.0
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	0		0	0.0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35.	TOTALS	31,167,582	1,116,228	21,772,346	10,511,464	46,968,263	40,123,564	17,356,163	26.0

DETAILS OF WRITE-INS

		1	2	3	4	5	6	7	8
3401.					0	0		0	0.0
3402.					0	0		0	0.0
3403.					0	0		0	0.0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	XXX
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

		Reported Losses				Incurred But Not Reported			8	9
		1	2	3	4	5	6	7		
	Line of Business	Direct	Reinsurance Assumed	Deduct Reinsurance Recoverable	Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	Direct	Reinsurance Assumed	Reinsurance Ceded	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire	898	42,238	10,207	32,928	2,620,917		1,498,467	1,155,378	299,263
2.	Allied lines	4,319	22,470	9,376	17,413				17,413	
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril				0				0	
5.	Commercial multiple peril	1,981,958	154	742,229	1,239,884				1,239,884	
6.	Mortgage guaranty				0				0	
8.	Ocean marine	18,746		17,252	1,494	165,428		81,033	85,889	19,888
9.	Inland marine				0				0	
10.	Financial guaranty				0				0	
11.1	Medical professional liability - occurrence				0				0	
11.2	Medical professional liability - claims-made				0				0	
12.	Earthquake				0				0	
13.	Group accident and health	166,811		50,562	116,248	6,933,210		1,934,195	(a) 5,115,264	808,605
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health	1,001		601	400				(a) 400	
16.	Workers' compensation	92,788		2,511	90,277	417,603		239,492	268,388	45,293
17.1	Other liability - occurrence	24,643,061	802,265	13,775,086	11,670,240	57,966,653		30,928,820	38,708,074	13,955,017
17.2	Other liability - claims-made				0				0	
17.3	Excess workers' compensation				0				0	
18.1	Products liability - occurrence				0				0	
18.2	Products liability - claims-made				0				0	
19.1, 19.2	Private passenger auto liability				0				0	
19.3, 19.4	Commercial auto liability	7,200		7,170	30	67,563		65,475	2,119	5,658
21.	Auto physical damage	700		(325)	1,025				1,025	
22.	Aircraft (all perils)				0				0	
23.	Fidelity				0				0	
24.	Surety				0				0	
26.	Burglary and theft	54,323		20,417	33,906	515,107		217,628	331,386	38,067
27.	Boiler and machinery				0	384,273		341,229	43,044	35,198
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance - nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance - nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	26,971,806	867,127	14,635,087	13,203,846	69,070,755	0	35,306,338	46,968,263	15,206,988

DETAILS OF WRITE-INS

		1	2	3	4	5	6	7	8	9
3401.					0				0	
3402.					0				0	
3403.					0				0	
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34 above)	0	0	0	0	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	3,012,538			3,012,538
1.2 Reinsurance assumed	30,292			30,292
1.3 Reinsurance ceded	2,149,052			2,149,052
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	893,778	0	0	893,778
2. Commission and brokerage:				
2.1 Direct, excluding contingent		9,763,955		9,763,955
2.2 Reinsurance assumed, excluding contingent		15,947,254		15,947,254
2.3 Reinsurance ceded, excluding contingent		6,409,543		6,409,543
2.4 Contingent - direct		371,823		371,823
2.5 Contingent - reinsurance assumed		(351,631)		(351,631)
2.6 Contingent - reinsurance ceded				0
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	19,321,858	0	19,321,858
3. Allowances to manager and agents				0
4. Advertising	18,030	14,978,925		14,996,954
5. Boards, bureaus and associations	17,048	52,372		69,421
6. Surveys and underwriting reports		232,622		232,622
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	1,083,072	3,312,801		4,395,874
8.2 Payroll taxes	146,896	444,120		591,016
9. Employee relations and welfare	396,893	1,088,345		1,485,239
10. Insurance	2,830	6,616		9,446
11. Directors' fees				0
12. Travel and travel items	28,463	298,225		326,687
13. Rent and rent items	90,496	279,392		369,889
14. Equipment	35,269	84,392		119,660
15. Cost or depreciation of EDP equipment and software	27,954	300,167		328,121
16. Printing and stationery	18,573	48,540		67,113
17. Postage, telephone and telegraph, exchange and express	48,527	131,634		180,162
18. Legal and auditing	50,655	225,431		276,086
19. Totals (Lines 3 to 18)	1,964,707	21,483,583	0	23,448,290
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $..........0		992,675		992,675
20.2 Insurance department licenses and fees	1,563	101,424		102,987
20.3 Gross guaranty association assessments		(1,188)		(1,188)
20.4 All other (excluding federal and foreign income and real estate)	7,535	56,186		63,721
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	9,097	1,149,097	0	1,158,194
21. Real estate expenses	12,700	25,677		38,377
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	376,795	920,855	104,764	1,402,414
25. Total expenses incurred	3,257,077	42,901,070	104,764	(a)...............46,262,911
26. Less unpaid expenses - current year	15,206,988	4,498,311		19,705,299
27. Add unpaid expenses - prior year	14,846,108	4,508,834		19,354,942
28. Amounts receivable relating to uninsured plans, prior year				0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	2,896,197	42,911,593	104,764	45,912,554

DETAILS OF WRITE-INS

	1	2	3	4
2401. Balance charge off	(31,874)	16,318		(15,556)
2402. Income and charges special service	408,669	904,537		1,313,206
2403. General Expenses			104,764	104,764
2498. Summary of remaining write-ins for Line 24 from overflow page	0	0	0	0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above)	376,795	920,855	104,764	1,402,414

(a) Includes management fees of $..........0 to affiliates and $..........0 to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 205,908	199,977
1.1	Bonds exempt from U.S. tax	(a) 513,202	595,910
1.2	Other bonds (unaffiliated)	(a) 1,903,843	1,839,070
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)		
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 11,654	11,639
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	225	225
10.	Total gross investment income	2,634,832	2,646,821
11.	Investment expenses		(g) 104,764
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 154,984
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		259,748
17.	Net investment income (Line 10 minus Line 16)		2,387,073

DETAILS OF WRITE-INS

0901.	Miscellaneous Investment Income	225	225
0902.			
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	225	225
1501.			
1502.			
1503.			
1598.	Summary of remaining write-ins for Line 15 from overflow page		0
1599.	Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

(a) Includes $.....65,470 accrual of discount less $.....925,446 amortization of premium and less $.....56,237 paid for accrued interest on purchases.
(b) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued dividends on purchases.
(c) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued interest on purchases.
(d) Includes $..........0 for company's occupancy of its own buildings; and excludes $..........0 interest on encumbrances.
(e) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued interest on purchases.
(f) Includes $..........0 accrual of discount less $..........0 amortization of premium.
(g) Includes $..........0 investment expenses and $..........0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
(h) Includes $..........0 interest on surplus notes and $..........0 interest on capital notes.
(i) Includes $.....154,984 depreciation on real estate and $..........0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. government bonds	15,724		15,724		
1.1	Bonds exempt from U.S. tax	49,463		49,463		
1.2	Other bonds (unaffiliated)	(131,670)		(131,670)		
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)			0		
2.21	Common stocks of affiliates			0		
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets			0		
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	(66,483)	0	(66,483)	0	0

DETAILS OF WRITE-INS

0901.				0		
0902.				0		
0903.				0		
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 through 0903 plus 0998) (Line 9 above)	0	0	0	0	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities	6,250		(6,250)
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	6,250	0	(6,250)
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	198,619	555,213	356,594
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
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			0
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	1,049,597	1,266,296	216,699
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates	209,343	101,805	(107,538)
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other-than-invested assets	321,586	363,313	41,728
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	1,785,394	2,286,628	501,233
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	1,785,394	2,286,628	501,233

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
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0
2501. OTHER ASSETS	321,586	363,313	41,728
2502. PREPAID TAXES			0
2503.			0
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	321,586	363,313	41,728

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of Chubb Insurance Company of Puerto Rico (the Company) have been prepared on the basis of accounting practices prescribed by the Office of the Insurance Commissioner of Puerto Rico. The Office of the Insurance Commissioner of Puerto Rico requires insurance companies domiciled in Puerto Rico to prepare their statutory 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 Office of the Insurance Commissioner of Insurance of Puerto Rico.

The only identified difference between Puerto Rico prescribed practices and NAIC statutory accounting practices (NAIC SAP) was observed in the year 2009 with regards to the accounting of the Catastrophic Reserve. NAIC SAP allows the Catastrophic Reserve to be part of the "Restricted Surplus", but legislation in Puerto Rico up until 2009 required the Catastrophic Reserve to be considered part in the Liabilities section and part in the Surplus, as stipulated in Law #227 of 2006 which amended the sections of the Insurance Code which govern the Catastrophic Reserve. Beginning in 2010, the Office of the Insurance Commissioner of Puerto Rico requires the Catastrophic Reserve to be part of the "Restricted Surplus", thus, eliminating the requirement to separate a minimum amount in the Liability section of the Balance Sheet.

Insurers are required to contribute each year to the Catastrophic Reserve until such time as the Reserve exceeds 8% of the 100-year Probable Maximum Loss (PML) for hurricane. For the year ended December 31, 2016, the Company calculated its PML exposure at $105,342,884. The balance of the Reserve as of December 31, 2016 is $15,013,769, and the fund earned $407,675 in interest during the year. Since the 8% of our PML is $8,427,431, no contribution needs to be made to the reserve for the year 2016.

The Commonwealth of Puerto Rico has adopted certain prescribed accounting practices which differ from those found in NAIC SAP. Specifically, the deferred income tax arising from the temporary difference resulting from additions to the Catastrophe Loss Reserve which are deductible for tax purposes. The Commissioner of Insurance permitted the no recognition of the deferred tax liability resulting from additions to the catastrophe loss reserve that would otherwise have resulted under NAIC SAP. Reconciliation of net income and policyholders' surplus between the amount presented in the accompanying financial statements (PR basis) and NAIC SAP follow:

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Chubb Insurance Company of Puerto Rico state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	$ 3,262,214	$ 5,140,072
(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	$ 3,262,214	$ 5,140,072
SURPLUS					
(5) Chubb Insurance Company of Puerto Rico state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	$ 50,775,508	$ 51,795,445
(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	$ 50,775,508	$ 51,795,445

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

The preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in these financial statements and notes. Actual results could differ from these estimates.

C. Accounting Policy

Direct, assumed and ceded premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct and ceded business, except for accident and health premiums which, due to their short coverage period, are recognized as revenue when due. Reserves for assumed business are based on reports received from ceding companies.

Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions and direct marketing solicitation, are charged to operations as incurred. Additional contingent commissions due to agents are recorded over the period in which related income is recognized under the terms of contracts between the Company and its agents.

Net investment income earned consists primarily of interest earned. Interest is recognized on an accrual basis. Realized capital losses include writedowns for impairments considered to be other than temporary.

In the normal course of business the Company seeks to reduce the loss that may arise from events that can cause unfavorable underwriting results by reinsuring certain levels of risks in various areas of exposure with other insurers and reinsures. The Company's primary reinsurance activity involves assuming and ceding insurance risks through quota share and excess of loss agreements. Reinsurance is ceded primarily to limit losses from large exposures and to permit recovery of a portion of direct losses, although ceded insurance does not relieve the originating insurer of its contingent liability. Risks ceded are treated as risks for which the Company is not liable. The Company would be liable only if a reinsurer fails to meet its obligations under reinsurance agreements. The Company also maintains certain excess loss and catastrophe insurance coverage.

Premiums and commissions related to insurance ceded are accounted for as a reduction of premiums written and acquisition and commission costs, respectively. Reinsurance recoveries are recorded as a reduction of losses and loss adjustment expenses incurred. A reserve is provided for unearned premiums and reinsurance balance receivables with unauthorized reinsurers. Also a reserve is provided for overdue amounts receivable from authorized reinsurers, as defined. Changes in these reserves are charged or credited to unassigned surplus.

In addition, the Company uses the following accounting policies:

1) **Basis of Valuation of Short-term Investments:** Short-term investments are carried at cost and represent investments with remaining maturities (or repurchase dates under repurchase agreements) of one year or less at thedate of acquisition. The Company does not hold short-term investments below investment grade.

2) **Basis of Valuation of Bonds:** The Company's investment portfolio is composed of NAIC Class 1 and 2 grade securities. Investment in debt securities designated as highest and high quality (NAIC designation 1 and 2) are generally stated at amortized cost and any premium or discounts are amortized to income using the Efective Interest Method. Investment transactions are recorded on the basis of trade date. Realized gains and losses on sales of investment are determined using the specific identification method.

   The disclosures of estimated fair market values are based on the information by the International Data Corporation (IDC).

   Declines in the fair value of invested assets below cost are evaluated for other than temporary impairment losses. Impairment losses for declines in value of fixed-maturity and equity securities investments below cost attributable to issuer-specific events are based upon all relevant facts and circumstances for each investment and are recognized when appropriate in accordance with statutory accounting principles and related guidance. For fixed-maturity investments with unrealized losses due to market conditions or industry-related events where the Company has the positive intent and ability to hold the investment for a period of time sufficient to allow a market recovery or to maturity, declines in value below cost are assumed to be temporary.

   At December 31, 2016, investments with carrying value and fair market value of $1,665,537 (2015-$1,595,011) and $1,735,530 (2015- $1,665,142), respectively are deposited with the Insurance Commissioner of the Commonwealth of Puerto Rico to meet a statutory deposit requirement. These securities are in a restricted account for then protection of the Company's policyholders and creditors pursuant to requirements of the Puerto Rico Insurance Code.

   At December 31, 2016, investments with a carrying value and fair market value of $14,660,238 (2016-14,348,699) and $15,029,198 (2015- $14,833,518) respectively, are deposited in a trust to meet the statutory standard of Act. 73 of August 12, 1994 and Chapter 25 of the Insurance Code of Puerto Rico ("Insurance Code") as described in Note 9. Also deposited in the trust is cash for the amount of $353,532 (2015- $105,892). These securities continued to be owned by the Company, but their use is restricted by the provisions of the Insurance Code.

3) **Basis of Valuation of Common Stocks:** Not applicable

4) **Basis of Valuation of Preferred Stocks:** Not applicable

5) **Basis of Valuation of Mortgage Loans:** Not applicable

6) **Basis of Valuation of loan-backed Securities:** Investment grade loan-backed securities are stated at amortized value. The Company does not hold Loan-backed Securities valued below Investment Grade.

NOTES TO FINANCIAL STATEMENTS

7) **Basis of Valuation of subsidiary, controlled and affiliated companies:** The Company has an investment, valued at $50,000 in ACE Insurance Agency. This entity is a wholly-owned subsidiary of ACE Insurance Company, and is currently active.

8) **Basis of valuation of joint ventures, partnerships, LLCs:** Not applicable

9) **Basis of valuation of derivatives:** Not applicable

10) **Premium Deficiency Reserve:** The Company does not anticipate investment income when evaluating the need for premium deficiency reserves.

11) **Method of establishing loss and LAE Reserves:** Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Estimated amounts of salvage and subrogation on paid losses are not anticipated by the Company. Such liabilities are necessarily based on assumptions and estimates and while management believes the amounts are adequate, the ultimate liabilities may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

12) **Change in Capitalization Policy:** The Company has a capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.

13) **Method of estimating pharmaceutical rebate receivables:** Not applicable

D. Going Concern: **Not Applicable**

Note 2 – Accounting Changes and Corrections of Errors

Not Applicable

Note 3 – Business Combinations and Goodwill

A. Statutory Purchase Method: **Not Applicable**

B. Statutory Merger: **Not Applicable**

C. Impairment Loss: **Not Applicable**

Note 4 – Discontinued Operations : Not Applicable

A. Discontinued Operation Disposed of or Classified as Held for Sale

(1) List of Discontinued Operations Disposed of or Classified as Held for Sale

Discontinued Operation Identifier	Description of Discontinued Operation

(2)

(3) Loss Recognized on Discontinued Operations

Discontinued Operation Identifier	Amount for Reporting Period	Cumulative Amount Since Classified as Held for Sale
	$	$

(4) Carrying Amount and Fair Value of Discontinued Operations and the Effect on Assets, Liabilities, Surplus and Income

a. Carrying Amount of Discontinued Operations

Discontinued Operation	Carrying Amount Immediately Prior to	Current Fair Value Less

NOTES TO FINANCIAL STATEMENTS

Identifier	Classification as Held for Sale	Costs to Sell
	$	$

b. Effect of Discontinued Operations on Assets, Liabilities, Surplus and Income

	Discontinued Operation Identifier	Line Number	Line Description	Amount Attributable to Discontinued Operations
1. Assets				
				$
2. Liabilities				
				$
3. Surplus				
				$
4. Income				
				$

B. Change in Plan of Sale of Discontinued Operation

C. Nature of any Significant Continuing Involvement with Discontinued Operations After Disposal

D. Equity Interest Retained in the Discontinued Operation After Disposal

Note 5 – Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

(1) The maximum and minimum lending rates for mortgage loans during 2016 were:

(2) The maximum percentage of any one loan to the value of security at the time of the loan, exclusive of insured or guaranteed or purchase money mortgage was ____%.

	Current Year	Prior Year
(3) Taxes, assessments and any amounts advanced and not included in the mortgage loan total	$	$

(4) Age Analysis of Mortgage Loans:

	Farm	Residential Insured	Residential All Other	Commercial Insured	Commercial All Other	Mezzanine	Total
a. Current Year							
1. Recorded Investment (All)							
(a) Current	$	$	$	$	$	$	$
(b) 30-59 Days Past Due							
(c) 60-89 Days Past Due							
(d) 90-179 Days Past Due							
(e) 180+ Days Past Due							
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$	$	$	$	$	$	$
(b) Interest Accrued							
3. Accruing Interest 180+ Days Past Due							
(a) Recorded Investment	$	$	$	$	$	$	$
(b) Interest Accrued							
4. Interest Reduced							
(a) Recorded Investment	$	$	$	$	$	$	$
(b) Number of Loans							
(c) Percent Reduced	%	%	%	%	%	%	%
b. Prior Year							
1. Recorded Investment (All)							
(a) Current	$	$	$	$	$	$	$
(b) 30-59 Days Past Due							
(c) 60-89 Days Past Due							
(d) 90-179 Days Past Due							
(e) 180+ Days Past Due							
2. Accruing Interest 90-179 Days Past Due							
(a) Recorded Investment	$	$	$	$	$	$	$
(b) Interest Accrued							
3. Accruing Interest 180+ Days Past Due							
(a) Recorded	$	$	$	$	$	$	$

NOTES TO FINANCIAL STATEMENTS

		Investment							
	(b)	Interest Accrued							
4.		Interest Reduced							
	(a)	Recorded Investment	$	$	$	$	$	$	$
	(b)	Number of Loans							
	(c)	Percent Reduced	%	%	%	%	%	%	%

(5) Investment in Impaired Loans With or Without Allowance for Credit Losses:

			Residential		Commercial			
		Farm	Insured	All Other	Insured	All Other	Mezzanine	Total
a.	Current Year							
	1. With Allowance for Credit Losses	$	$	$	$	$	$	$
	2. No Allowance for Credit Losses							
b.	Prior Year							
	1. With Allowance for Credit Losses	$	$	$	$	$	$	
	2. No Allowance for Credit Losses							

(6) Investment in Impaired Loans – Average Recorded Investment, Interest Income Recognized, Recorded Investment on Nonaccrual Status and Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting:

			Residential		Commercial			
		Farm	Insured	All Other	Insured	All Other	Mezzanine	Total
a.	Current Year							
	1. Average Recorded Investment	$	$	$	$	$	$	$
	2. Interest Income Recognized							
	3. Recorded Investments on Nonaccrual Status							
	4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting							
b.	Prior Year							
	1. Average Recorded Investment	$	$	$	$	$	$	$
	2. Interest Income Recognized							
	3. Recorded Investments on Nonaccrual Status							
	4. Amount of Interest Income Recognized Using a Cash-Basis Method of Accounting							

			Current Year	Prior Year
(7)		Allowance for Credit Losses:		
	a.	Balance at beginning of period	$	$
	b.	Additions charged to operations		
	c.	Direct write-downs charged against the allowances		
	d.	Recoveries of amounts previously charged off		
	e.	Balance at end of period	$	$

			Current Year
(8)		Mortgage Loans Derecognized as a Result of Foreclosure:	
	a.	Aggregate amount of mortgage loans derecognized	$
	b.	Real estate collateral recognized	$
	c.	Other collateral recognized	$
	d.	Receivables recognized from a government guarantee of the foreclosed mortgage loan	$

(9)

B. Debt Restructuring

		Current Year	Prior Year
(1)	The total recorded investment in restructured loans, as of year-end	$	$
(2)	The realized capital losses related to these loans	$	$
(3)	Total contractual commitments to extend credit to debtors owing receivables whose terms have been modified in troubled debt restructurings	$	$

(4)

C. Reverse Mortgages

(1)

NOTES TO FINANCIAL STATEMENTS

(2)

(3) At December 31, 2016, the actuarial reserve of $ reduced the asset value of the group of reverse mortgages.

(4) Chubb Insurance Company of Puerto Rico recorded an unrealized loss $ as a result of the re-estimates of the cash flows.

D. Loan-Backed Securities

(1)

(2)

		1 Amortized Cost Basis Before Other-than-Temporary Impairment	2 Other-than-Temporary Impairment Recognized in Loss	3 Fair Value 1 – 2
OTTI recognized 1st Quarter				
a.	Intent to sell	$	$	$
b.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
c.	Total 1st Quarter	$	$	$
OTTI recognized 2nd Quarter				
d.	Intent to sell	$	$	$
e.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
f.	Total 2nd Quarter	$	$	$
OTTI recognized 3rd Quarter				
g.	Intent to sell	$	$	$
h.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
i.	Total 3rd Quarter	$	$	$
OTTI recognized 4th Quarter				
j.	Intent to sell	$	$	$
k.	Inability or lack of intent to retain the investment in the security for a period of time sufficient to recover the amortized cost basis			
l.	Total 4th Quarter		$	
m.	Annual aggregate total	XXX	$	XXX

(3) Recognized OTTI securities

CUSIP	Book/Adjusted Carrying Value Amortized Cost Before Current Period OTTI	Present Value of Projected Cash Flows	Recognized Other-Than-Temporary Impairment	Amortized Cost After Other-Than-Temporary Impairment	Fair Value at Time of OTTI	Date of Financial Statement Where Reported
	$	$	$	$	$	
Total			$			

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	$	(336,117)
		2.	12 Months or Longer	$	(25,235)
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than12 Months	$	15,139,692
		2.	12 Months or Longer	$	861,965

(5)

E. Repurchase Agreements and/or Securities Lending Transactions

(1)

(2)

(3) Collateral Received

				Fair Value
a.	Aggregate Amount Collateral Received			
	1.	Repurchase Agreement		
		(a)	Open	$
		(b)	30 Days or Less	
		(c)	31 to 60 Days	
		(d)	61 to 90 Days	
		(e)	Greater Than 90 Days	
		(f)	Sub-Total	$
		(g)	Securities Received	
		(h)	Total Collateral Received	$
	2.	Securities Lending		

NOTES TO FINANCIAL STATEMENTS

		(a)	Open	$
		(b)	30 Days or Less	
		(c)	31 to 60 Days	
		(d)	61 to 90 Days	
		(e)	Greater Than 90 Days	
		(f)	Sub-Total	$
		(g)	Securities Received	
		(h)	Total Collateral Received	$
	3.	Dollar Repurchase Agreement		
		(a)	Open	$
		(b)	30 Days or Less	
		(c)	31 to 60 Days	
		(d)	61 to 90 Days	
		(e)	Greater Than 90 Days	
		(f)	Sub-Total	$
		(g)	Securities Received	
		(h)	Total Collateral Received	$
b.	The fair value of that collateral and of the portion of that collateral that it has sold or repledged			$

c.

(4)

(5) Collateral Reinvestment

a.	Aggregate Amount Collateral Reinvested			Amortized Cost	Fair Value
	1.	Repurchase Agreement			
		(a)	Open	$	$
		(b)	30 Days or Less		
		(c)	31 to 60 Days		
		(d)	61 to 90 Days		
		(e)	91 to 120 Days		
		(f)	121 to 180 Days		
		(g)	181 to 365 Days		
		(h)	1 to 2 Years		
		(i)	2 to 3 Years		
		(j)	Greater Than 3 Years		
		(k)	Sub-Total	$	$
		(l)	Securities Received		
		(m)	Total Collateral Reinvested	$	$
	2.	Securities Lending			
		(a)	Open	$	$
		(b)	30 Days or Less		
		(c)	31 to 60 Days		
		(d)	61 to 90 Days		
		(e)	91 to 120 Days		
		(f)	121 to 180 Days		
		(g)	181 to 365 Days		
		(h)	1 to 2 Years		
		(i)	2 to 3 Years		
		(j)	Greater Than 3 Years		
		(k)	Sub-Total	$	$
		(l)	Securities Received		
		(m)	Total Collateral Reinvested	$	$
	3.	Dollar Repurchase Agreement			
		(a)	Open	$	$
		(b)	30 Days or Less		
		(c)	31 to 60 Days		
		(d)	61 to 90 Days		
		(e)	91 to 120 Days		
		(f)	121 to 180 Days		
		(g)	181 to 365 Days		
		(h)	1 to 2 Years		
		(i)	2 to 3 Years		
		(j)	Greater Than 3 Years		
		(k)	Sub-Total	$	$
		(l)	Securities Received		
		(m)	Total Collateral Reinvested	$	$

b.

(6)

(7) Collateral for Securities Lending transactions that extend beyond one year from the reporting date.

Description of Collateral	Amount
	$
Total Collateral extending beyond one year of the reporting date	$

F. Real Estate

NOTES TO FINANCIAL STATEMENTS

(1) During year 2007, the Company acquired a property for its office facilities in Puerto Rico for a cost of $4,944,613. During 2011, additional office space was acquired for $1,100,000. Depreciation expense related to this asset for the year ended December 31, 2016 amounted to $154,983 (2015- $154,983). Real Estate investments are classified on the balance sheet as properties occupied by the Company. The Company does not hold properties for Income or for Sale. Properties occupied by the Company are carried at depreciated cost. There are no encumbrances against the properties.

G. Investments in Low-Income Housing Trade Credits (LIHTC)

(1)

(2)

(3)

(4)

(5)

(6)

(7)

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year									Percentage	
	1	2	3	4	5	6	7	8	9	10	11
Restricted Asset Category	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
a. Subject to contractual obligation for which liability is not shown											
b. Collateral held under security lending arrangements											
c. Subject to repurchase agreements											
d. Subject to reverse repurchase agreements											
e. Subject to dollar repurchase agreements											
f. Subject to dollar reverse repurchase agreements											
g. Placed under option contracts											
h. Letter stock or securities restricted as to sale – excluding FHLB capital stock											
i. FHLB capital stock											
j. On deposit with states					16,325,776		16,325,776		16,325,776	11.674	11.825
k. On deposit with other regulatory bodies											
l. Pledged as collateral to FHLB (including assets backing funding agreements)											
m. Pledged as collateral not captured in other categories											
n. Other restricted assets											
o. Total Restricted Assets	$ 16,325,776	$	$	$	$ 16,325,776	$	$ 16,325,776		$ 16,325,776	11.674	11.825%

(a) Subset of column 1
(b) Subset of column 3
(c) Column 5 divided by Asset Page, Column 1, Line 28
(d) Column 9 divided by Asset Page, Column 3, Line 28

NOTES TO FINANCIAL STATEMENTS

(2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contacts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Description of Assets	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
	$	$	$	$	$	$	$	$		
Total (c)	$	$	$	$	$	$	$	$		

(a) Subset of column 1
(b) Subset of column 3
(c) Total Line for Columns 1 through 7 should equal 5H(1)m Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)m Columns 9 through 11 respectively.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

	Gross (Admitted & Nonadmitted) Restricted							8	Percentage	
	Current Year					6	7		9	10
	1	2	3	4	5					
Description of Assets	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross (Admitted & Nonadmitted) Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
	$	$	$	$	$	$	$	$		
Total (c)	$	$	$	$	$	$	$	$		

(a) Subset of column 1
(b) Subset of column 3
(c) Total Line for Columns 1 through 7 should equal 5H(1)n Columns 1 through 7 respectively and Total Line for Columns 8 through 10 should equal 5H(1)n Columns 9 through 11 respectively.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

	1	2	3	4
Collateral Assets	Book/Adjusted Carrying Value (BACV)	Fair Value	% of BACV to Total Assets (Admitted and Nonadmitted)*	% of BACV to Total Admitted Assets**
a. Cash	$	$	%	%
b. Schedule D, Part 1			%	%
c. Schedule D, Part 2, Sec. 1			%	%
d. Schedule D, Part 2, Sec. 2			%	%
e. Schedule B			%	%
f. Schedule A			%	%
g. Schedule BA, Part 1			%	%
h. Schedule DL, Part 1			%	%
i. Other			%	%
j. Total Collateral Assets (a+b+c+d+e+f+g+i)	$	$	%	%

*. Column 1 divided by Asset Page, Line 26 (Column 1)
** Column 1 divided by Asset Page, Line 26 (Column 3)

	1	2
	Amount	% of Liability to Total Liabilities
k. Recognized Obligation to Return Collateral Asset	$	%

* Column 1 divided by Liability Page, Line 26 (Column 1)

I. Working Capital Finance Investments

(1) Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC Designation:

		Gross Asset CY	Non-admitted Asset CY	Net Admitted Asset CY
a.	WCFI Designation 1	$	$	$
b.	WCFI Designation 2			
c.	WCFI Designation 3			
d.	WCFI Designation 4			
e.	WCFI Designation 5			
f.	WCFI Designation 6			
g.	Total	$	$	$

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs

		Book/Adjusted Carrying Value
a.	Up to 180 Days	$
b.	181 to 365 Days	
c.	Total	$

J. Offsetting and Netting of Assets and Liabilities

(1) Assets	Gross Amount Recognized	Amount Offset	Net Amount Presented on Financial Statements
	$	$	$
(2) Liabilities			
	$	$	$

NOTES TO FINANCIAL STATEMENTS

K. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
	$	$	$	
XXX	$	$	$	XXX

L. 5* Securities

	Number of 5* Securities		Aggregate BACV		Aggregate Fair Value	
Investment	Current Year	Prior Year	Current Year	Prior Year	Current Year	Prior Year
(1) Bonds – AC			$	$	$	$
(2) Bonds – FV			$	$	$	$
(3) LB & SS – AC			$	$	$	$
(4) LB & SS – FV			$	$	$	$
(5) Preferred Stock – AC			$	$	$	$
(6) Preferred Stock – FV			$	$	$	$
(7) Total (1+2+3+4+5+6)			$	$	$	$

AC – Amortized Cost FV – Fair Value

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

A. **Not Applicable**

B.

Note 7 – Investment Income

A. **Accrued Investment Income:** The Company does not admit investment income due and accrued if amounts are over 90 days past due. No accrued investment income was excluded during the years 2016 and 2015.

B.

Note 8 – Derivative Instruments

A. **Not Applicable**

B.

C.

D.

E.

F.

(1)

(2)

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

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

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	$ 1,326,102	$	$ 1,326,102	$ 1,697,358	$	$ 1,697,358	$ (371,256)	$	$ (371,256)
b. Statutory valuation allowance adjustment	598,222		598,222	569,143		569,143	29,079		29,079
c. Adjusted gross deferred tax assets (1a-1b)	727,880		727,880	1,128,215		1,128,215	(400,335)		(400,335)
d. Deferred tax assets nonadmitted									
e. Subtotal net admitted deferred tax asset (1c-1d)	727,880		727,880	1,128,215		1,128,215	(400,335)		(400,335)
f. Deferred tax liabilities									
g. Net admitted deferred tax assets/(net	$ 727,880	$	$ 727,880	$ 1,128,215	$	$ 1,128,215	$ (400,335)	$	$ (400,335)

NOTES TO FINANCIAL STATEMENTS

deferred tax liability) (1e-1f)									

2. Admission Calculation Components

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	$	$	$	$	$	$	$	$	$
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:									
Adjusted gross deferred tax assets expected to be realized following the balance sheet date									
Adjusted gross deferred tax assets allowed per limitation threshold									
c. Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	727,880		727,880	1,128,216		1,128,216	(400,336)		(400,336)
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	$ 727,880	$	$ 727,880	$ 1,128,216	$	$ 1,128,216	$ (400,336)	$	$ (400,336)

3. Other Admissibility Criteria

		2016	2015
a.	Ratio percentage used to determine recovery period and threshold limitation amount	15.000%	15.000%
b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	$ 50,522,728	$ 50,522,728

4. Impact of Tax Planning Strategies

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

	12/31/2016		12/31/2015		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	$ 727,880	$	$ 1,128,215	$	$ (400,335)	$
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	$ 727,880	$	$ 1,128,215	$	$ (400,335)	$
4 Percentage of net admitted adjusted	%	%	%	%	%	%

NOTES TO FINANCIAL STATEMENTS

gross DTAs by tax character admitted because of the impact of tax planning strategies					

(b) Does the company's tax planning strategies include the use of reinsurance?

B. Deferred Tax Liabilities Not Recognized

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2016	2 2015	3 (Col 1-2) Change
a. Federal	$	$	$
b. Foreign	1,388,975	2,800,900	(1,411,925)
c. Subtotal	$ 1,388,975	$ 2,800,900	$ (1,411,925)
d. Federal income tax on net capital gains			
e. Utilization of capital loss carry-forwards			
f. Other			
g. Federal and Foreign income taxes incurred	$ 1,388,975	$ 2,800,900	$ (1,411,925)

2. Deferred Tax Assets

	1 2016	2 2015	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	$	$	$
2. Unearned premium reserve			
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	1,326,102	1,697,358	(371,256)
99. Subtotal	$ 1,326,102	$ 1,697,358	$ (371,256)
b. Statutory valuation allowance adjustment	598,222	569,143	29,079
c. Nonadmitted			
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	$ 727,880	$ 1,128,215	$ (400,335)
e. Capital:			
1. Investments	$	$	$
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal	$	$	$
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	$ 727,880	$ 1,128,215	$ (400,335)

3. Deferred Tax Liabilities

	1 2016	2 2015	3 (Col 1–2) Change
a. Ordinary:			
1. Investments	$	$	$
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)			
99. Subtotal	$	$	$
b. Capital:			
1. Investments	$	$	$
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	$	$	$

NOTES TO FINANCIAL STATEMENTS

4.	Net Deferred Tax Assets (2i – 3c)	$ 727,880	$ 1,128,215	$ (400,335)

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

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	$	%
Proration of tax exempt investment income		%
Tax exempt income deduction		%
Dividends received deduction		%
Disallowed travel and entertainment		%
Other permanent differences		%
Temporary Differences:		
Total ordinary DTAs	$	%
Total ordinary DTLs		%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment	$	%
Accrual adjustment – prior year		%
Other		%
Totals	$	%
Federal and foreign income taxes incurred		%
Realized capital gains (losses) tax		%
Change in net deferred income taxes		%
Total statutory income taxes	$	%

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

At December 31, 2016, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

The following is income tax expense for 2016 and 2015 that is available for recoupment in the event of future net losses:

Year	Amount
2016	$
2015	$

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

F. Consolidated Federal Income Tax Return

The Company's federal income tax return is consolidated with the following entities:
>> *Enter Entities Here* <<

2. The method of allocation among companies is subject to a written agreement, approved by the Board of Directors, whereby allocation is made primarily on a separate return basis with current credit for any net operating losses or other items utilized in the consolidated tax return. Intercompany tax balances are settled monthly.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

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

A. **Nature of Relationships:** The Company is directly owned by Chubb INA International Holdings Inc. The ultimate parent company is Chubb Limited. See the organization list in Schedule Y for full particulars.

The Company purchases reinsurance from several affiliated companies, which include ACE Property & Casualty, ACE American Insurance Company, Insurance Company of North America, and Chubb Tempest Re. Details of balances with affiliated reinsurers may be found in Schedule F.

B. **Detail of Transactions greater than 1/2% of Admitted Assets:**

(1) The Company had Intercompany Transactions with Indemnity Insurance Company of North America (IINA). During 2016, net settlements with this entity amounted to $2,370,657 (due from IINA). Balances outstanding as of December 2016 and 2015 may be found in Note 10-D below.

(2) The Company had Intercompany Transactions with Chubb Insurance Agency. During 2016, net settlements were made with this entity for $2,439,949 (due from Chubb Insurance Agency). Balances outstanding as of December 2016 and 2015 may be found in Note 10-D below.

(3) Also, the Company had transactions associated with Payroll Servicing with ACE American Insurance Company (ACE American). During the year, ACE American billed the Company for payroll services in the amount of $6,855,172. The Company, on the other hand, made payments to ACE American in the amount of $6,930,523 wich corresponds to salaries from the months of December 2015 to November 2016. The invoice pertaining to the month of December 2016 was paid in January 2017. Balances are reimbursed by the Company to ACE American no later than 90 days from the invoice date.

C. **Change in Terms of Intercompany Relationships:** As of January 1, 2008, the Company entered into a Service agreement with affiliated entities Insurance Company of North American and Indemnity Insurance Company of North America, related to those two entities' operations in Puerto Rico and the US Virgin Islands respectively. The terms of the agreement establish that the Company will provide management and administrative services for the affiliates' business in PR and USVI, in exchange for a management fee. This agreement was subsequently modified on October 9, 2009 clarifying that the services provided may include Cash Management services. In the course of fulfilling these functions, the Company may collect or disburse funds on behalf of the two affiliates. These transactions do not affect the Company's reported results. These balances are subsequently settled via Intercompany settlements.

D. **Amounts due to or from related parties:** For the year ended 2016, the Company reported gross Receivables/(Payables) from/to parent subsidiaries and affiliates of $1,163,132 and $2,106,785, respectively. The Company's policy is to settle affiliate balances no later than ninety days from the statement date. The schedule below details the affiliated Company receivables/(payables). In 2016, the Company classified $209,343 (2015- $101,805) of affiliate recoverable as non-Admitted which are not covered by service contracts.

Affiliate	2016		2015	
	Receivable	Payable	Receivable	Payable
INA Indemnity - USVI	1,075,405	(1,034,470)	1,076,050	(1,260,758)
INA Home Office	21,175	(841,947)	15,294	(543,621)
ACE-Argentina	-		111	
ACE Bermuda	96,014		44,108	
ACE Insurance Agency	-	(86)	2,742	
INA PR	87,727	(165,459)	266,256	(448,077)
ACE P&C Venezuela	68,628	(64,823)	588	
ACE Seguros Panama	-		1,022	
ACE Seguros Mexico	-		7,689	
ACE Seguros Chile		-		(25,704)
ACE INA Crawley	4,041			
ACE Korea	19,372		19,372	
ACE INA Holdings Inc	-		4,579	
AIIH LA Region (Miami)			6,000	
AEG AE UK	113			
AFIA OMAN	-		300	
Subtotal	1,372,475	(2,106,785)	1,444,112	(2,278,159)
Reclassified as Non-Admitted	(209,343)		(101,805)	
Total Admitted from parents, subsidiaries and affiliates	1,163,132	(2,106,785)	1,342,307	(2,278,159)

E. **Guarantees or contingencies for related parties:** There are no guarantees or undertakings for the benefit of an affiliate which result in a material contingent exposure of the Company or any affiliated insurer's assets or liabilities.

F. **Management, service contracts, and cost-sharing arrangements:** Below is a description of material management or service contracts and cost-sharing arrangements involving the group and any related party:

1) As mentioned in 10-C above, the Company has entered into a service contract with ACE American under which ACE American provides payroll support services and makes payroll payments on the Company's behalf. Additionally, the company entered into a new contract with ACE American in which the Company will provide administrative services to ACE American for an annual fee of $175,000 less any ceding commission that the Company might owe to ACE American under any reinsurance treaty between the parties.

2) The Company has a service arrangement with Cover Direct, Inc. in which Cover Direct, Inc. provides services related to reinsurance administration and related financial support. The total amount accumulated during 2016 was $419,963 (2015- $419,963). This balance was subsequently paid in March 2017. Total amount paid in 2015 was $419,963.

3) The Company has a service agreement with ACE International Management Corporation under the Accounting

NOTES TO FINANCIAL STATEMENTS

Services Agreement. The total amount paid during 2016 was $11,885 (2015 - $11,040).

4) The Company has a service agreement with ACE Asset Management Corporation under the Accounting Services Agreement. The total amount paid during 2016 was $35,208 (2015- $34,359).

G. **Nature of relationships that could affect operations.** See Schedule Y for a complete listing of affiliated companies.

H. **Amount deducted for investment in Upstream Company:** Not Applicable

I. **Detail of investments in affiliates greater than 10% of Admitted Assets:** The Company does not own stock in affiliates which exceed 10% of Admitted Assets.

J. **Writedowns for impairments of investments in affiliates:** Not Applicable

K. **Foreign insurance subsidiary valued using CARVM:** Not Applicable

L. **Downstream holding company valued using look-through method:** Not Applicable

M. All SCA Investments

(1) Balance Sheet Value (Admitted and Nonadmitted) All SCAs (Except 8bi Entities)

SCA Entity	Percentage of SCA Ownership	Gross Amount	Admitted Amount	Nonadmitted Amount
a. SSAP No. 97 8a Entities				
	%			
Total SSAP No. 97 8a Entities	XXX	$	$	$
b. SSAP No. 97 8b(ii) Entities				
	%			
Total SSAP No. 97 8b(ii) Entities	XXX	$	$	$
c. SSAP No. 97 8b(iii) Entities				
	%			
Total SSAP No. 97 8b(iii) Entities	XXX	$	$	$
d. SSAP No. 97 8b(iv) Entities				
	%			
Total SSAP No. 97 8b(iv) Entities	XXX	$	$	$
e. Total SSAP No. 97 8b Entities (exception 8b(i) entities) (b + c + d)	XXX	$	$	$
f. Aggregate Total (a + e)	XXX	$	$	$

(2) NAIC Filing Response Information

SCA Entity (Should be the same entities as shown in M(1) above)	Type of NAIC Filing*	Date of Filing to the NAIC	NAIC Valuation Amount	NAIC Response Received Y/N	NAIC Disallowed Entities Valuation Method Resubmission Required Y/N	Code**
a. SSAP No. 97 8a Entities						
Total SSAP No. 97 8a Entities	XXX	XXX	$	XXX	XXX	XXX
b. SSAP No. 97 8b(ii) Entities						
Total SSAP No. 97 8b(ii) Entities	XXX	XXX	$	XXX	XXX	XXX
c. SSAP No. 97 8b(iii) Entities						
Total SSAP No. 97 8b(iii) Entities	XXX	XXX	$	XXX	XXX	XXX
d. SSAP No. 97 8b(iv) Entities						
Total SSAP No. 97 8b(iv) Entities	XXX	XXX	$	XXX	XXX	XXX
e. Total SSAP No. 97 8b Entities (exception 8b(i) entities) (b + c + d)	XXX	XXX	$	XXX	XXX	XXX
f. Aggregate Total (a + e)	XXX	XXX	$	XXX	XXX	XXX

* S1 – Sub-1, S2 – Sub-2 or RDF – Resubmission of Disallowed Filing

** I – Immaterial or M – Material

NOTES TO FINANCIAL STATEMENTS

N. Investment in Insurance SCAs

(1)

(2)

	Monetary Effect on NAIC SAP		Amount of Investment	
SCA Entity (Investments in Insurance SCA Entities)	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA Had Completed Statutory Financial Statements*
	$	$	$	$

* Per *AP&P Manual* (without permitted or prescribed practices)

(3)

Note 11 – Debt

Not Applicable

A.

(1)

(2)

(3)

(4)

(5)

(6)

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(9)

(10)

(11)

(12)

B. FHLB (Federal Home Loan Bank) Agreements

(1)

(2) FHLB Capital Stock

a. Aggregate Totals

1. Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	$	$	$
(b) Membership Stock – Class B			
(c) Activity Stock			
(d) Excess Stock			
(e) Aggregate Total (a+b+c+d)	$	$	$
(f) Actual or estimated borrowing capacity as determined by the insurer	$	XXX	XXX

2. Prior Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
(a) Membership Stock – Class A	$	$	$
(b) Membership Stock – Class B			
(c) Activity Stock			
(d) Excess Stock			
(e) Aggregate Total (a+b+c+d)	$	$	$
(f) Actual or estimated borrowing capacity as determined by the insurer	$	XXX	XXX

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

	1	2	Eligible for Redemption

Membership Stock	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	3 Less than 6 Months	4 6 Months to Less Than 1 Year	5 1 to Less Than 3 Years	6 3 to 5 Years
1. Class A	$	$	$	$	$	$
2. Class B	$	$	$	$	$	$

(3) Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Protected Cell Total Collateral Pledged (Lines 2+3)	$	$	$
2. Current Year General Account Total Collateral Pledged	$	$	$
3. Current Year Protected Cell Total Collateral Pledged	$	$	$
4. Prior Year Total General and Protected Cell Total Collateral Pledged	$	$	$

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1. Current Year Total General and Protected Cell Total Collateral Pledged (Lines 2+3)	$	$	$
2. Current Year General Account Total Collateral Pledged	$	$	$
3. Current Year Protected Cell Total Collateral Pledged	$	$	$
4. Prior Year Total General and Protected Cell Total Collateral Pledged	$	$	$

(4) Borrowing from FHLB

a. Amount as of the Reporting Date

1. Current Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	$	$	$	XXX
(b) Funding Agreements				$
(c) Other				XXX
(d) Aggregate Total (a+b+c)	$	$	$	$

2. Prior Year

	1 Total 2 + 3	2 General Account	3 Protected Cell Account	4 Funding Agreements Reserves Established
(a) Debt	$	$	$	XXX
(b) Funding Agreements				$
(c) Other				XXX
(d) Aggregate Total (a+b+c)	$	$	$	$

b. Maximum Amount During Reporting Period (Current Year)

	1 Total 2 + 3	2 General Account	3 Protected Cell Accounts
1. Debt	$	$	$
2. Funding Agreements			
3. Other			
4. Aggregate Total (Lines 1+2+3)	$	$	$

c. FHLB – Prepayment Obligations

	Does the Company have Prepayment Obligations under the Following Arrangements (YES/NO)
1. Debt	
2. Funding Agreements	
3. Other	

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

A. Defined Benefit Plan

NOTES TO FINANCIAL STATEMENTS

(1)

Change in Benefit Obligation			Overfunded		Underfunded	
a.	Pension Benefits		2016	2015	2016	2015
	1.	Benefit obligation at beginning of year	$	$	$	$
	2.	Service cost				
	3.	Interest cost				
	4.	Continuation by plan participants				
	5.	Actuarial gain (loss)				
	6.	Foreign currency exchange rate changes				
	7.	Benefits paid				
	8.	Plan amendments				
	9.	Business combinations, divestitures, curtailments, settlements and special termination benefits				
	10.	Benefit obligation at end of year	$	$	$	$

			Overfunded		Underfunded	
b.	Postretirement Benefits		2016	2015	2016	2015
	1.	Benefit obligation at beginning of year	$	$	$	$
	2.	Service cost				
	3.	Interest cost				
	4.	Continuation by plan participants				
	5.	Actuarial gain (loss)				
	6.	Foreign currency exchange rate changes				
	7.	Benefits paid				
	8.	Plan amendments				
	9.	Business combinations, divestitures, curtailments, settlements and special termination benefits				
	10.	Benefit obligation at end of year	$	$	$	$

			Overfunded		Underfunded	
c.	Special or Contractual Benefits per SSAP No. 11		2016	2015	2016	2015
	1.	Benefit obligation at beginning of year	$	$	$	$
	2.	Service cost				
	3.	Interest cost				
	4.	Continuation by plan participants				
	5.	Actuarial gain (loss)				
	6.	Foreign currency exchange rate changes				
	7.	Benefits paid				
	8.	Plan amendments				
	9.	Business combinations, divestitures, curtailments, settlements and special termination benefits				
	10.	Benefit obligation at end of year	$	$	$	$

(2)

Change in plan assets		Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
		2016	2015	2016	2015	2016	2015
a.	Fair value of plan assets at beginning of year	$	$	$	$	$	$
b.	Actual return on plan assets						
c.	Foreign currency exchange rate changes						
d.	Reporting entity contribution						
e.	Plan participants' contributions						
f.	Benefits paid						
g.	Business combinations, divestitures and settlements						
h.	Fair value of plan assets at end of year	$	$	$	$	$	$

NOTES TO FINANCIAL STATEMENTS

(3)

Funded status			Pension Benefits		Postretirement Benefits	
Overfunded:			2016	2015	2016	2015
a.	Assets (nonadmitted)					
	1.	Prepaid benefit costs	$	$	$	$
	2.	Overfunded plans assets				
	3.	Total assets (nonadmitted)	$	$	$	$
Underfunded:						
b.	Liabilities recognized					
	1.	Accrued benefits costs	$	$	$	$
	2.	Liability for pension benefits				
	3.	Total liabilities recognized	$	$	$	$
c.	Unrecognized liabilities		$	$	$	$

(4)

Components of net periodic benefit cost		Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
		2016	2015	2016	2015	2016	2015
a.	Service cost	$	$	$	$	$	$
b.	Interest cost						
c.	Expected return on plan assets						
d.	Transition asset or obligation						
e.	Gains and losses						
f.	Prior service cost or credit						
g.	Gain or loss recognized due to a settlements curtailment						
h.	Total net periodic benefit cost	$	$	$	$	$	$

(5)

Amounts in unassigned funds (surplus) recognized as components of net periodic benefit cost		Pension Benefits		Postretirement Benefits	
		2016	2015	2016	2015
a.	Items not yet recognized as a component of net periodic cost – prior year	$	$	$	$
b.	Net transition asset or obligation recognized				
c.	Net prior service cost or credit arising during the period				
d.	Net prior service cost or credit recognized				
e.	Net gain and loss arising during the period				
f.	Net gain and loss recognized				
g.	Items not yet recognized as a component of net periodic cost – current year	$	$	$	$

(6)

Amounts in unassigned funds (surplus) expected to be recognized in the next fiscal year as components of net periodic benefit cost		Pension Benefits		Postretirement Benefits	
		2016	2015	2016	2015
a.	Net transition asset or obligations	$	$	$	$
b.	Net prior service cost or credit				
c.	Net recognized gains and losses	$	$	$	$

(7)

Amounts in unassigned funds (surplus) that have not yet been recognized as components of net periodic benefit cost		Pension Benefits		Postretirement Benefits	
		2016	2015	2016	2015
a.	Net transition asset or obligations	$	$	$	$
b.	Net prior service cost or credit				
c.	Net recognized gains and losses	$	$	$	$

(8)

Weighted-average assumptions used to determine net periodic benefit cost as of December 31		2016	2015
a.	Weighted-average discount rate	%	%
b.	Expected long-term rate of return on plan assets	%	%
c.	Rate of compensation increase	%	%
Weighted-average assumptions used to determine projected benefit obligations as of December 31			
d.	Weighted-average discount rate	%	%
e.	Rate of compensation increase	%	%

NOTES TO FINANCIAL STATEMENTS

(9) The amount of the accumulated benefit obligation for defined benefit pension plans was $________ for the current year and $________ for the prior year.

(10)

(11)

Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:	1 Percentage Point Increase	1 Percentage Point Decrease
a. Effect on total of service and interest cost components	$	$
b. Effect on postretirement benefit obligation	$	$

(12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the year indicated:

	Year(s)	Amount
a.	2016	$
b.	2017	$
c.	2018	$
d.	2019	$
e.	2020	$
f.	2021 through 20__	$

(13)

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(15)

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(21)

B. Investment Policies and Strategies

C. Fair Value of Plan Assets

(1) Fair Value Measurements of Plans Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
	$	$	$	$
Total Plan Assets	$	$	$	$

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

Description for each class of plan assets	Beginning Balance at 1/1/2016	Transfers into Level 3	Transfers out of Level 3	Return on Assets Still Held	Return on Assets Sold	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2016
	$	$	$	$	$	$	$	$	$	$
Total Plan Assets	$	$	$	$	$	$	$	$	$	$

(3)

D. Basis Used to Determine Expected Long-Term Rate-of-Return

E. Defined Contribution Plans

Eligible Employees of ACE Limited and its subsidiaries in Puerto Rico are covered under a defined contribution plan which allows employee contributions. Under this plan, non-highly compensated employees may contribute up to 50% of their salaries. Highly compensated employees may contribute up to 10% of their salaries.

For employees hired subsequent to January 1, 2009, the Company matches 50% of the participants' contribution, up to 6% of the participants' eligible earnings. Bonuses are excluded for the purposes of determining eligible earnings.

For employees hired prior to that date, the Company matches 100% of the participants' contribution, up to 6% of the participants' eligible earnings. For employees who worked for the Chubb Corporation prior to its acquisition by ACE, the Company matches 100% of the participants’ contribution, up to 4% of the participant's eligible earnings.

Full vesting of benefits is reached after 2 years of service for employees hired after October 2004, and 1 year of service for employees hired prior to that date. These contributions are invested at the election of each employee in one or more of several investment portfolios offered by a third party investment advisor.

The Company’s matching contributions for the defined contribution plan amounted to approximately $137,526 and $140,049 in 2016 and 2015 respectively.

NOTES TO FINANCIAL STATEMENTS

In addition, the Company sponsors a qualified, non-contributory defined contribution plan covering substantially all of its employees in Puerto Rico (employees employed by the Chubb Corporation prior to its acquisition by ACE are excluded). The Company contributes an amount equal to 6% of the participant's eligible earnings. Bonuses are excluded for the purposes of determining eligible salary for employees hired after January 1, 2009. Full vesting of benefits is also reached after 2 years of service for employees hired after October 2004, and 1 year of service for employees hired prior to that date, and these contributions are invested at the election of each employee in one or more of several investment portfolios offered by a third party investment advisor.

The Company's core contribution for 2016 amounted to approximately $281,185 (2015 - $278,693)

F. Multiemployer Plans

G. Consolidated/Holding Company Plans

H. Postemployment Benefits and Compensated Absences

I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

(1)

(2)

(3)

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

(1) **Outstanding shares:** The Company has 5000 "Class A" Shares outstanding with a par value of $100 each. Additionally, there are 5000 "Class B" Shares outstanding with a par value of $500 each

(2) **Dividend restrictions:** Chapter 29 of the Puerto Rico Insurance Code establishes that cash dividends may only be paid from funds generated by Unassigned Funds (surplus).

(3) **Dates and amounts of dividends paid:** On November 2016, the Company paid an ordinary dividend of $4,500,000

(4) **Amounts of ordinary dividends that may be paid:** At present, the Company has a positive Unassigned Funds, and plans to pay a dividend of $4,300,000 during 2016.

Law Num 51-2012 included in chapter 44 of Insurance Code of Puerto Rico (Section B of Article 44.060) states that a dividend would be considered "Extraordinary", and must therefore needs the autorization of the Insurance Commissioner Office of Puerto Rico (ICO) when the dividend payment exceeds the lesser of these two amounts:

A. 10% of the Company's prior year Surplus as Regards to Policyholder
B. Current year Net Income plus the two previous Year's Net Income excluding Realized Capital Gains and Dividends Paid.

Section B also states that the amount of the dividend must include all dividends made or assets distributed within the last twelve months. If the dividend declare is considered "extraordinary", the following requirements must be met:

A. Notify ICO about the Company's intention of paying an Extraordinary Dividend.
B. Wait 30 days from the date of notification to the ICO for the approval or disapproval notice. If the ICO does not submit a response to the Company during the 30 days period, the dividend payment can be made.

(5) **Restrictions on Unassigned Funds:** There are no restrictions on the Unassigned Funds of the Company, other than as noted in 13-2 and 13-4 above. The unassigned funds are held for the benefit of the shareholders and policyholders.

(6) **Changes in Special Surplus Funds:** As discussed in Note 1-A above, Chapter 25 of the Puerto Rico Insurance Code requires insurers to maintain a Catastrophic Reserve to protect against Catastrophic Losses. Insurers are required to contribute each year to the Catastrophic Reserve until such time as the Reserve exceeds 8% of the 100-year Probable Maximum Loss for hurricane.

The table below summarizes transactions affecting the Catastrophic Reserve in 2016:

NOTES TO FINANCIAL STATEMENTS

	2016	2015
Catastrophic Reserve - Beg. Balance	14,454,592	13,833,665
Investment Income	407,675	340,447
Investment Acquired at a Premium	202,416	275,695
Amortization	(50,914)	4,785
Catastrophic Reserve - Ending Balance	15,013,769	14,454,592

(7) The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses is: $11,897,670

(8) The reporting entity issued the following surplus debentures or similar obligations:

Date Issued	Interest Rate	Par Value (Face Amount of Notes)	Carrying Value of Note*	Principal and/or Interest Paid Current Year	Total Principal and/or Interest Paid	Unapproved Principal and/or Interest	Date of Maturity
	%	$	$	$	$	$	
Total	XXX	$	$	$	$	$	XXX

* Total should agree with Page 3, Line 33.

(9) The impact of any restatement due to prior quasi-reorganizations is as follows:

Description (Year)	Change in Surplus	Change in Gross Paid in and Contributed Surplus
	$	$

(10) The effective dates of all quasi-reorganizations in the prior 10 years are: ____________________.

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

(1) Total SSAP No. 97, Investments in Subsidiary, Controlled, and Affiliated Entities, A Replacement of SSAP No. 88, and SSAP No. 48, Joint Ventures, Partnerships and Limited Liability Company contingent liabilities: $.

(2) Detail of other contingent commitments

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee, (Including Amount Recognized at Inception. If no Initial Recognition, Document Exception Allowed Under SSAP No. 5R)	Ultimate Financial Statement Impact if Action under the Guarantee is Required	Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor could be Required to make under the Guarantee. If unable to Develop an Estimate, this Should be Specifically Noted	Current Status of Payment or Performance Risk of Guarantee. Also Provide Additional Discussion as Warranted
	$		$	
Total	$	XXX	$	XXX

(3)

a.	Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees. (Should equal the total of column 4 for (2) above.)		$
b.	Current liability recognized in F/S		
	1.	Noncontingent liabilities	$
	2.	Contingent liabilities	$
c.	Ultimate financial statement impact if action under the guarantee is required		
	1.	Investments in SCA	$
	2.	Joint Venture	
	3.	Dividends to stockholders (capital contribution)	
	4.	Expense	
	5.	Other	
	6.	Total (should equal (3)a)	$

B. Assessments

(1) Where Amount is Unknown

Where Amount is Known

(2)

a.	Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year –end		$
b.	Decreases current year:		$
c.	Increases current year:		$
d.	Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end		$

C. Gain Contingencies

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

Chubb Insurance Company of Puerto Rico paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

	Direct

NOTES TO FINANCIAL STATEMENTS

Claims related ECO and bad faith losses paid during the reporting period	$

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) 0-25 Claims	(b) 26-50 Claims	(c) 51-100 Claims	(d) 101-500 Claims	(e) More than 500 Claims

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

E. Joint and Several Liabilities

F. All Other Contingencies

Note 15 – Leases

A. Lessee Operating Lease

(1)

(2)

a. At January 1, 2016 the minimum aggregate rental commitments are as follows:

	Year Ending December 31	Operating Leases
1.	2016	$
2.	2017	$
3.	2018	$
4.	2019	$
5.	2020	$
6.	Total	$

(3)

B. Revenue, Net Income or Assets with Respect to Leases

(1) For operating leases:

a.

b.

c. Future minimum lease payment receivables under noncancelable leasing arrangements as of December 31 are as follows:

	Year Ending December 31	Operating Leases
1.	2016	$
2.	2017	$
3.	2018	$
4.	2019	$
5.	2020	$
6.	Total	$

(d)

(2) For leveraged leases:

(a)

(b)

		2016	2015
1.	Income from leveraged leases before income tax including investment tax credit	$	$
2.	Less current income tax		
3.	Net income from leveraged leases	$	$

(c) The components of the investment in leveraged leases at December 31, 2016 and 2015 were as shown below:

		2016	2015
1.	Lease contracts receivable (net of principal and interest on non-recourse financing)	$	$
2.	Estimated residual value of leased assets		
3.	Unearned and deferred income		
4.	Investment in leveraged leases		
5.	Deferred income taxes related to leveraged leases		
6.	Net investment in leveraged leases	$	$

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

1. The table below summarizes the face amount of the Company's financial instruments with off-balance sheet risk:

		Assets		Liabilities	
		2016	2015	2016	2015
a.	Swaps	$	$	$	$

NOTES TO FINANCIAL STATEMENTS

b.	Futures				
c.	Options				
d.	Total	$	$	$	$

2.

3.

4.

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

A. Transfers of Receivables Reported as Sales

(1)

(2)

B. Transfer and Servicing of Financial Assets

(1)

(2)

(3)

(4)

(5)

(6)

(7)

C. Wash Sales

(1)

(2) The details by NAIC designation 3 or below, or unrated of securities sold during the year ended December 31, 2016 and reacquired within 30 days of the sale date are:

Description	NAIC Designation	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain/(Loss)
			$	$	$

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

A. ASO Plans

The gain from operations from Administrative Services Only (ASO) uninsured plans and he uninsured portion of partially insured plans was as follows during 2016:

		ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a.	Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	$	$	$
b.	Total net other income or expenses (including interest paid to or receive from plans)			
c.	Net gain or (loss) from operations			
d.	Total claim payment volume	$	$	$

B. ASC Plans

The gain from operations from Administrative Services Contract (ASC) uninsured plans and he uninsured portion of partially insured plans was as follows during 2016:

		ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a.	Gross reimbursement for medical cost incurred	$	$	$
b.	Gross administrative fees accrued			
c.	Other income or expenses (including interest paid to or received from plans)			
d.	Gross expenses incurred (claims and administrative)			
e.	Total net gain or loss from operations	$	$	$

C. Medicare or Similarly Structured Cost Based Reimbursement Contract

(1)

(2)

(3)

(4)

NOTES TO FINANCIAL STATEMENTS

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

The Company uses Managing General Agents to write and administer various insurance products. The terms of the MGA Contract give the MGAs Authority for premium collection. The Company retains Underwriting Authority for all policies issued under these agreements. The following MGAs write direct premiums greater than 5% of Policyholders Surplus:.

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premiums Written/Produced By
Eastern America Ins. Agency	66-0388346	NO	P&C / A&H	Premium collection	$ 8,126,923
Popular Insurance	66-0542973	NO	P&C / A&H	Premium collection	5,436,537
Triple-S (formerly Signature) Insurance Agency Inc.	66-0286587	NO	P&C / A&H	Premium collection	3,065,607
J. Jaramillo Insurance, Inc.	66-0727754	NO	P&C / A&H	Premium collection	2,738,743
Total	XXX	XXX	XXX	XXX	$ 19,367,810

Note 20 – Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
	$	$	$	$
Total	$	$	$	$

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
	$	$	$	$
Total	$	$	$	$

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

a. Assets	Beginning Balance at 1/1/2016	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2016
	$	$	$	$	$	$	$	$	$	$
Total	$	$	$	$	$	$	$	$	$	$

b. Liabilities	Beginning Balance at 1/1/2016	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2016
	$	$	$	$	$	$	$	$	$	$
Total	$	$	$	$	$	$	$	$	$	$

(3)

(4)

(5)

B.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
LT Bonds	$	$	$	$	$	$
U.S. Government	8,653,677	8,408,637	8,653,677	-		
All Other Government	1,128,298	1,122,918	-	1,128,298		
U.S. States, Territories and Possessions	4,485,165	4,518,880	-	4,485,165		
U.S. Political Subdivisions	4,195,276	4,281,675	-	4,195,276		
U.S. Special Revenues	61,122,362	60,777,507	-	61,122,362		
Industrial and Miscellaneous and Hybrid	10,805,347	10,463,435	-	10,805,347		

D. Not Practicable to Estimate Fair Value

NOTES TO FINANCIAL STATEMENTS

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
	$	%		

Note 21 – Other Items

A. Unusual or Infrequent Items

B. Troubled Debt Restructuring Debtors

C. Other Disclosures

D. Business Interruption Insurance Recoveries

E. State Transferable and Non-Transferable Tax Credits

(1) Carrying Value of Transferable and Non-Transferable State Tax Credits Gross of any Related Tax Liabilities and Total Unused Transferable and Non-Transferable State Tax Credits by State and in Total

Description of State Transferable and Non-Transferable Tax Credits	State	Carrying Value	Unused Amount
		$	$
Total		$	$

(2) Method of Estimating Utilization of Remaining Transferable and Non-Transferable State Tax Credits

(3) Impairment Loss

(4) State Tax Credits Admitted and Nonadmitted

		Total Admitted	Total Nonadmitted
a.	Transferable	$	$
b.	Non-Transferable	$	$

F. Subprime Mortgage Related Risk Exposure

(1)

(2) Direct Exposure Through Investments in Subprime Mortgage Loans

		Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Value of Land and Buildings	Other-Than-Temporary Impairment Losses Recognized	Default Rate
a.	Mortgages in the process of foreclosure	$	$	$	$	%
b.	Mortgages in good standing					%
c.	Mortgages with restored terms					%
d.	Total	$	$	$	$	XXX

(3) Direct Exposure Through Other Investments

		Actual Cost	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Other-Than-Temporary Impairment Losses Recognized
a.	Residential mortgage backed securities	$	$	$	$
b.	Commercial mortgage backed securities				
c.	Collateralized debt obligations				
d.	Structured securities				
e.	Equity investments in SCAs*				
f.	Other assets				
g.	Total	$	$	$	$

* These investments comprise % of the company's invested assets.

(4) Underwriting Exposure to Subprime Mortgage Risk Through Mortgage Guaranty or Financial Guaranty Insurance Coverage

		Losses Paid in the Current Year	Losses Incurred in the Current Year	Case Reserves at end of Current Period	IBNR Reserves at End of Current Period
a.	Mortgage guaranty coverage	$	$	$	$
b.	Financial guaranty coverage				
c.	Other lines (specify):				
d.	Total	$	$	$	$

G. Insurance-Linked Securities (ILS) Contracts

Management of Risk Related to:			Number of Outstanding ILS Contracts	Aggregate Maximum Proceeds
(1)	Directly-Written Insurance Risks			
	a.	ILS Contracts as Issuer		$
	b.	ILS Contracts as Ceding Insurer		$
	c.	ILS Contracts as Counterparty		$
(2)	Assumed Insurance Risks			

NOTES TO FINANCIAL STATEMENTS

	a.	ILS Contracts as Issuer		$
	b.	ILS Contracts as Ceding Insurer		$
	c.	ILS Contracts as Counterparty		$

Note 22 – Events Subsequent

A. Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)? Yes [ ] No [X]

B.	ACA fee assessment payable for the upcoming year	$	$
C	ACA fee assessment paid		
D.	Premium written subject to ACA 9010 assessment		
E.	Total adjusted capital before surplus adjustment (Five-Year Historical Line 28)	50,775,508	
F.	Total adjusted capital (Five-Year Historical Line 28 minus 22B above)	50,775,508	
G.	Authorized control level (Five-Year Historical Line 29)	$ 12,273,370	

H. Would reporting the ACA assessment as of December 31, 2016 have triggered an RBC action level (YES/NO)? Yes [ ] No [X]

Note 23 – Reinsurance

A. Unsecured Reinsurance Recoverables

As of December 31, 2016 the Company has a significant recoverable amount from affiliated reinsurers for losses paid and unpaid, including incurred but not reported losses, loss adjustment expenses, and unearned premiums, exceeding 3% of Company's capital and surplus of approximately:

Company	Federal ID Number	NAIC Company Code	2016 Reinsurance Recoverable	2015 Reinsurance Recoverable
ACE Tempest	AA-3190770		60,393,362	57,182,666
ACE Property and Casualty	06-0237820	20699	10,246,095	15,588,519

B. Reinsurance Recoverable in Dispute

The Company does not have reinsurance recoverables in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus from an individual reinsurer or exceed 10% of policyholder's surplus in aggregate.

Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Notification	Arbitration	Litigation
	$	$	$	$

C. Reinsurance Assumed and Ceded

(1)

		Assumed Reinsurance		Ceded Reinsurance		Net	
		Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a.	Affiliates	$ 134,699	$ 58,449	$ 9,762,801	$ 1,990,683	$ (9,628,102)	$ (1,932,234)
b.	All Other	935,617	405,983	2,343,659	477,884	(1,408,042)	(71,901)
c.	Total	$ 1,070,316	$ 464,432	$ 12,106,460	$ 2,468,567	$ (11,036,144)	$ (2,004,135)
d.	Direct Unearned Premium Reserves			$ 25,132,683			

(2)

		Direct	Assumed	Ceded	Net
a.	Contingent commission	$ 371,823	$	$	$ 371,823
b.	Sliding scale adjustments				
c.	Other profit commission arrangements				
d.	Total	$ 371,823	$	$	$ 371,823

(3)

Protected Cell Name	Covered Exposure	Ultimate Exposure Amount	Fair Value of Assets as of December 31	Initial Contact Date of Securitization Instrument	Maturity Date of Securitized Instrument
		$	$		
Total	XXX	$	$	XXX	XXX

D. Uncollectible Reinsurance

(1) The Company has written off in the current year reinsurance balance dues (from the companies listed below) in the amount of $ which is reflected as:

a.	Losses incurred	$
b.	Loss adjustment expenses incurred	$

NOTES TO FINANCIAL STATEMENTS

c.	Premiums earned	$
d.	Other	$
e.	Company	Amount
		$

E. Commutation of Ceded Reinsurance

The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as:

(1)	Losses incurred	$
(2)	Loss adjustment expenses incurred	$
(3)	Premiums earned	$
(4)	Other	$
(5)	Company	Amount
		$

F. Retroactive Reinsurance

(1)

			Reported Company		
As:			Assumed	Ceded	
a.	Reserves Transferred:				
	1.	Initial Reserves	$	$	
	2.	Adjustments – Prior Year(s)			
	3.	Adjustments – Current Year			
	4.	Current Total	$	$	
b.	Consideration Paid or Received:				
	1.	Initial Consideration	$	$	
	2.	Adjustments – Prior Year(s)			
	3.	Adjustments – Current Year			
	4.	Current Total	$	$	
c.	Paid Losses Reimbursed or Recovered:				
	1.	Prior Year(s)	$	$	
	2.	Current Year			
	3.	Current Total	$	$	
d.	Special Surplus from Retroactive Reinsurance:				
	1.	Initial Gain or Loss	$	$	
	2.	Adjustments – Prior Year(s)			
	3.	Adjustments – Current Year			
	4.	Current Year Restricted Surplus			
	5.	Cumulative Total Transferred to Unassigned Funds	$	$	
e.	All cedents and reinsurers involved in all transactions included in summary totals above.				
	Company		Assumed Amount	Ceded Amount	
			$	$	
	Total		$	$	
f.	1.	Authorized Reinsurers			
		Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	
			$	$	
		Total	$	$	
	2.	Unauthorized Reinsurers			
		Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
			$	$	$
		Total	$	$	$
	3.	Certified Reinsurers			
		Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
			$	$	$
		Total	$	$	$

G. Reinsurance Accounted for as a Deposit

Description	Interest Income	Cash Recoveries	Deposit Balance
	$	$	$

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

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

(1) Reporting Entity Ceding to Certified Reinsurer Whose Rating was Downgraded or Status Subject to Revocation

Name of Certified Reinsurer	Relationship to Reporting Entity	Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Received)
				%	%	$	$

(2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

a.

NOTES TO FINANCIAL STATEMENTS

Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Yet Funded)
		%	%	$	$

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

(1)

(2) The amount of unexhausted limit as of December 31, 2016

Name of Reinsurer	Amount of Unexhausted Limit
	$

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A.

B.

C.

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act.

		1 Individual	2 Small Group Employer	3 Large Group Employer	4 Other Categories with Rebates	5 Total
Prior Reporting Year						
(1)	Medical loss ratio rebates incurred	$	$	$	$	$
(2)	Medical loss ratio rebates paid	$	$	$	$	$
(3)	Medical loss ratio rebates unpaid	$	$	$	$	$
(4)	Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	$
(5)	Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	$
(6)	Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$
Current Reporting Year-to-Date						
(7)	Medical loss ratio rebates incurred	$	$	$	$	$
(8)	Medical loss ratio rebates paid	$	$	$	$	$
(9)	Medical loss ratio rebates unpaid	$	$	$	$	$
(10)	Plus reinsurance assumed amounts	XXX	XXX	XXX	XXX	$
(11)	Less reinsurance ceded amounts	XXX	XXX	XXX	XXX	$
(12)	Rebates unpaid net of reinsurance	XXX	XXX	XXX	XXX	$

E. Nonadmitted Retrospective Premium

(1) For Ten Percent (10%) Method of determining Nonadmitted Retrospective Premium

a.	Total accrued retro premium	$
b.	Unsecured amount	
c.	Less: Nonadmitted amount (10%)	
d.	Less: Nonadmitted amount for any person for whom agents' balances or uncollected premiums are nonadmitted	
e.	Admitted amount (a) – (c) – (d)	$

(2) For Quality Rating Method of Determining Nonadmitted Retrospective Premium

	Insured's Current Quality Rating	(1) Total Amount	(2) Unsecured Balances	%	(3) Nonadmitted Amount (2) x %	(4) Admitted Amount (1) – (3)
a.	1	$	$	0.010	$	$
b.	2			0.020		
c.	3			0.050		
d.	4			0.100		
e.	5			0.200		
f.	6			1.000		
g.	Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted					
h.	Total (a) through (f) – (g)	$	$		$	$

F. Risk Sharing Provisions of the Affordable Care Act

(1) Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions
Yes [ ] No [ ]

(2) Impact of Risk Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year:

a.	Permanent ACA Risk Adjustment Program		AMOUNT
	Assets		
	1.	Premium adjustments receivable due to ACA Risk Adjustment	$
	Liabilities		
	2.	Risk adjustment user fees payable for ACA Risk Adjustment	$
	3.	Premium adjustments payable due to ACA Risk Adjustment	$
	Operations (Revenue & Expenses)		
	4.	Reported as revenue in premium for accident and health contracts (written/collected) due to ACA Risk Adjustment	$
	5.	Reported in expenses as ACA Risk Adjustment user fees (incurred/paid)	$
b.	Transitional ACA Reinsurance Program		

NOTES TO FINANCIAL STATEMENTS

	Assets		
	1.	Amounts recoverable for claims paid due to ACA Reinsurance	$
	2.	Amounts recoverable for claims unpaid due to ACA Reinsurance (contra liability)	$
	3.	Amounts receivable relating to uninsured plans for contributions for ACA Reinsurance	$
	Liabilities		
	4.	Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premium	$
	5.	Ceded reinsurance premiums payable due to ACA Reinsurance	$
	6.	Liabilities for amounts held under uninsured plans contributions for ACA Reinsurance	$
	Operations (Revenue & Expenses)		
	7.	Ceded reinsurance premiums due to ACA Reinsurance	$
	8.	Reinsurance recoveries (income statement) due to ACA Reinsurance payments or expected payments	$
	9.	ACA Reinsurance contributions – not reported as ceded premium	$
c.	Temporary ACA Risk Corridors Program		
	Assets		
	1.	Accrued retrospective premium due to ACA Risk Corridors	$
	Liabilities		
	2.	Reserve for rate credits or policy experience rating refunds due to ACA Risk Corridors	$
	Operations (Revenue & Expenses)		
	3.	Effect of ACA Risk Corridors on net premium income (paid/received)	$
	4.	Effect of ACA Risk Corridors on change in reserves for rate credits	$

(3) Roll forward of prior year ACA Risk Sharing Provisions for the following asset (gross of any nonadmission) and liability balances along with the reasons for adjustments to prior year balance:

	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year		Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year		Differences		Adjustments				Unsettled Balances as of the Reporting Date
					Prior Year Accrued Less Payments (Col. 1-3)	Prior Year Accrued Less Payments (Col. 2-4)	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from Prior Years (Col. 1-3+7)	Cumulative Balance from Prior Years (Col. 2-4+8)
	1	2	3	4	5	6	7	8		9	10
	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a. Permanent ACA Risk Adjustment Program											
1. Premium adjustments receivable	$	$	$	$	$	$	$	$	A	$	$
2. Premium adjustments (payable)									B		
3. Subtotal ACA Permanent Risk Adjustment Program	$	$	$	$	$	$	$	$		$	$
b.											
1. Amounts recoverable for claims paid	$	$	$	$	$	$	$	$	C	$	$
2. Amounts recoverable for claims unpaid (contra liability)									D		
3. Amounts receivable relating to uninsured plans									E		
4. Liabilities for contributions payable due to ACA Reinsurance – not reported as ceded premiums									F		
5. Ceded reinsurance premiums payable									G		
6. Liability for amounts held under uninsured plans									H		
7. Subtotal ACA Transitional Reinsurance Program	$	$	$	$	$	$	$	$		$	$
c.											
1. Accrued retrospective premium	$	$	$	$	$	$	$	$	I	$	$
2. Reserve for rate credits or policy experience rating refunds									J		
3. Subtotal ACA Risk Corridors Program											
d. Total for ACA Risk Sharing Provisions	$	$	$	$	$	$	$	$		$	$

Explanations of Adjustments

A.
B.
C.
D.
E.
F.
G.
H.
I.
J.

(4) Roll-Forward of Risk Corridors Asset and Liability Balances by Program Benefit Year

Risk Corridors Program Year	Accrued During the Prior Year on Business Written Before December 31 of the Prior Year	Received or Paid as of the Current Year on Business Written Before December 31 of the Prior Year	Differences		Adjustments			Unsettled Balances as of the Reporting Date	
			Prior Year Accrued Less	Prior Year Accrued Less	To Prior Year Balances	To Prior Year Balances		Cumulative Balance from	Cumulative Balance from

NOTES TO FINANCIAL STATEMENTS

					Payments (Col. 1-3)	Payments (Col. 2-4)				Prior Years (Col. 1-3+7)	Prior Years (Col. 2-4+8)
		1	2	3	4	5	6	7	8		9	10
		Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Receivable	(Payable)	Ref	Receivable	(Payable)
a.	2014											
	1. Accrued retrospective premium	$	$	$	$	$	$	$	$	A	$	$
	2. Reserve for rate credits for policy experience rating refunds									B		
b.	2015											
	1. Accrued retrospective premium	$	$	$	$	$	$	$	$	C	$	$
	2. Reserve for rate credits for policy experience rating refunds									D		
c.	2016											
	1. Accrued retrospective premium	$	$	$	$	$	$	$	$	E	$	$
	2. Reserve for rate credits or policy experience rating refunds									F		
d.	Total for Risk Corridors	$	$	$	$	$	$	$	$		$	$

24F(4)d (Columns 1 through 10) should equal 24F(3)c3 (Columns 1 through 10 respectively)

Explanation of Adjustments

A.
B.
C.
D.
E.
F.

(5) ACA Risk Corridors Receivable as of Reporting Date

Risk Corridors Program Year	1 Estimated Amount to be Filed or Final Amount Filed with CMS	2 Non-Accrued Amounts for Impairment or Other Reasons	3 Amounts Received from CMS	4 Asset Balance (Gross of Non-Admissions) (1-2-3)	5 Non-Admitted Amount	5 Net Admitted Asset (4–5)
a.. 2014	$	$	$	$	$	$
b. 2015	$	$	$	$	$	$
c. 2016	$	$	$	$	$	$
d. Total (a+b+c)	$	$	$	$	$	$

24F(5)d (Column 4) should equal 24F(3)c1 (Colum 9)
24F(5)d (Column 6) should equal 24F(3)c1

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

In thousands of dollars			
Line of Business	**2016 Calendar Year** **Incurred Losses & LAE**	**2016 Accident Year** **Incurred losses & LAE**	**Shortage (Redundancy)**
Commercial Multiple Peril	2,370	43	2,327
Special Property	(330)	1,440	(1,770)
Group Accident & Health	6,623	8,493	(1,870)
Workers' Compensation	67	41	26
Other Liability – Occurrence	11,968	13,723	(1,755)
Commercial Auto Liability	0	7	(7)
Special Liability	(85)	340	(425)
Auto Physical damage	0	-	0
Totals	**20,613**	**24,087**	**(3,474)**

NOTES TO FINANCIAL STATEMENTS

In thousands of dollars	2016	2015
Net Reserve for Unpaid Losses and LAE, Beginning	54,970	51,639
Total Incurred, Current Year	24,086	22,464
Total Incurred, Prior Year	-3,473	-7,973
Total Incurred, Net of Recoveries	20,613	14,491
Less Loss and LAE Paid from		
Current Year	-5,023	-4,687
Prior Year	-8,385	-6,473
Total Paid	-13,408	-11,160
Net Reserve for Unpaid Losses and LAE, End of Year	**62,175**	**54,970**

As indicated in Note 1 to the financial statements changes in the ultimate liabilities for insured events may be required as information develops which varies from experience, provides additional data or, in some cases, augments data which previously were not considered sufficient for use in determining loss reserves.

Note 26 – Intercompany Pooling Arrangements

A.

B.

C.

D.

E.

F.

G.

Note 27 – Structured Settlements

A.

Loss Reserves Eliminated by Annuities	Unrecorded Loss Contingencies
$	$

B.

Life Insurance Company and Location	Licensed in Company's State of Domicile YES/NO	Statement Value (i.e. Present Value) of Annuities
		$

Note 28 – Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More than 180 Days After Billing
	$	$	$	$	$

B. Risk Sharing Receivables

Calendar Year	Evaluation Period Year Ending	Risk Sharing Receivable as Estimated in the Prior Year	Risk Sharing Receivable as Estimated in the Current Year	Risk Sharing Receivable Billed	Risk Sharing Receivable Not Yet Billed	Actual Risk Sharing Amounts Received in Year Billed	Actual Risk Sharing Amounts Received First Year Subsequent	Actual Risk Sharing Amounts Received Second Year Subsequent	Actual Risk Sharing Amounts Received - All Other
0	0	$	$	$	$	$	$	$	$

Note 29 – Participating Policies

Note 30 – Premium Deficiency Reserves

1. Liability carried for premium deficiency reserve: $

NOTES TO FINANCIAL STATEMENTS

2. Date of most recent evaluation of this liability:

3. Was anticipated investment income utilized in the calculation? Yes [ ] No [ ]

Note 31 – High Deductibles

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

A. Tabular Discount

		Tabular Discount Included in Schedule P, Part 1	
		Case	IBNR
1.	Homeowners/Farmowners	$	$
2.	Private Passenger Auto Liability/Medical		
3.	Commercial Auto/Truck Liability/Medical		
4.	Workers' Compensation		
5.	Commercial Multiple Peril		
6.	Medical Professional Liability-Occurrence		
7.	Medical Professional Liability-Claims-Made		
8.	Special Liability		
9.	Other Liability-Occurrence		
10.	Other Liability-Claims Made		
11.	Special Property		
12.	Auto Physical Damage		
13.	Fidelity, Surety		
14.	Other (including credit, A&H)		
15.	International		
16.	Reinsurance Nonproportional Assumed Property		
17.	Reinsurance Nonproportional Assumed Liability		
18.	Reinsurance Nonproportional Assumed Financial Lines		
19.	Products Liability-Occurrence		
20.	Products Liability-Claims-Made		
21.	Financial Guaranty/Mortgage Guaranty		
22.	Warranty		
23.	Total	$	$

B. Nontabular Discount

		Case	IBNR	Defense and Cost Containment Expense	Adjusting and Other Expense
1.	Homeowners/Farmowners	$	$	$	$
2.	Private Passenger Auto Liability/Medical				
3.	Commercial Auto/Truck Liability/Medical				
4.	Workers' Compensation				
5.	Commercial Multiple Peril				
6.	Medical Professional Liability-Occurrence				
7.	Medical Professional Liability-Claims-Made				
8.	Special Liability				
9.	Other Liability-Occurrence				
10.	Other Liability-Claims Made				
11.	Special Property				
12.	Auto Physical Damage				
13.	Fidelity, Surety				
14.	Other (including credit, A&H)				
15.	International				
16.	Reinsurance Nonproportional Assumed Property				
17.	Reinsurance Nonproportional Assumed Liability				
18.	Reinsurance Nonproportional Assumed Financial Lines				
19.	Products Liability-Occurrence				
20.	Products Liability-Claims-Made				
21.	Financial Guaranty/Mortgage Guaranty				
22.	Warranty				
23.	Total	$	$	$	$

C.

Note 33 – Asbestos/Environmental Reserves

A. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses?

(1) Direct

		2011	2012	2013	2014	2015
a.	Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					

NOTES TO FINANCIAL STATEMENTS

d.	Ending reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$

(2) Assumed Reinsurance

		2011	2012	2013	2014	2015
a.	Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					
d.	Ending reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$

(3) Net of Ceded Reinsurance

		2011	2012	2013	2014	2015
a.	Beginning reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					
d.	Ending reserves (including Case, Bulk + IBNR Loss & LAE)	$	$	$	$	$

B. State the amount of the ending reserves for Bulk and IBNR included in A (Loss and LAE)

(1)	Direct basis	$
(2)	Assumed reinsurance basis	
(3)	Net of ceded reinsurance basis	$

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk and IBNR)

(1)	Direct basis	$
(2)	Assumed reinsurance basis	
(3)	Net of ceded reinsurance basis	$

D. Does the company have on the books, or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses?

(1) Direct

		2011	2012	2013	2014	2015
a.	Beginning reserves	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					
d.	Ending reserves	$	$	$	$	$

(2) Assumed Reinsurance

		2011	2012	2013	2014	2015
a.	Beginning reserves	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					
d.	Ending reserves	$	$	$	$	$

(3) Net of Ceded Reinsurance

		2011	2012	2013	2014	2015
a.	Beginning reserves	$	$	$	$	$
b.	Incurred losses and loss adjustment expense					
c.	Calendar year payments for losses and loss adjustment expenses					
d.	Ending reserves	$	$	$	$	$

E. State the amount of the ending reserves for Bulk and IBNR included in D (Loss and LAE)

(1)	Direct basis	$
(2)	Assumed reinsurance basis	
(3)	Net of ceded reinsurance basis	$

F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk and IBNR)

(1)	Direct basis	$
(2)	Assumed reinsurance basis	
(3)	Net of ceded reinsurance basis	$

Note 34 – Subscriber Savings Accounts

Note 35 – Multiple Peril Crop Insurance

NOTES TO FINANCIAL STATEMENTS

Note 36 – Financial Guaranty Insurance

A.

(1) Financial guarantee insurance contracts where premiums are received as installment payments over the period of the contract, rather than at inception:

(b) Schedule of premiums (undiscounted) expected to be collected under all installment contracts:

1.	(a)	1st Quarter 2015	$
	(b)	2nd Quarter 2015	$
	(c)	3rd Quarter 2015	$
	(d)	4th Quarter 2015	$
	(e)	Year 2016	$
	(f)	Year 2017	$
	(g)	Year 2018	$
	(h)	Year 2019	$
2.	(a)	2020 through 2024	$
	(b)	2025 through 2029	$
	(c)	2030 through 2034	$
	(d)	2035 through 2039	$
	(e)	2040 through 2044	$
	(f)	2045 through 2049	$
	(g)	2050 through 2054	$
	(h)	2055 through 2059	$
	(i)	2060 through 2064	$
	(j)	2065 through 2069	$
	(k)	2070 through 2074	$
	(l)	2075 through 2079	$
	(m)	2080 through 2084	$
	(n)	2085 through 2089	$
	(o)	2090 through 2094	$
	(p)	2095 through 2099	$
	(q)	2100 through 2104	$
	(r)	2105 through 2109	$
	(s)	2110 through 2114	$
	(t)	2115 through 2119	$
	(u)	2120 through 2124	$
	(v)	2125 through 2129	$
	(w)	2130 through 2134	$
	(x)	2135 through 2139	$
	(y)	2140 through 2144	$

(c) Roll forward of the expected future premiums (undiscounted), including:

1.	Expected future premiums – beginning of year	$
2.	Less: Premium payments received for existing installment contracts	$
3.	Add: Expected premium payments for new installment contracts	$
4.	Adjustments to the expected future premium payments	$
5.	Expected future premiums – end of year	$

(2) Non-installment contracts for which premium revenue recognition has been accelerated:

(b) Schedule of the future expected earned premium revenue on non-installment contracts as of the latest date of the statement of financial position:

1.	(a)	1st Quarter 2015	$
	(b)	2nd Quarter 2015	$
	(c)	3rd Quarter 2015	$
	(d)	4th Quarter 2015	$
	(e)	Year 2016	$
	(f)	Year 2017	$
	(g)	Year 2018	$
	(h)	Year 2019	$
2.	(a)	2020 through 2024	$
	(b)	2025 through 2029	$
	(c)	2030 through 2034	$
	(d)	2035 through 2039	$
	(e)	2040 through 2044	$
	(f)	2045 through 2049	$
	(g)	2050 through 2054	$
	(h)	2055 through 2059	$
	(i)	2060 through 2064	$
	(j)	2065 through 2069	$
	(k)	2070 through 2074	$
	(l)	2075 through 2079	$
	(m)	2080 through 2084	$
	(n)	2085 through 2089	$
	(o)	2090 through 2094	$
	(p)	2095 through 2099	$

NOTES TO FINANCIAL STATEMENTS

(q)	2100 through 2104	$
(r)	2105 through 2109	$
(s)	2110 through 2114	$
(t)	2115 through 2119	$
(u)	2120 through 2124	$
(v)	2125 through 2129	$
(w)	2130 through 2134	$
(x)	2135 through 2139	$
(y)	2140 through 2144	$

(3) Claim Liability

(b) Significant components of the change in the claim liability for the period:

1.	Accretion of the discount	$
2.	Changes in timing	
3.	New reserves for defaults of insured contracts	
4.	Change in deficiency reserves	
5.	Change in incurred but not reported claims	
6.	Total	$

(4)

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

			Surveillance Categories				
			A	B	C	D	Total
(1)	Number of policies						
(2)	Remaining weighted average contract period (in years)						XXX
(3)	Insured contractual payments outstanding:						
	a.	Principal	$	$	$	$	$
	b.	Interest					
	c.	Total	$	$	$	$	$
(4)	Gross claim liability		$	$	$	$	$
Less							
(5)	a.	Gross potential recoveries	$	$	$	$	$
	b.	Discount, net					
(6)	Net claim liability		$	$	$	$	$
(7)	Unearned premium revenue		$	$	$	$	$
(8)	Reinsurance recoverables		$	$	$	$	$

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No [ ]
If yes, complete Schedule Y, Parts 1, 1A and 2.

1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes [X] No [ ] N/A [ ]

1.3 State regulating? Puerto Rico

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 [X] No [ ]

2.2 If yes, date of change: ____________

3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013

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

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/01/2013

3.4 By what department or departments?
Puerto Rico Insurance Commisioner Office

3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ ] No [ ] N/A [X]

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

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

4.11 sales of new business? Yes [ ] No [X]

4.12 renewals? Yes [ ] No [X]

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

4.21 sales of new business? Yes [ ] No [X]

4.22 renewals? Yes [ ] No [X]

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

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

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

6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

6.2 If yes, give full information:

7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [X]

7.2 If yes,

7.21 State the percentage of foreign control ____ %

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

1 Nationality	2 Type of Entity

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 locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
PricewaterhouseCoopers, PO Box 71220, San Juan, PR 00936

10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [X]

10.2 If the response to 10.1 is yes, provide information related to this exemption:

10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [X]

10.4 If the response to 10.3 is yes, provide information related to this exemption:

10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ ] No [ ] N/A [X]

10.6 If the response to 10.5 is no or n/a, please explain:
The domiciliary does not require an audit committee.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Juan Carlos Rodriguez, 9130 S. Dadeland Boulevard, Suite 1100, Miami, FL 33156, Regional Reserving Actuary Mgr., Actuarial

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [ ] No [X]
- 12.11 Name of real estate holding company
- 12.12 Number of parcels involved 0
- 12.13 Total book/adjusted carrying value $ 0

12.2 If yes, provide explanation

13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**

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

13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [ ] No [ ]

13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ ]

13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

14.11 If the response to 14.1 is no, please explain:

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

14.21 If the response to 14.2 is yes, provide information related to amendment(s).

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

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

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [X]

15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [X] No [ ]

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [X] No [ ]

18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [X] No [ ]

FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [X]

20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers $ 0
- 20.12 To stockholders not officers $ 0
- 20.13 Trustees, supreme or grand (Fraternal only) $ 0

20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers $ 0
- 20.22 To stockholders not officers $ 0
- 20.23 Trustees, supreme or grand (Fraternal only) $ 0

21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [ ] No [X]

21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others $
- 21.22 Borrowed from others $
- 21.23 Leased from others $
- 21.24 Other $

22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment $
- 22.22 Amount paid as expenses $
- 22.23 Other amounts paid $

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

23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: $ 1,163,132

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01 Were all of stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes [X] No [ ]

24.02 If no, give full and complete information, relating thereto:

24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).

24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes [ ] No [ ] N/A [X]

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $

24.06 If answer to 24.04 is no, report amount of collateral for other programs $

24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes [ ] No [ ] N/A [X]

24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [ ] No [ ] N/A [X]

24.09. Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [ ] No [ ] N/A [X]

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

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

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

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

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

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

25.21 Subject to repurchase agreements $ 0

25.22 Subject to reverse repurchase agreements $ 0

25.23 Subject to dollar repurchase agreements $ 0

25.24 Subject to reverse dollar repurchase agreements $ 0

25.25 Placed under option agreements $ 0

25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock $ 0

25.27 FHLB Capital Stock $ 0

25.28 On deposit with states $ 16,325,776

25.29 On deposit with other regulatory bodies $ 0

25.30 Pledged as collateral – excluding collateral pledged to an FHLB $ 0

25.31 Pledged as collateral to FHLB – including assets backing funding agreements $ 0

25.32 Other $ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		$

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian's Address
Citibank, N.A.	Hato Rey, PR

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

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

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

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Scotiabank	Citibank NA	05/11/2016	Corporate decision

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

1 Name of Firm or Individual	2 Affiliation
BlackRock Financial Management Inc	U

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [X] No [ ]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [ ] No [ ]

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
107105	BlackRock Financial Management Inc	549300LVXYIVJKE13M84	SEC	DS

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

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
29.2999 TOTAL		

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	4 Date of Valuation

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

		1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1	Bonds	89,573,053	0	(89,573,053)
30.2	Preferred Stocks	0	0	0
30.3	Totals	89,573,053	0	(89,573,053)

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

IDC (International Data Corporation)

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

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

31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:

OTHER

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

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

1 Name	2 Amount Paid
	$

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

34.2 List the name of the firm and the amount paid if any such payment represented25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
Fiddler, Gonzalez and Rodriguez	$ 54,962

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

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

1 Name	2 Amount Paid
	$

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No [X]

1.2 If yes, indicate premium earned on U.S. business only. $ 0

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? $ 0

1.31 Reason for excluding:

1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. $ 0

1.5 Indicate total incurred claims on all Medicare Supplement insurance. $ 0

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 66,704,177	$ 47,189,189
2.3	Premium Ratio (2.1/2.2)		
2.4	Reserve Numerator	$ 6,561,379	$ 4,320,116
2.5	Reserve Denominator	$ 76,271,790	$ 71,935,317
2.6	Reserve Ratio (2.4/2.5)	8.603	6.006

3.1 Does the reporting entity issue both participating and non-participating policies? Yes [ ] No [X]

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

3.21 Participating policies $ 0

3.22 Non-participating policies $ 0

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

4.1 Does the reporting entity issue assessable policies? Yes [ ] No [ ]

4.2 Does the reporting entity issue non-assessable policies? Yes [ ] No [ ]

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

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. $ 0

5. FOR RECIPROCAL EXCHANGES ONLY:

5.1 Does the exchange appoint local agents? Yes [ ] No [ ]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation Yes [ ] No [ ] N/A [ ]

5.22 As a direct expense of the exchange Yes [ ] No [ ] N/A [ ]

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

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [ ] No [ ]

5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The entity does not participate in workers compensation.

6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The entity utilizes the Risk Link 15 and Air Classic 13 for the calculation of the PML. This program operates according to propietary algorithms. Our results are reviewed and certified by an independent party.

6.3 What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The entity maintains a Catastrophic Reserve, as required by local regulation. As of December 31, 2015, this reserve was valued at $14,454,591.73.

6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes [X] No [ ]

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

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes [ ] No [X]

7.2 If yes, indicate the number of reinsurance contracts containing such provisions. 0

7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes [ ] No [ ]

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

8.2 If yes, give full information

9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:

(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;

(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;

(c) Aggregate stop loss reinsurance coverage;

(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;

(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or

(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes [ ] No [X]

9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:

(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or

(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. Yes [X] No [ ]

9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:

(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;

(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and

(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.

9.4 Except for transactions meeting the requirements of paragraph 31 of *SSAP No. 62R, Property and Casualty Reinsurance*, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:

(a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or

(b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes [ ] No [X]

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

9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:

(a) The entity does not utilize reinsurance; or, Yes [ ] No [X]

(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes [ ] No [X]

(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes [ ] No [X]

10\. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes [X] No [ ] N/A [ ]

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

11.2 If yes, give full information

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

12.11 Unpaid losses $ 0

12.12 Unpaid underwriting expenses (including loss adjustment expenses) $ 0

12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds? $ 0

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

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

12.41 From %

12.42 To %

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

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

12.61 Letters of Credit $ 0

12.62 Collateral and other funds $ 0

13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): $ 0

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount. 0

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

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

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

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

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

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

15.2 If yes, give full information

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

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

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

* Disclose type of coverage:

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

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

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

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

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

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

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

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

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

FIVE-YEAR HISTORICAL DATA

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

	1 2016	2 2015	3 2014	4 2013	5 2012
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	29,210,852	34,210,225	33,168,655	33,388,024	34,743,929
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	6,749,676	5,981,397	13,760,278	16,747,442	19,494,448
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	14,771,746	13,231,547	10,603,338	14,786,644	16,004,986
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	44,536,777	36,035,336	27,011,751	21,786,594	15,964,984
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6. Total (Line 35)	95,269,051	89,458,504	84,544,022	86,708,704	86,208,347
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	16,806,592	19,393,073	15,625,853	16,688,176	11,122,299
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	1,880,097	(389,326)	124,781	303,918	1,325,833
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	5,440,567	8,486,675	8,079,366	9,059,048	10,479,458
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	39,707,814	18,460,105	10,496,508	8,392,767	6,264,056
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12. Total (Line 35)	63,835,071	45,950,527	34,326,509	34,443,909	29,191,646
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	3,189,866	6,410,223	5,717,411	1,360,527	3,606,134
14. Net investment gain (loss) (Line 11)	2,320,591	2,257,658	2,685,461	2,308,219	2,689,978
15. Total other income (Line 15)	(859,268)	(726,908)	(208,878)	(14,809)	(13,480)
16. Dividends to policyholders (Line 17)					
17. Federal and foreign income taxes incurred (Line 19)	1,388,975	2,800,900	2,642,447	1,450,386	1,267,063
18. Net income (Line 20)	3,262,214	5,140,072	5,551,547	2,203,551	5,015,569
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	138,064,678	133,476,565	130,650,399	130,323,713	127,262,512
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1)	12,679,053	11,175,327	10,040,435	13,283,325	10,445,166
20.2 Deferred and not yet due (Line 15.2)					
20.3 Accrued retrospective premiums (Line 15.3)					
21. Total liabilities excluding protected cell business (Page 3, Line 26)	87,289,170	81,681,120	79,826,994	84,618,929	84,628,816
22. Losses (Page 3, Line 1)	46,968,263	40,123,564	38,002,827	38,571,033	39,047,618
23. Loss adjustment expenses (Page 3, Line 3)	15,206,988	14,846,108	13,635,911	13,824,926	13,928,296
24. Unearned premiums (Page 3, Line 9)	14,096,539	16,965,645	18,204,308	19,348,724	16,330,674
25. Capital paid up (Page 3, Lines 30 & 31)	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	50,775,508	51,795,445	50,823,405	45,704,786	42,633,696
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	9,183,777	7,802,368	5,699,498	3,225,755	6,355,483
Risk-Based Capital Analysis					
28. Total adjusted capital	50,775,508	51,795,445	50,823,405	45,704,786	42,633,696
29. Authorized control level risk-based capital	12,273,370	8,698,216	8,687,431	9,360,360	8,991,040
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1)	74.7	80.1	80.6	80.7	81.6
31. Stocks (Lines 2.1 & 2.2)					
32. Mortgage loans on real estate (Lines 3.1 & 3.2)					
33. Real estate (Lines 4.1, 4.2 & 4.3)	4.0	4.2	4.4	4.8	5.0
34. Cash, cash equivalents and short-term investments (Line 5)	15.4	15.7	15.0	14.5	13.4
35. Contract loans (Line 6)					
36. Derivatives (Line 7)					
37. Other invested assets (Line 8)					
38 Receivables for securities (Line 9)	6.0				
39. Securities lending reinvested collateral assets (Line 10)					
40. Aggregate write-ins for invested assets (Line 11)					
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1)					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)					
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10)					
46. Affiliated mortgage loans on real estate					
47. All other affiliated					
48. Total of above lines 42 to 47	0	0	0	0	0
49. Total investment in parent included in Lines 42 to 47 above					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0				

FIVE-YEAR HISTORICAL DATA
(Continued)

	1 2016	2 2015	3 2014	4 2013	5 2012
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)					
52. Dividends to stockholders (Line 35)	(4,500,000)	(4,000,000)	(1,000,000)	(520,000)	(320,000)
53. Change in surplus as regards policyholders for the year (Line 38)	(1,019,937)	972,040	5,118,620	3,071,090	2,793,028
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	25,059,884	8,057,608	9,471,875	4,627,789	18,615,719
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	345,960	417,529	647,797	554,111	634,607
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	1,418,246	3,882,690	2,314,309	2,897,342	2,235,776
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	5,459,719	4,487,409	4,827,056	2,829,396	1,877,584
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	32,283,810	16,845,236	17,261,037	10,908,638	23,363,686
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	5,510,329	4,008,456	3,706,259	3,158,181	5,468,212
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	191,830	276,241	282,678	138,974	371,862
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	594,762	1,386,577	1,085,758	975,431	749,088
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	4,214,544	2,203,665	2,064,116	1,104,286	901,120
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	10,511,464	7,874,940	7,138,810	5,376,873	7,490,282
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	26.0	21.2	18.5	15.6	22.4
68. Loss expenses incurred (Line 3)	4.9	9.5	5.6	9.9	11.9
69. Other underwriting expenses incurred (Line 4)	64.3	55.7	59.7	70.2	54.7
70. Net underwriting gain (loss) (Line 8)	4.8	13.6	16.1	4.3	11.0
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	68.6	58.8	62.3	64.1	61.6
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	30.9	30.7	24.1	25.5	34.3
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0)	125.7	88.7	67.5	75.4	68.5
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(2,855)	(7,582)	(8,096)	(4,748)	(3,564)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100)	(5.5)	(14.9)	(17.7)	(11.1)	(8.9)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	(7,050)	(13,277)	(11,793)	(7,865)	(3,798)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0)	(13.9)	(29.1)	(27.7)	(19.7)	(10.8)

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported-Direct and Assumed
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	4,331	4,206	114	48	134			325	XXX
2. 2007	68,954	52,089	16,865	9,079	5,318	1,939	1,071	1,676		4	6,305	XXX
3. 2008	66,655	43,871	22,784	16,666	11,103	2,822	1,957	2,167		16	8,595	XXX
4. 2009	63,404	36,741	26,663	17,804	10,872	1,669	944	2,066		11	9,724	XXX
5. 2010	70,769	38,631	32,138	23,072	17,031	3,257	2,620	2,522		16	9,200	XXX
6. 2011	79,996	46,134	33,861	9,914	3,817	1,841	924	1,941		6	8,955	XXX
7. 2012	84,265	51,460	32,805	8,789	4,674	1,672	986	1,632		26	6,433	XXX
8. 2013	89,539	58,113	31,426	13,369	8,356	1,372	845	1,806		31	7,346	XXX
9. 2014	87,396	51,926	35,471	16,269	12,008	656	488	1,593		15	6,021	XXX
10. 2015	92,952	45,762	47,189	11,491	6,808	726	447	1,920		333	6,881	XXX
11. 2016	96,209	29,505	66,704	5,149	1,282	46	20	1,130		12	5,023	XXX
12. Totals	XXX	XXX	XXX	135,933	85,476	16,114	10,349	18,587	0	470	74,809	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22		Total	
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Net Losses and Expenses Unpaid	Number of Claims Outstanding-Direct and Assumed
1. Prior	947	470	686	348			201	104	103			1,014	XXX
2. 2007	162	56	154	109			28	16	17			180	XXX
3. 2008	512	71	2,215	1,278			560	327	211			1,822	XXX
4. 2009	3,266	1,176	980	658			250	171	220			2,711	XXX
5. 2010	8,446	6,560	2,040	910			529	242	506			3,808	XXX
6. 2011	2,054	664	3,385	2,081			869	538	390			3,415	XXX
7. 2012	3,325	2,075	6,737	4,166			1,934	1,245	764			5,275	XXX
8. 2013	1,179	381	8,513	6,537			2,234	1,712	839			4,134	XXX
9. 2014	3,413	2,041	10,513	5,510			2,971	1,622	1,122			8,846	XXX
10. 2015	2,828	714	14,042	7,323			3,575	1,914	1,405			11,899	XXX
11. 2016	1,708	427	19,805	6,388			4,051	1,511	1,826			19,064	XXX
12. Totals	27,839	14,635	69,070	35,308	0	0	17,202	9,402	7,403	0	0	62,169	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	814	200
2. 2007	13,056	6,570	6,485	18.9	12.6	38.5				151	29
3. 2008	25,153	14,736	10,417	37.7	33.6	45.7				1,378	444
4. 2009	26,256	13,820	12,436	41.4	37.6	46.6				2,412	299
5. 2010	40,371	27,363	13,008	57.0	70.8	40.5				3,015	793
6. 2011	20,394	8,024	12,370	25.5	17.4	36.5				2,694	721
7. 2012	24,853	13,145	11,708	29.5	25.5	35.7				3,822	1,453
8. 2013	29,311	17,831	11,480	32.7	30.7	36.5				2,773	1,361
9. 2014	36,536	21,669	14,868	41.8	41.7	41.9				6,375	2,471
10. 2015	35,986	17,207	18,780	38.7	37.6	39.8				8,833	3,066
11. 2016	33,715	9,628	24,087	35.0	32.6	36.1				14,698	4,366
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	46,966	15,203

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	One Year	Two Year
1. Prior	29,379	21,296	16,919	15,803	14,540	16,437	14,549	13,860	13,834	14,048	214	188
2. 2007	9,684	9,803	8,568	6,604	5,522	5,392	5,199	4,567	4,568	4,792	224	225
3. 2008	XXX	12,017	11,438	10,625	9,012	8,692	8,314	7,661	7,568	8,039	471	377
4. 2009	XXX	XXX	12,898	11,813	20,028	12,804	12,468	11,300	9,850	10,150	300	(1,150)
5. 2010	XXX	XXX	XXX	14,328	8,232	12,050	10,667	9,759	9,472	9,979	507	220
6. 2011	XXX	XXX	XXX	XXX	14,536	12,931	12,808	11,256	10,670	10,039	(631)	(1,217)
7. 2012	XXX	XXX	XXX	XXX	XXX	13,209	12,762	11,318	9,129	9,315	186	(2,003)
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	10,653	9,602	9,053	8,836	(217)	(766)
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15,078	12,676	12,153	(523)	(2,924)
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,843	15,455	(3,388)	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	21,130	XXX	XXX
										12. Totals	(2,855)	(7,050)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016		
1. Prior	000	3,324	6,102	8,048	9,350	10,958	11,319	11,543	12,944	13,135	XXX	XXX
2. 2007	1,005	1,742	2,673	3,165	3,994	4,269	4,361	4,362	4,382	4,629	XXX	XXX
3. 2008	XXX	1,207	2,350	3,045	4,009	4,609	5,482	6,055	6,137	6,428	XXX	XXX
4. 2009	XXX	XXX	2,176	3,717	5,929	7,217	7,477	7,644	7,570	7,658	XXX	XXX
5. 2010	XXX	XXX	XXX	1,008	2,203	3,476	5,263	5,949	6,860	6,678	XXX	XXX
6. 2011	XXX	XXX	XXX	XXX	1,335	3,378	4,778	5,342	5,898	7,014	XXX	XXX
7. 2012	XXX	XXX	XXX	XXX	XXX	1,300	2,356	4,160	4,534	4,801	XXX	XXX
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	648	2,665	3,739	5,540	XXX	XXX
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,594	2,776	4,428	XXX	XXX
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,062	4,961	XXX	XXX
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,893	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End ($000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
1. Prior	18,399	12,603	7,448	5,368	2,905	2,397	1,658	679	520	436
2. 2007	7,062	5,585	4,568	2,736	1,234	986	743	144	68	57
3. 2008	XXX	9,359	7,379	5,858	3,227	2,579	2,020	1,416	1,145	1,169
4. 2009	XXX	XXX	9,499	5,690	6,433	4,621	3,190	1,994	593	401
5. 2010	XXX	XXX	XXX	11,482	8,685	6,501	3,632	2,035	1,580	1,416
6. 2011	XXX	XXX	XXX	XXX	10,889	8,025	6,813	4,265	3,068	1,635
7. 2012	XXX	XXX	XXX	XXX	XXX	10,802	9,010	6,260	3,592	3,264
8. 2013	XXX	XXX	XXX	XXX	XXX	XXX	9,307	6,052	4,456	2,499
9. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,021	9,112	6,353
10. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15,106	8,380
11. 2016	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	15,956

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
			2	3						
	States, Etc.	Active Status	Direct Premiums Written	Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
1.	Alabama AL	N								
2.	Alaska AK	N								
3.	Arizona AZ	N								
4.	Arkansas AR	N								
5.	California CA	N								
6.	Colorado CO	N								
7.	Connecticut CT	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	N								
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	N								
37.	Oklahoma OK	N								
38.	Oregon OR	N								
39.	Pennsylvania PA	N								
40.	Rhode Island RI	N								
41.	South Carolina SC	N								
42.	South Dakota SD	N								
43.	Tennessee TN	N								
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	58,517,475	58,824,352		31,167,581	36,306,604	96,042,561		
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	0	0
59.	Totals	(a) 0	58,517,475	58,824,352	0	31,167,581	36,306,604	96,042,561	0	0

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	0	0
58999.	Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

N/A

STRUCTURE OF CHUBB LIMITED BOX CHARTS 2016 CHANGES:
As of December 31, 2016

- Effective February 21, 2003, Sullivan Kelly of Arizona, Inc. was dissolved. (Reported to the OCS in April 2016).
- Effective October 27, 2010, ACE Risk Solutions, Inc. was Dissolved by Proclamation. (Reported to the OCS in February 2016).
- Effective July 17, 2011, ACE Bermuda International Reinsurance (Ireland) Limited was amalgamated into ACE Bermuda International Insurance (Ireland) Limited. (Reported to OCS in June 2016).
- Approved on July 21, 2016 but effective December 31, 2015, ACE Seguros Soluções Corporativas S.A. (in Brazil) merged into ACE Seguradora S.A. with ACE Seguradora S.A. being the surviving company. (Reported to the OCS October 2016).
- Effective June 26, 2015, Cover-All Technologies Inc. completed a merger with Majesco, a California corporation. Cover-All Technologies Inc.'s separate corporate existence ceased and Majesco was the surviving entity. (Reported to OCS in January 2016).
- Effective December 29, 2015, ownership of PT ACE Jaya Proteksi in Indonesia is as follow: 80% by Chubb INA International Holdings Ltd. and 20% by PT. Adi Citra Mandiri.
- Effective January 14, 2016, ACE Limited acquired The Chubb Corporation and its affiliates, as William Investment Holdings Corporation merged into The Chubb Corporation.
- Effective January 15, 2016, The Chubb Corporation merged into ACE INA Holdings Inc., with ACE INA Holdings Inc. the surviving entity.
- Effective January 15, 2016, ACE Limited changed its name to Chubb Limited.
- Effective February 5, 2016, ACE INA International Holdings, Ltd. changed its name to Chubb INA International Holdings Ltd.
- Effective February 5, 2016, ACE INA Overseas Holdings, Inc. changed its name to Chubb INA Overseas Holdings Inc.
- Effective February 5, 2016, ACE Brazil Holdings, Ltd. changed its name to Chubb Brazil Holdings Ltd.

2016 CHANGES CONTINUED:

- Effective February 5, 2016, AFIA (ACE) Corporation, Limited changed its name to AFIA (Chubb) Corporation Limited.
- Effective February 12, 2016, ACE Insurance Agency, Inc. in Puerto Rico changed its name to Chubb Insurance Agency Inc.
- Effective February 15, 2016, ACE International Management Corporation changed its name to Chubb International Management Corporation.
- Effective February 17, 2016, Atlantic Employers Insurance Company sold its interest in Majesco.
- Effective February 29, 2016, ACE Servicios, S.A. in Panama changed its name to Chubb Servicios Panama S.A.
- Effective March, 1, 2016, ACE Canada Holdings changed its name to Chubb Canada Holdings Inc.
- Effective March 1, 2016, ACE INA Properties, Inc. changed its name to Chubb INA Properties Inc.
- Effective March 3, 2016, ACE Holdings Australia Pty Limited changed its name to Chubb Holdings Australia Pty Limited.
- Chubb Syndicate 1882 was removed from the chart as it is not a separate legal entity.
- Effective March 7, 2016, ACE Insurance Company in Puerto Rico changed its name to Chubb Insurance Company of Puerto Rico.
- Effective March 9, 2016, ACE Life Insurance Company Limited in Vietnam changed its name to Chubb Life Insurance Vietnam Company Limited.
- Effective March 22, 2016, ACE INA Holdings Inc. changed its name to Chubb INA Holdings Inc.
- Effective March 22, 2016, ACE Group Holdings, Inc. changed its name to Chubb Group Holdings Inc.
- Effective March 22, 2016, ACE US Holdings, Inc. changed its name to Chubb US Holdings Inc.
- Effective, March 22, 2016, ACE Services Limited name changed to Chubb Services Limited..
- Effective March 28, 2016, ACE Life Insurance Company Ltd. changed its name to Chubb Life Insurance Company Ltd..
- Effective March 28, 2016, ACE Seguros S.A. in Peru changed its name to Chubb Perú S.A. Compañia de Seguros y Reaseguros.
- Effective March 29, 2016, ACE Pension Trustee Limited changed its name to Chubb Pension Trustee Limited.

2016 CHANGES CONTINUED:

- Effective March 29, 2016, ESIS, Inc. purchased the outstanding 49% of Proclaim American, Inc. This transaction makes ESIS, Inc. the sole shareholder of Proclaim America, Inc.
- Effective March 29, 2016, ACE Financial Solutions International, Ltd. changed its name to Green & Grey Financial Solutions International, Ltd..
- Effective March 30, 2016, ACE Capital V Limited changed its name to Chubb Capital V Limited.
- Effective March 30, 2016, ACE Seguros S.A. in Panama changed its name to Chubb Seguros Panama S.A..
- Effective March 30, 2016, ACE (CIDR) Limited changed its name to Chubb (CIDR) Limited.
- Effective March 30, 2016, ACE (RGB) Holdings Limited changed its name to Chubb (RGB) Holdings Limited.
- Effective March 30, 2016, ACE Capital II Limited changed its name to Chubb Capital II Limited
- Effective March 30, 2016, ACE Capital III Limited changed its name to Chubb Capital III Limited.
- Effective March 30, 2016, ACE Capital IV Limited changed its name Chubb Capital IV Limited.
- Effective March 30, 2016, ACE Capital Limited changed its name to Chubb Capital I Limited.
- Effective March 30, 2016, ACE Capital V Limited changed its name to Chubb Capital V Limited.
- Effective March 30, 2016, ACE Capital VI limited changed its name to Chubb Capital VI Limited.
- Effective March 30, 2016, ACE Capital VII Limited changed its name to Chubb Capital VII Limited.
- Effective March 30, 2016, ACE Global Markets Limited changed its name to Chubb Market Company Limited.
- Effective March 30, 2016, ACE Group Holdings Limited changed its name to Chubb Group Holdings Limited.
- Effective March 30, 2016, ACE Leadenhall Limited changed its name to Chubb Leadenhall Limited.
- Effective March 30, 2016, ACE London Aviation Limited changed its name to Chubb London Aviation Limited.
- Effective March 30, 2016, ACE London Group limited changed its name to Chubb London Group Limited.

2016 CHANGES CONTINUED:

- Effective March 30, 2016, ACE London Holdings Limited changed its name to Chubb London Holdings Limited.
- Effective March 30, 2016, ACE London Investments Limited changed its name to Chubb London Investments Limited.
- Effective March 30, 2016, ACE London Services Limited changed its name to Chubb London Services Limited.
- Effective March 30, 2016, ACE London Underwriting Limited changed its name to Chubb London Limited.
- Effective March 30, 2016, ACE Russia Investments Limited changed its name to Chubb Russia Investments Limited.
- Effective March 30, 2016, ACE Tarquin changed its name to Chubb Tarquin.
- Effective March 30, 2016, ACE Underwriting Services Limited changed its name to Chubb Company Services Limited.
- Effective March 31, 2016, ACE (CR) Holdings changed its name to Chubb (CR) Holdings.
- Effective March 31, 2016, the Thailand company Eksupsiri Company Limited held 97.41% of the shares in Samaggi Insurance PCL.
- Effective March 31, 2016, ACE INA G.B. Holdings, Ltd. changed its name to Chubb INA G.B. Holdings Ltd..
- Effective March 31, 2016, ACE Realty Holdings Limited changed its name to Chubb Realty Holdings Limited.
- Effective March 31. 2016, ACE Group Management and Holdings Ltd. changed its name to Chubb Group Management and Holdings Ltd.
- Effective April 1, 2016, ACE INA Excess and Surplus Insurance Services, Inc. in California changed its name to is Chubb Excess and Surplus Insurance Services Inc.
- Effective April 1, 2016, ACE INA Excess and Surplus Insurance Services, Inc. in Pennsylvania changed its name to Chubb INA Excess and Surplus Insurance Services, Inc.
- Effective April 1, 2016, ACE Asset Management, Inc. changed its name to Chubb Asset Management Inc.
- Effective April 1, 2016, ACE Structured Products, Inc. changed its name to Chubb Structured Products Inc.

2016 CHANGES CONTINUED:

- Effective April 1, 2016, ACE Financial Solutions, Inc. changed its name to Chubb Alternative Risk Solutions Inc.
- Effective April 1, 2016, ACE INA Financial Institution Solutions, Inc. changed its name to Chubb INA Financial Institution Solutions Inc.
- Effective April 1, 2016, Chubb Insurance Company of Australia Limited became a wholly owned subsidiary of Chubb Holdings Australia Pty Limited (previously known as “ACE Australia Holdings Pty Limited).
- Effective April 1, 2016, Chubb Pacific Underwriting Management Services Pte. Ltd. amalgamated with ACE Asia Pacific Services Pte. Limited (the surviving company).
- Effective April 4, 2016, ACE Life Fund Management Company Limited changed its name to Chubb Life Fund Management Company Limited.
- Effective April 12, 2016, ACE Asia Pacific Services Pte. Ltd. changed its name Chubb Asia Pacific Pte. Ltd.
- Effective April 12, 2016, ACE Insurance Limited changed its name to Chubb Insurance Pakistan Limited.
- Effective April 13, 2016, ACE Seguros, S.A. in Ecuador changed its name to Chubb Seguros Ecuador S.A..
- Effective April 21, 2016, PT ACE Jaya Proteksi changed its name to PT Chubb General Insurance Indonesia.
- Effective April 28, 2016, ACE Direct Marketing Company, Ltd. changed its name to Chubb Direct Marketing Company Ltd.
- Effective May 1, 2016, ACE Insurance Limited, the Singapore company, changed its name to Chubb Insurance Singapore Limited.
- Effective May 2, 2016, PT. ACE Life Assurance (Indonesia) name changed to PT Chubb Life Insurance Indonesia.
- Effective May 17, 2016, ACE Life Assurance Public Company Limited changed its name to Chubb Life Assurance Public Company Limited.
- Effective May 10, 2016, ACE Intermediaries (Bermuda) Ltd. changed its name to Chubb Intermediaries Bermuda Ltd.
- Effective May 10, 2016, ACE Tempest Life Reinsurance Ltd. changed its name to Chubb Tempest Life Reinsurance Ltd.
- Effective May 10, 2016, ACE Tempest Reinsurance Ltd. changed its name to Chubb Tempest Reinsurance Ltd.
- Effective May 13, 2016 ACE Alternative Risk Ltd. changed its name to Chubb Alternative Risk Ltd.

2016 CHANGES CONTINUED:

- Effective May 19, 2016, Samaggi Insurance Public Company Limited was renamed Chubb Samaggi Insurance Public Company Limited.
- Effective May 25, 2016, ACE Life Insurance Company Egypt S.A.E. changed its name to Chubb Life Insurance – Egypt Ltd. S.A.E
- Effective May 31, 2016, Eksupsiri Company Limited held 98.72% of the shares in Chubb Samaggi Insurance Public Company Limited.
- Effective June 1, 2016, ACE Tempest Re USA, LLC changed its name to Chubb Tempest Re USA LLC.
- Effective June 1, 2016, ACE Tempest Re Canada Inc. changed its name to Chubb Tempest Re Canada Inc.
- Effective June 10, 2016, ACE Jerneh Insurance Berhad was renamed Chubb Insurance Malaysia Berhad.
- Effective June 10, 2016, ACE Asia Pacific Services Sdn. Bhd. was renamed Chubb IT Development Centre Sdn. Bhd.
- Effective June 15, 2016, ACE Holdings Limited changed its name to Chubb Holdings Limited.
- Effective June 20, 2016, ACE Insurance S.A.-N.V. changed its name to Chubb Insurance S.A.-N.V.
- Effective June 22, 2016, Chubb Seguros Mexico Holdings Inc. was incorporated in Delaware. The company is owned 100% by Federal Insurance Company.
- Effective June 22, 2016, Chubb Fianzas Holdings Inc. was incorporated in Delaware. The company is owned 100% by Federal Insurance Company.
- Effective July, 1, 2016 ACE Bermuda International Insurance (Ireland) Limited changed its name to Chubb Bermuda International Insurance Ireland Designated Activity Company.
- Effective July 1, 2016, ACE Insurance Limited, incorporated in New Zealand, changed its name to Chubb Insurance New Zealand Limited.
- Effective July 1, 2016, Chubb Insurance (China) Company Limited was renamed Chubb Insurance Company Limited.
- Effective July 1, 2016, ACE Insurance Limited, incorporated in South Africa, changed its name to Chubb Insurance South Africa Limited.
- Effective July 4, 2016, ACE Bermuda Insurance Ltd. changed its name to Chubb Bermuda Insurance Ltd..
- Effective July 11, 2016, ACE Insurance Management (DIFC) Limited changed its name to Chubb Underwriting (DIFC) Limited.

2016 CHANGES CONTINUED:

- Effective July 14, 2016, ACE Insurance Company Limited, incorporated in Vietnam, changed its name into Chubb Insurance Vietnam Company Limited.
- Effective July 20, 2016, ACE Environmental Health And Safety Consulting (Shanghai) Company Limited changed its name to ESIS Environmental Health And Safety Consulting (Shanghai) Company Limited.
- Effective, July 25, 2016, LLC ACE Insurance Company changed its name to LLC Chubb Insurance Company.
- Effective July 25, 2016, ACE Life Insurance has changed its name to Chubb Life Insurance Company.
- Effective July 29, 2016, Executive Risk Capital Trust was dissolved.
- Effective August 23, 2016, ACE Insurance Limited (Hong Kong) has changed its name to Chubb Insurance Hong Kong Limited.
- Effective September 1, 2016, ACE Life Insurance Company Ltd. changed its name to Chubb Life Insurance Korea Company Ltd.
- Effective September 30, 2016, Chubb London Aviation Limited has changed name to Chubb European Group Limited.
- Effective October 1, 2016, ACE INA Life Insurance changed its name to Chubb Life Insurance Company of Canada.
- Effective October 1, 2016, ACE INA Insurance and Chubb Insurance Company of Canada amalgamated. The name of the amalgamated entity is Chubb Insurance Company of Canada.
- Effective October 1, 2016, CC Canada Holdings Ltd. and INACAN Holdings Ltd. amalgamated. The name of the amalgamated entity is Chubb Holdings Canada Ltd.
- Effective October 1, 2016, Chubb Canada Holdings Inc. owns 100% of CC Canada Holdings Ltd.
- Effective October 1, 2016, Chubb INA International Holdings Ltd. owns 68.47% of Chubb Canada Holdings Inc. The remaining 31.53% is owned by ACE INA Overseas Insurance Company Ltd.

2016 CHANGES CONTINUED:

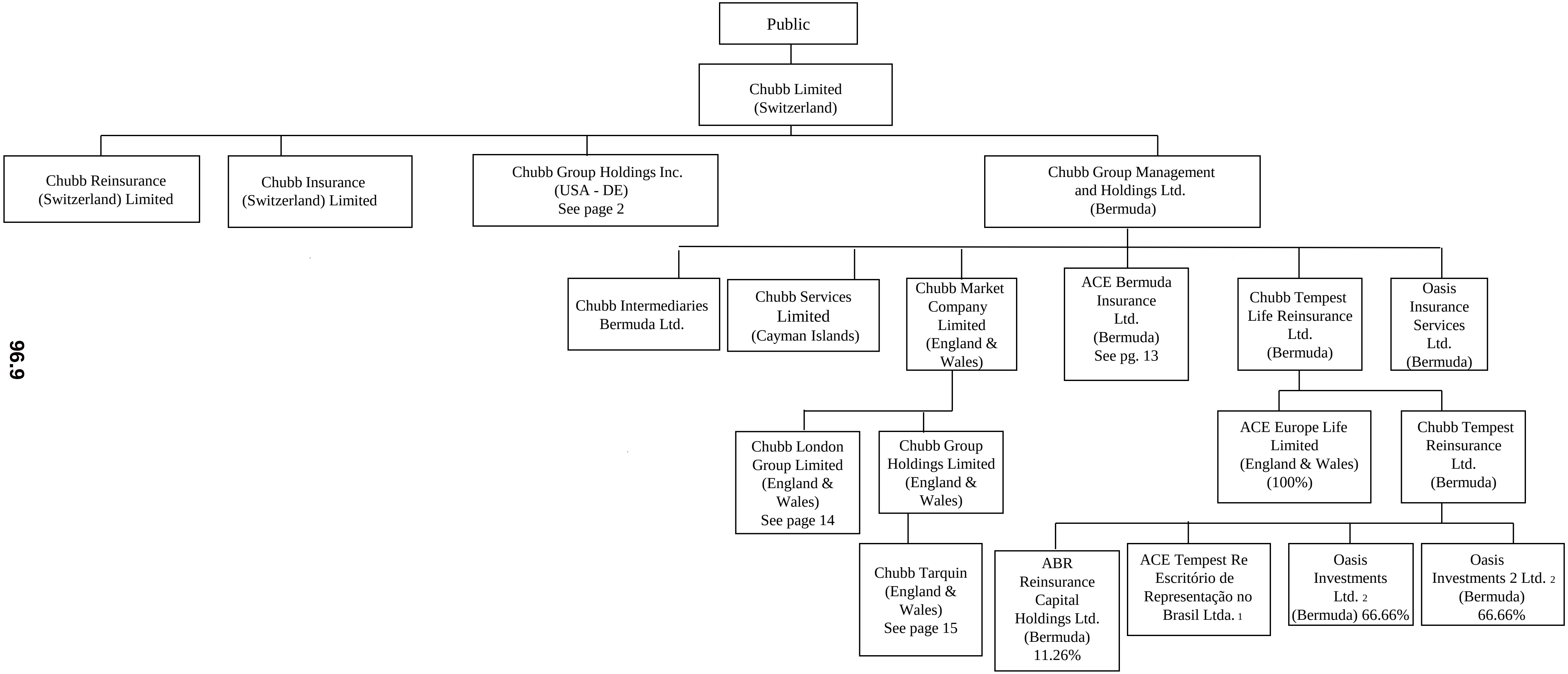
- Effective October 1, 2016, ACE Chintai SSI changed its name to Chubb SSI Japan.
- Effective October 1, 2016, ACE Insurance changed its name to Chubb Insurance Japan.
- Effective October 1, 2016, Chubb Insurance Company of Australia Limited is now held 100% by ACE Insurance Limited (the Australian insurer).
- Effective October 3, 2016, ACE Insurance (Switzerland) Limited changed its name to Chubb Insurance (Switzerland) Limited.
- Effective October 3, 2016, ACE Reinsurance (Switzerland) Limited changed its name to Chubb Reinsurance (Switzerland) Limited.
- Effective October 7, 2016, Eksupsiri Company Limited owns 99.212% of Chubb Samaggi Insurance Public Company Limited.
- Effective October 18,. 2016, ACE Arabia Cooperative Insurance Company changed its name to Chubb Arabia Cooperative Insurance Company.
- Effective October 21, 2016, Chubb Company Services Limited changed to Chubb Underwriting Agencies Limited.
- Effective October 31, 2016, ACE Insurance Limited changed its name to Chubb Insurance Australia Limited.
- Effective November 1, 2016, Chubb de Colombia Compañia de Seguros, S.A. merged into the Colombia insurer, ACE Seguros S.A. (the surviving company).
- Effective November 1, 2016, ACE Seguros S.A. then changed its name to Chubb Seguros Colombia S.A.
- Effective November 1, 2016, ACE Insurance Limited changed its name to Chubb Insurance Australia Limited.
- Effective November 2, 2016, ACE European Holdings No. 2 Limited owns 100% of Chubb Bermuda International Insurance Ireland Designated Activity Company.
- Effective November 2, 2016, ACE European Holdings No. 2 Limited owns 100% of Chubb Insurance Company of Europe SE.
- Effective November 2, 2016, ACE European Holdings No. 2 Limited owns 100% of Chubb Insurance Investment Holdings Ltd.

2016 CHANGES CONTINUED:

- Effective November 2, 2016, Chubb INA International Holdings Ltd. owns 100% of Chubb Insurance Service Company Ltd.
- Effective November 2, 2016, Chubb INA International Holdings Ltd. owns 100% of Chubb Managing Agent Ltd.
- Effective November 2, 2016, Chubb INA International Holdings Ltd. owns 100% of Chubb Europe Services Ltd.
- Effective November 2, 2016, Chubb INA International Holdings Ltd. owns 100% of Chubb Capital Ltd.
- Effective November 2, 2016, Chubb Insurance Company of Europe SE is held 0.000702% by ACE European Holdings No. 2 Limited and 99.999298% by Chubb Insurance Investment Holdings Ltd.
- Effective November 14, 2016, S.E.O.S. Limited was liquidated.
- Effective November 16, 2016, PT Chubb General Insurance Indonesia owns 75% of PT Jaya Proteksi Takaful. The balance 25% is owned by an Indonesian entity, PT Mitrajaya Amanah Cemerlang.
- Effective December 31, 2016, Bankers Standard Fire and Marine Company merged into Bankers Standard Insurance Company (surviving company).

STRUCTURE OF CHUBB LIMITED

96.9

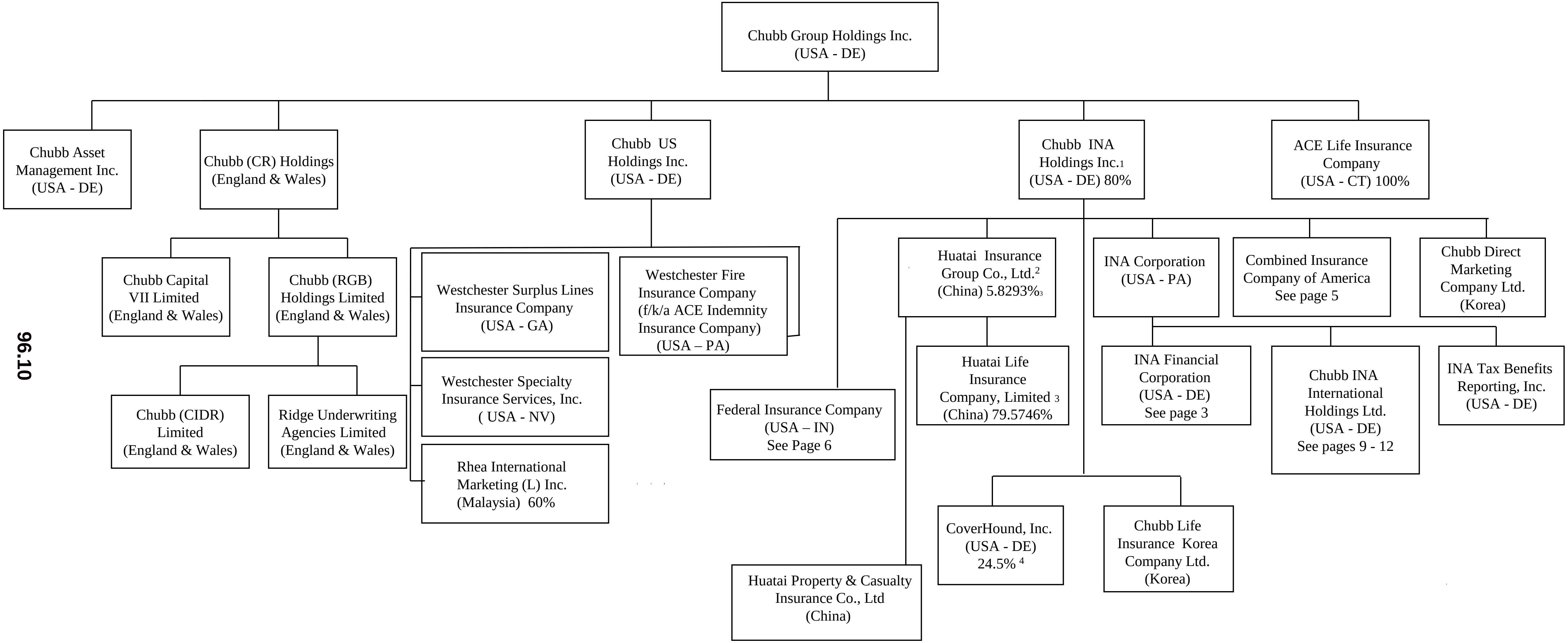


1. Owned 99.999999% by Chubb Tempest Reinsurance Ltd. and 0.000001% by Chubb Tempest Life Reinsurance Ltd.
2. Owned 33.33% by ACE Bermuda Insurance Ltd. & 66.66% by Chubb Tempest Reinsurance Ltd.

NOTE: Names of companies may be abbreviated. Refer to “Organization Chart” for full company names.

STRUCTURE OF CHUBB LIMITED

96.10



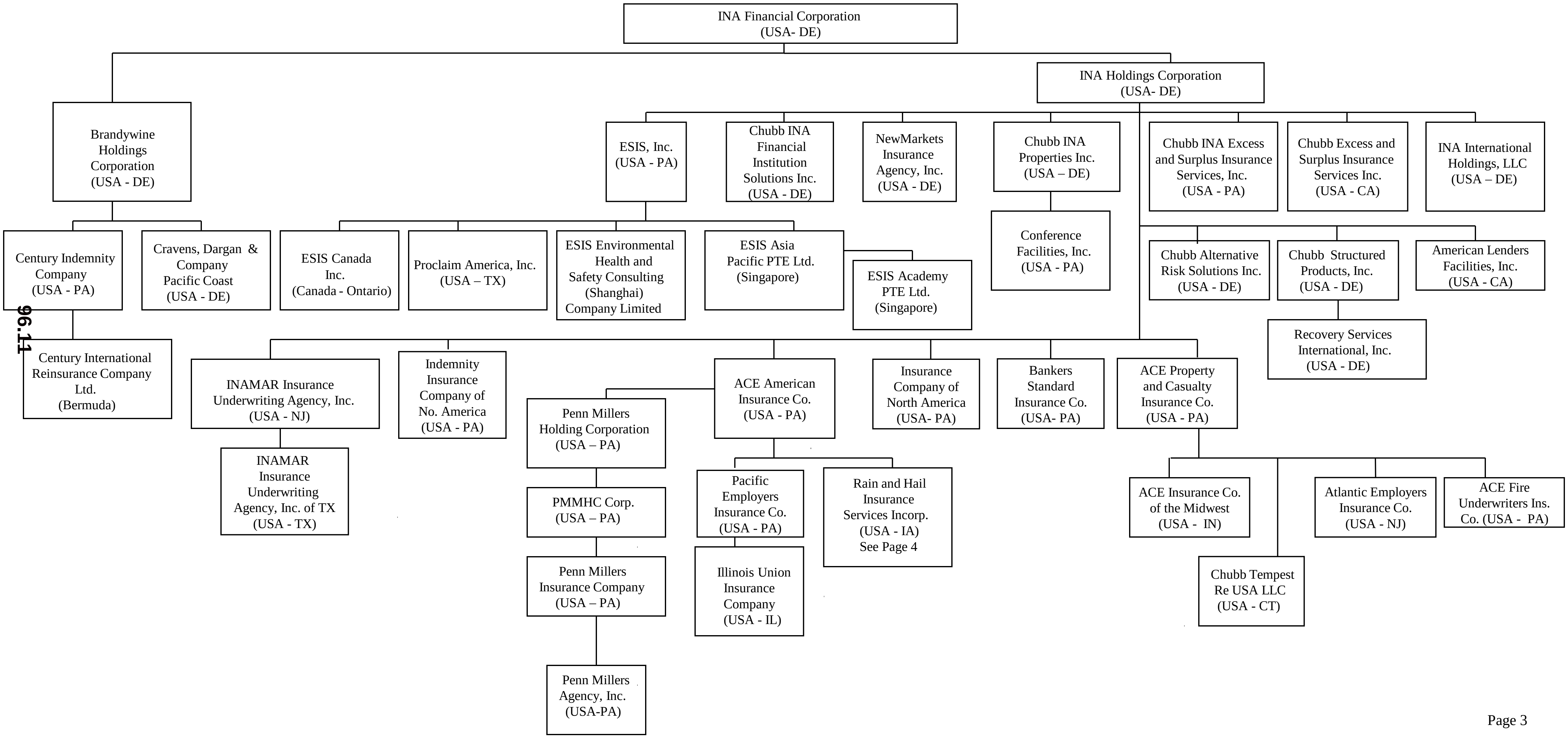
1. The remaining 20% of Chubb INA Holdings Inc. is held directly by Chubb Limited

2. Owned 5.8293% by Chubb INA Holdings Inc.; 9.7755% by Chubb Tempest Reinsurance Ltd.; 4.3952% by Chubb US Holdings, Inc.

3. Owned 20% by Chubb INA Holdings Inc.; . 4254% to 5 non-ACE Shareholders.

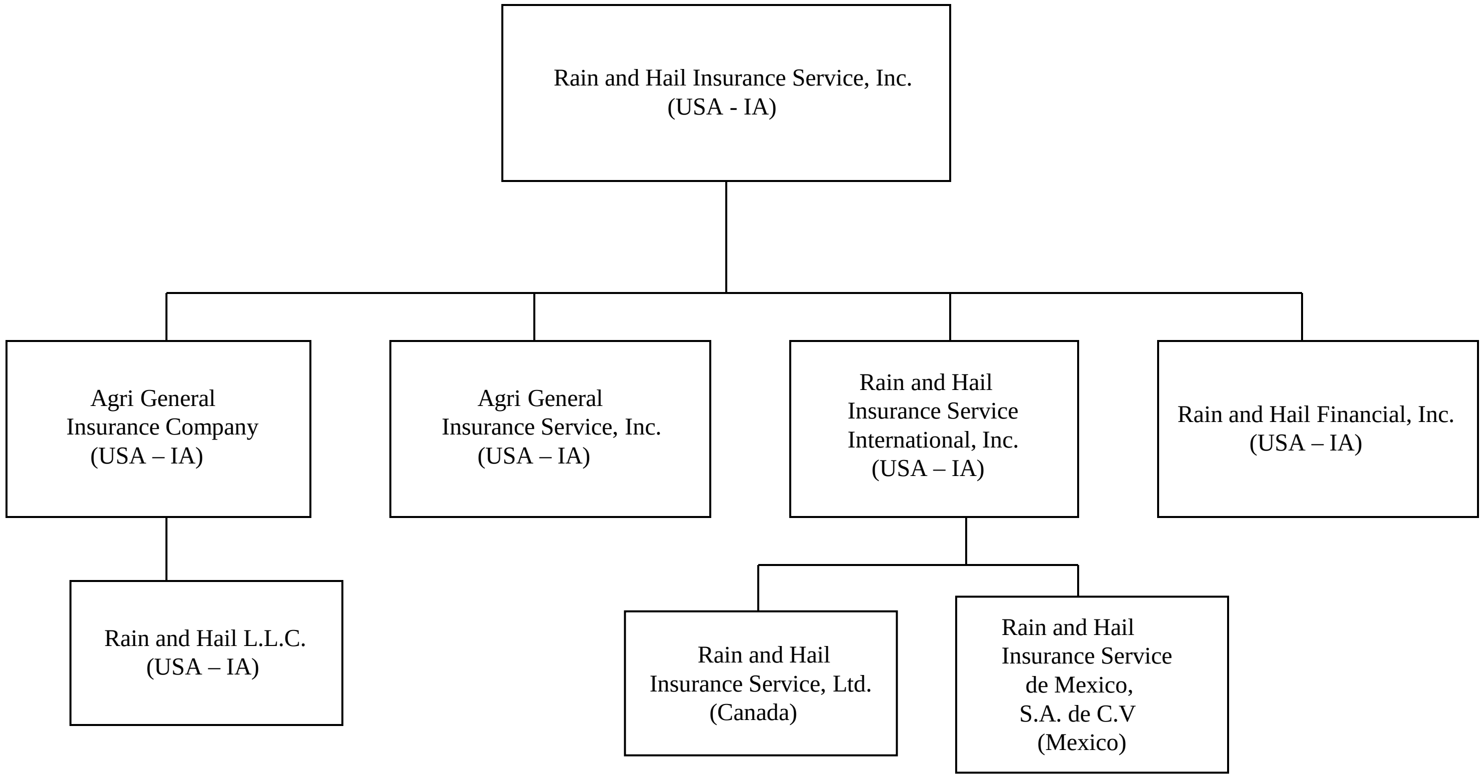
4. Chubb INA Holdings Inc. holds 24.5% of CoverHound, Inc. The remaining 75.5% is held by non-affiliates.

STRUCTURE OF CHUBB LIMITED



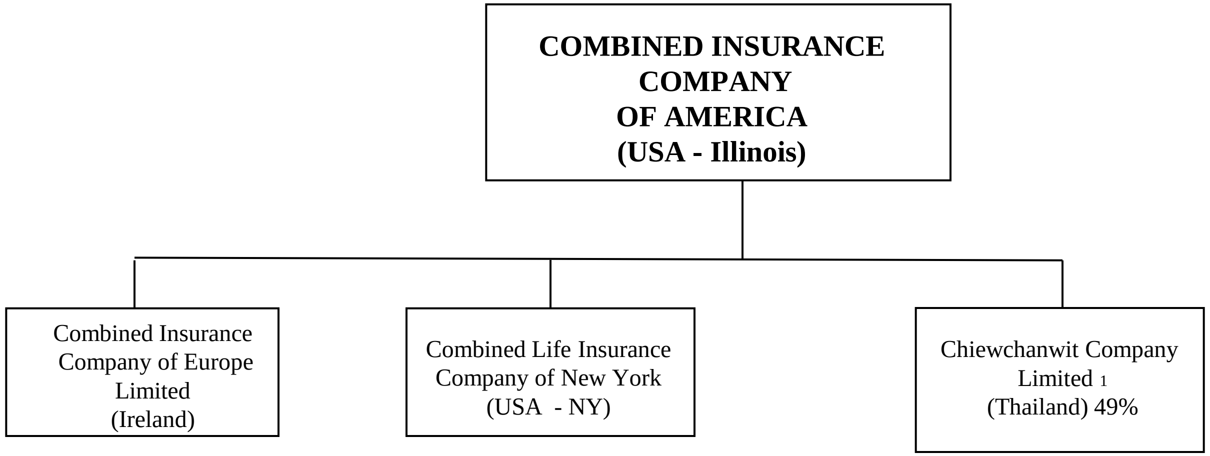
96.11

STRUCTURE OF CHUBB LIMITED



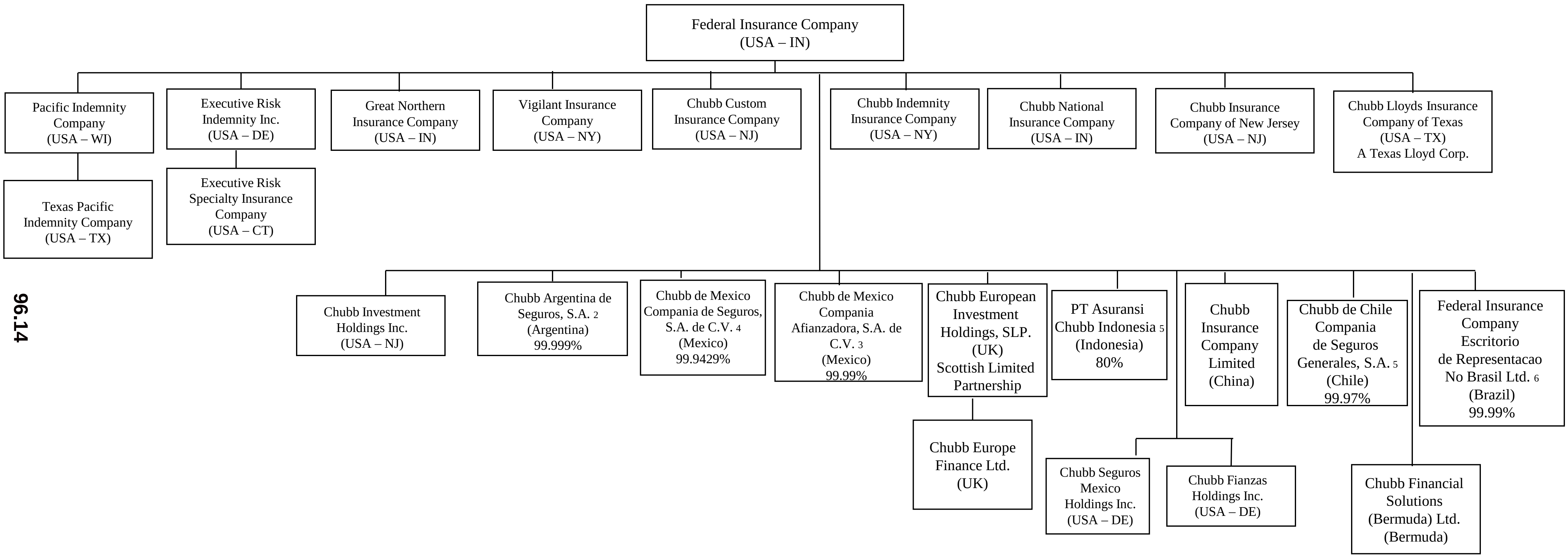
96.12

STRUCTURE OF CHUBB LIMITED



1. Owned 51% by individual Thai shareholders.

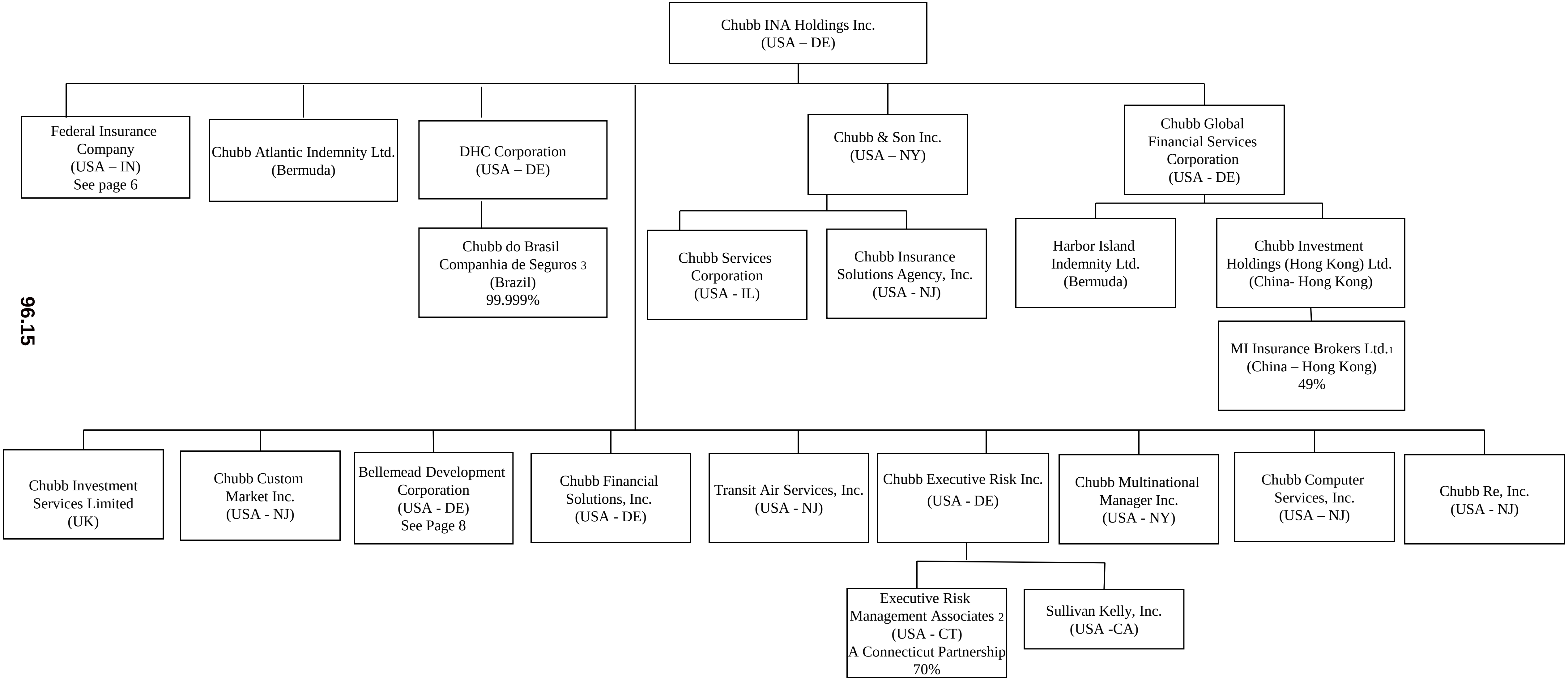
STRUCTURE OF CHUBB LIMITED



96.14

1. Owned 6.13% by Federal Insurance Company, 4.22% by Chubb INA Holdings Inc., 0.92% by Pacific Indemnity Company and 0.42% by Great Northern Insurance Company.
2. Owned (99.999%) by Federal Insurance Company and (0.001%) by a Chubb employee.
3. Owned 0.01% by Chubb Global Financial Services Corporation.
4. Owned 99.9429033136% by Federal Insurance Company, 0.0176202185 by Vigilant Insurance Company, 0.0058738945% by Great Northern Insurance Company, 0.0000021975% by The Chubb Global Financial Services Corporation, 0.0058738945% by Pacific Indemnity Company, 0.0029365810% by Chubb Insurance Company of Canada, 0.0247899004% (collectively) by non-Chubb shareholders.
5. Owned 0.03% by Chubb INA Holdings Inc..
6. Owned 0.01% by Chubb & Son, Inc.
5. Owned 20% by a non-Chubb shareholder.

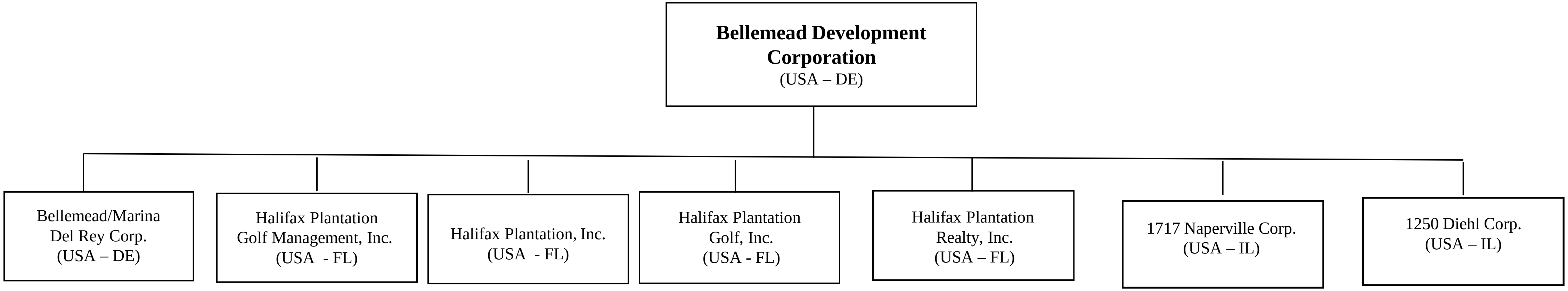
STRUCTURE OF CHUBB LIMITED



96.15

1. Owned 51% by non-Chubb shareholders.
2. Owned 30% by Sullivan Kelly, Inc.
3. owned (99.999%) by DHC Corporation and(0.001%) by a Chubb employee .

STRUCTURE OF CHUBB LIMITED



96.16

STRUCTURE OF CHUBB LIMITED

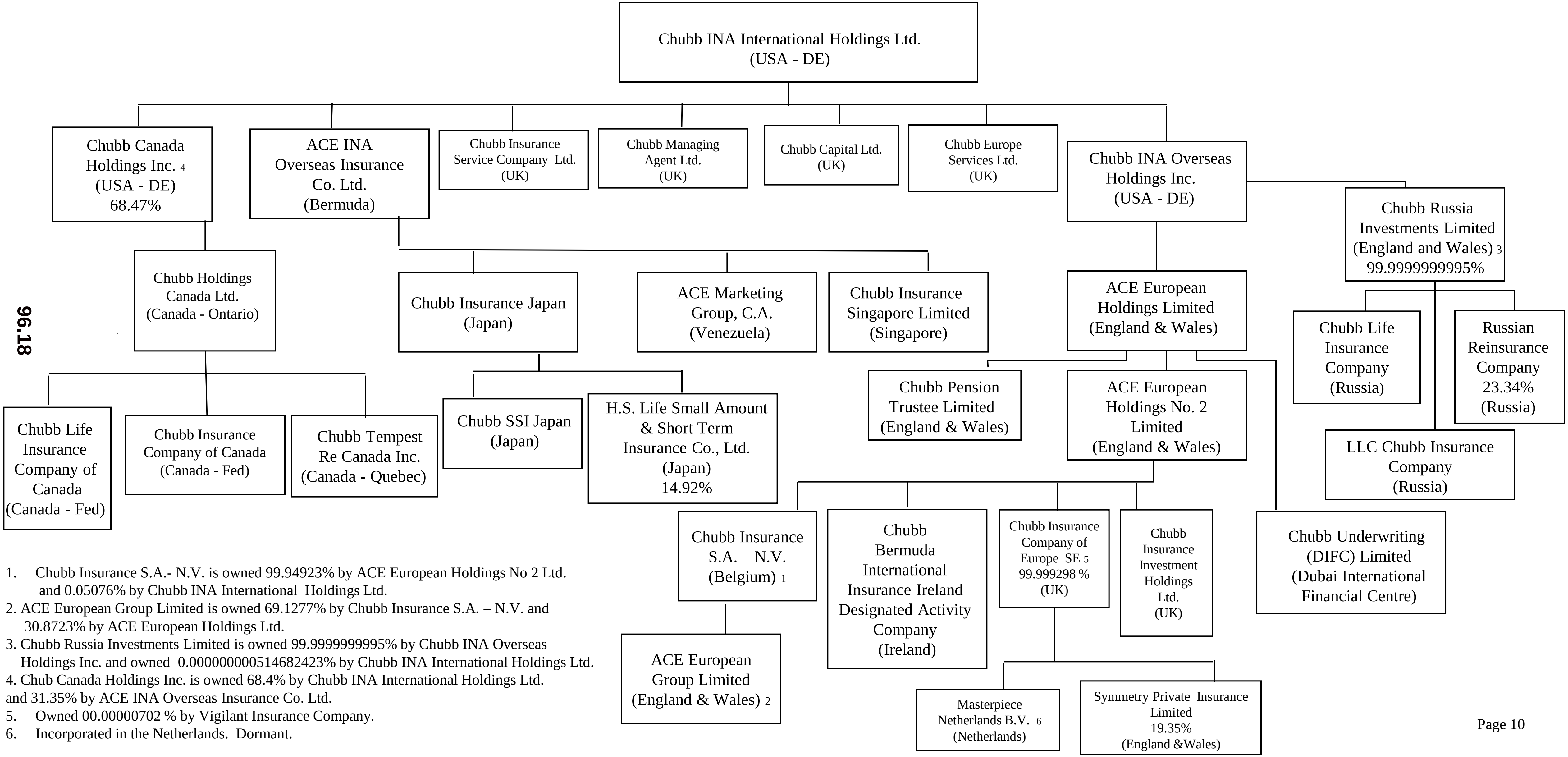
Chubb INA International Holdings Ltd. (USA - DE)

- Chubb Holdings Australia Pty Limited (Australia)
  - Chubb Insurance Australia Limited (Australia)
    - Chubb Insurance Company of Australia Limited (Australia)
- ACE Seguros S.A.1 (Argentina) 96.8621%
- ACE Arabia Insurance Co. Ltd. B.S.C.(C) (Bahrain) 50%
- Chubb Insurance Malaysia Berhad (Malaysia)
- ACE Seguradora S.A. 2 (Brazil) 99.99%
- ACE INA International Holdings Ltd. Agencia Chile (Chile)
  - Ventas Personales Limitada 17 (Chile) 99%
  - ACE Seguros de Vida S.A. 4 (Chile) 97.9%
  - ACE Servicios Regionales Limitada 22 (Chile) 99%
  - ACE Seguros S.A. (Chile) 18 93.33%
- Chubb Servicios Panama S.A. (Panama)
- ACE Seguros S.A. (Colombia) 24 99.999932%
- Chubb Seguros Ecuador S.A. 3 (Ecuador) 99.99%
- Chubb Insurance Hong Kong Limited (Hong Kong)19 99.99%
- ACE Seguradora S.A. (Macau) 25 99.9897%
- ACE INA Berhad (Malaysia) 100%
- ACE Seguros S.A.20 (Mexico) 99.99%
- Chubb Insurance New Zealand Limited. (New Zealand)
- Chubb Perú S.A. Compañia de Seguros y Reaseguros 5 (Peru) 99.99%
- Chubb Insurance Company of Puerto Rico (Puerto Rico)
  - Chubb Insurance Agency Inc. (Puerto Rico)
- Chubb Alternative Risk Ltd. 6 (Bermuda)
- Oriental Equity Holdings Limited (BVI)
- Chubb Holdings Limited (Cayman Is.)
- ACE Insurance Company Egypt S.A.E. 7 (Egypt) 98.014%
- Chubb Life Insurance – Egypt S.A.E. 8 (Egypt) 98.35%
- Servicios ACEINA, S.A. de C.V.9 (Mexico) 99.9%
- Chubb Insurance Pakistan Limited (Pakistan)
- Chubb Seguros Panama S.A. (Panama)
- Chubb Insurance South Africa Limited (South Africa)
- Nam Ek Company Limited (Thailand)26 49%
  - Siam Liberty Insurance Broker Co., Ltd. 10 (Thailand) 74.8%
  - Siam Marketing & Analytics Company Limited 21 (Thailand) 50.99%
  - Eksupsiri Company Limited 11 (Thailand) 50.99%
    - Chubb Life Assurance Public Company Limited (Thailand) 12 24.99% Oriental 75.01% Eksupsiri
    - Chubb Samaggi Insurance Public Company Limited (Thailand) 99.212%
- Chubb INA G.B. Holdings Ltd. (USA - DE)
  - ACE INA Services U.K. Limited (UK)
- INACOMB S.A. de C.V. (Mexico) 14 99.998%
- Chubb Life Insurance Vietnam Company Limited (Vietnam)
  - Chubb Life Fund Management Company Limited (Vietnam)
- Chubb Brazil Holdings Ltd. (USA - DE)
  - ACE Corretora de Seguros Ltda. 23 (Brazil) 99%
  - ACE Resseguradora S.A. (Brazil) 16 99.99%
- PT Chubb Life Insurance Indonesia 13 (Indonesia) 98.21%
- Chubb Arabia Cooperative Insurance Company 15 (Saudi Arabia) 30%
- Chubb Insurance Vietnam Company Limited (Vietnam)

96.17

1. Owned 96.8621% by Chubb INA International Holdings Ltd. 3.12% owned by AFIA Finance Corporation. Rest owned by (7) non-ACE owners.
2. Owned 99.99% by Chubb INA International Holdings Ltd. and .01% by Chubb Brazil Holdings Ltd.
3. Owned 99.99% by Chubb INA International Holdings Ltd. and .01% by AFIA Finance Corporation.
4. Remaining (2.1%) held by AFIA Finance Corporation Agencia en Chile.
5. Owned 0.01% by AFIA Finance Corporation; formerly Atlas Cumbres Compania de Seguros de Vita
6. Formerly ACE Risk Management International Ltd.
7. Owned 98.014% by Chubb INA International Holdings Ltd. .551% by ACE European Holdings Ltd. and .551% by ACE INA Services U.K. Ltd., and .883% held by non-ACE minority shareholders.
8. Owned 98.35% by Chubb INA International Holdings Ltd., 0.98% by ACE Holdings Limited and 0.67% by AFIA Finance Corporation
9. Owned 99.9% by Chubb INA International Holdings Ltd. and 0.1% by AFIA Finance Corporation.
10. Owned 24.99% by AFIA Finance Corporation, 74.8% by Nam Ek Company Limited and the remainder is held by (5) Thai Individuals.
11. Owned 49% by Chubb INA International Holdings Ltd., 50.99% by Nam Ek Company Limited and the remaining 0.01% is held by (1) non-ACE Thai individual.
12. Owned 75.01% by Eksupsiri Company Limited and 24.99% by Oriental Equity Holdings. (1) share is held by Nam Ek Company Limited. (4) shares are held by a non-ACE Thai individual.
13. Owned 98.21% by Chubb INA International Holdings Ltd. and 1.79% by one non-ACE owner.
14. Owned 99.998% by Chubb INA International Holdings Ltd. and 0.002% by AFIA Finance Corporation.
15. Owned 30% by Chubb INA International Holdings Ltd., 30% by non-affiliated entities and remaining 40% is publicly held.
16. Owned 99.99% by Chubb Brazil Holdings Ltd. and 0.01% by Chubb INA International Holdings Ltd.
17. Owned 99% by ACE INA International Holdings, Ltd. Agencia Chile and 1% by AFIA Finance Corporation Agencia en Chile.
18. AFIA Finance Corporation Agencia Chile owns 3.77%, AFIA Finance Corp. Chile Limitada now owns 2.8% and Non-ACE shareholders now own 0.10%.
19. Owned 99.99% by Chubb INA International Holdings Ltd. and 0.01% by ACE INA Overseas Insurance Company Ltd.
20. Owned 99.99% by Chubb INA International Holdings Ltd. and 0.01% by AFIA Finance Corporation.
21. Owned 50.99% by Nam Ek Company Limited (Thailand), 0.01% by (1) individual and 49% by Chubb Asia Pacific Pte. Ltd. (Singapore)
22. Owned 1% by AFIA Finance Corporation Agencia en Chile
23. Owned 1% by Chubb INA International Holdings Ltd.
24. Beneficially owned by Chubb INA International Holdings Ltd. (99.999932%). The owners of record are: Insurance Company of North America (46.682606%); Chubb INA International Holdings Ltd. (35.801859%); INA Financial Corporation (7.84194%); Century International Reinsurance Company Ltd. (3.921353%); AFIA Finance Corporation (5.752174%) and 3 non-affiliated shareholders (each holding 0.00002267%, collectively 0.00006801%).
25. Owned 99.9897% beneficially owned by Chubb INA International Holdings Ltd. The company is owned of record by: Chubb INA International Holdings Ltd (99.94%); ACE Alternate Risk Ltd. (1 share); ACE Insurance Limited (1 share); ACE INA Overseas Insurance Company Ltd. (1 share); Chubb INA Overseas Holdings Inc.1 share); AFIA Finance Corporation (1 share); Cover Direct, Inc. (1 share); INACAN Holdings, Ltd. (1 share) (collectively 0.0497%) and two non-affiliates (1 share each, collectively 0.0103%).
26. Owned 49% in Class A Common Shares by Chubb INA International Holdings Ltd. The remaining 51% is held in Class B Preferred Shares by non-affiliates.

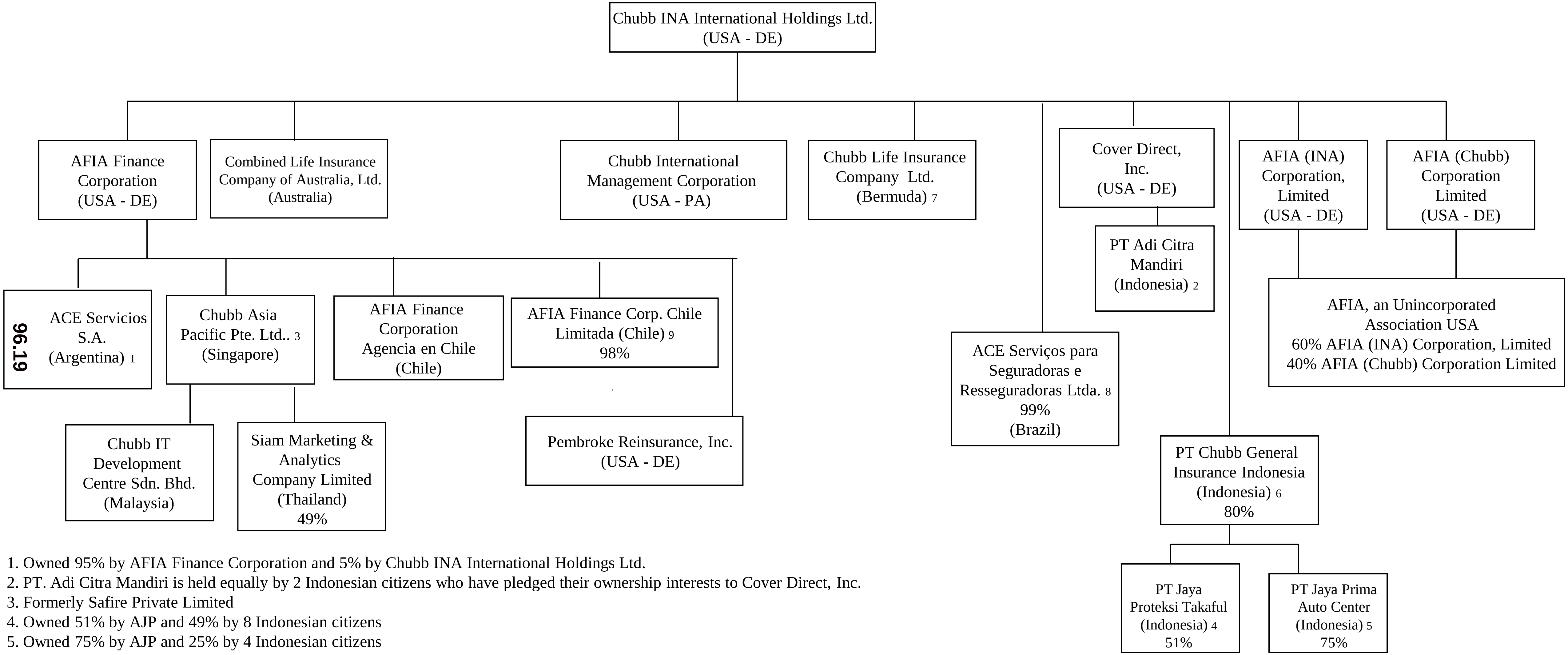
STRUCTURE OF CHUBB LIMITED



96.18

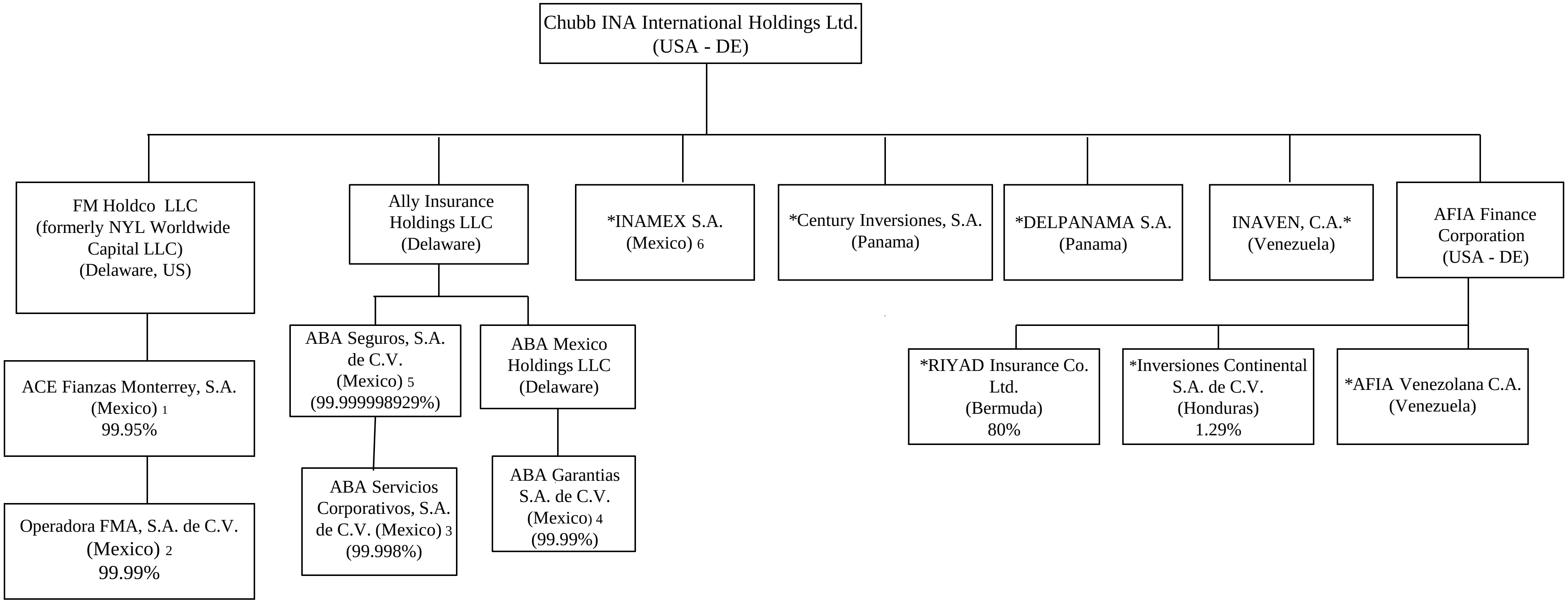
1. Chubb Insurance S.A.- N.V. is owned 99.94923% by ACE European Holdings No 2 Ltd. and 0.05076% by Chubb INA International Holdings Ltd.
2. ACE European Group Limited is owned 69.1277% by Chubb Insurance S.A. – N.V. and 30.8723% by ACE European Holdings Ltd.
3. Chubb Russia Investments Limited is owned 99.9999999995% by Chubb INA Overseas Holdings Inc. and owned 0.000000000514682423% by Chubb INA International Holdings Ltd.
4. Chub Canada Holdings Inc. is owned 68.4% by Chubb INA International Holdings Ltd. and 31.35% by ACE INA Overseas Insurance Co. Ltd.
5. Owned 00.00000702 % by Vigilant Insurance Company.
6. Incorporated in the Netherlands. Dormant.

STRUCTURE OF CHUBB LIMITED



1. Owned 95% by AFIA Finance Corporation and 5% by Chubb INA International Holdings Ltd.
2. PT. Adi Citra Mandiri is held equally by 2 Indonesian citizens who have pledged their ownership interests to Cover Direct, Inc.
3. Formerly Safire Private Limited
4. Owned 51% by AJP and 49% by 8 Indonesian citizens
5. Owned 75% by AJP and 25% by 4 Indonesian citizens
6. Owned 20% by PT. Adi Citra Mandiri
7. Company operates through a Hong Kong branch office.
8. Owned 1% by AFIA Finance Corporation.
9. Owned 2% by ACE INA International Holdings, Ltd. Agencia en Chile.

STRUCTURE OF CHUBB LIMITED

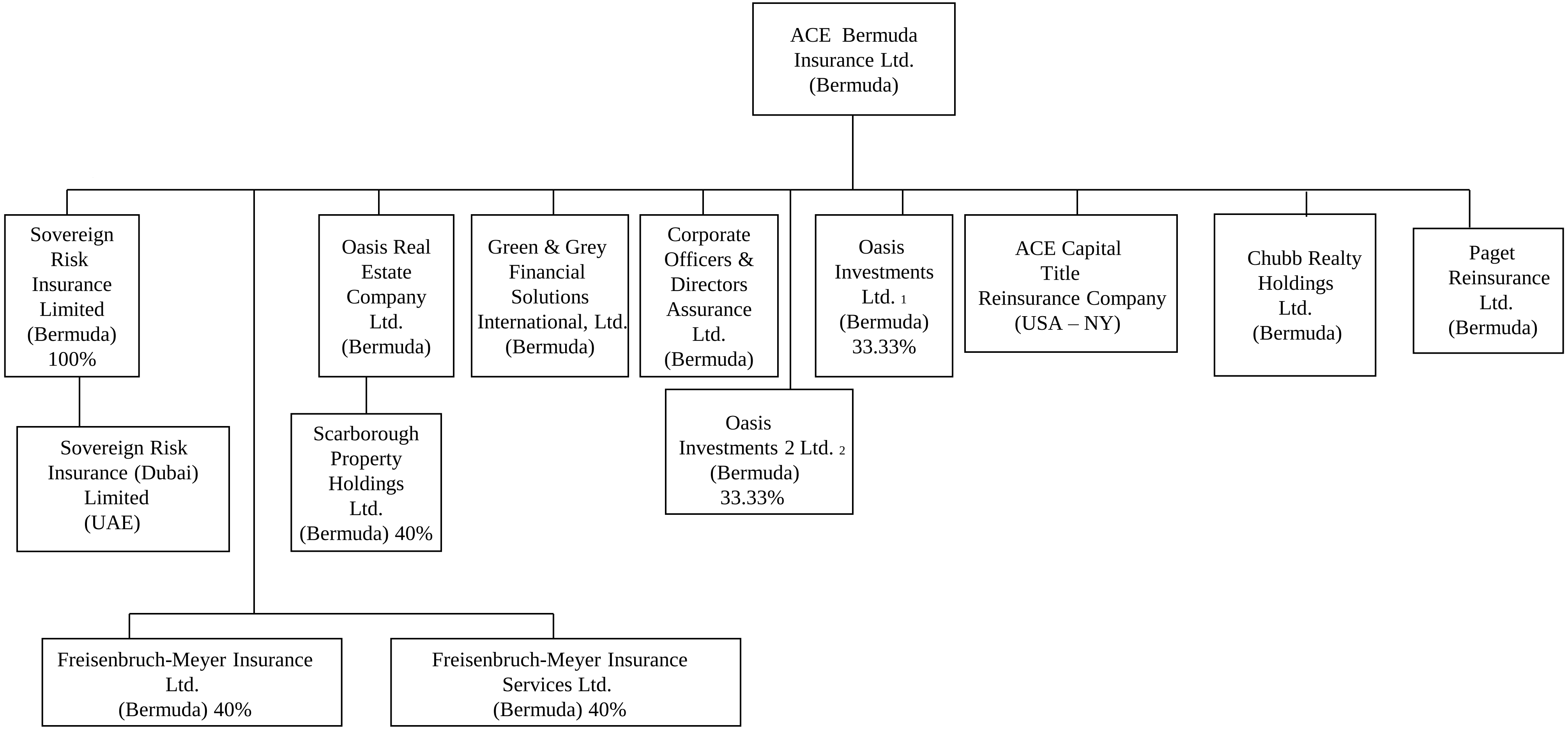


96.20

1. Owned 0.05 % by AFIA Finance Corporation
2. Owned 0.01% by AFIA Finance Corporation
3. Owned 0.002% by ABA Garantias S.A. de C.V.
4. Owned 0.01% by AFIA Finance Corp.
5. Owned 0.00000107% by AFIA Finance Corporation.
6. Chubb INA International Holdings Ltd. is the beneficial owner. Owners of record each holding 20%: Chubb INA International Holdings Ltd., Century Inversiones S.A., INA Corporation, INA International Holdings, LLC and Recovery Services International, Inc.

* Inactive Companies

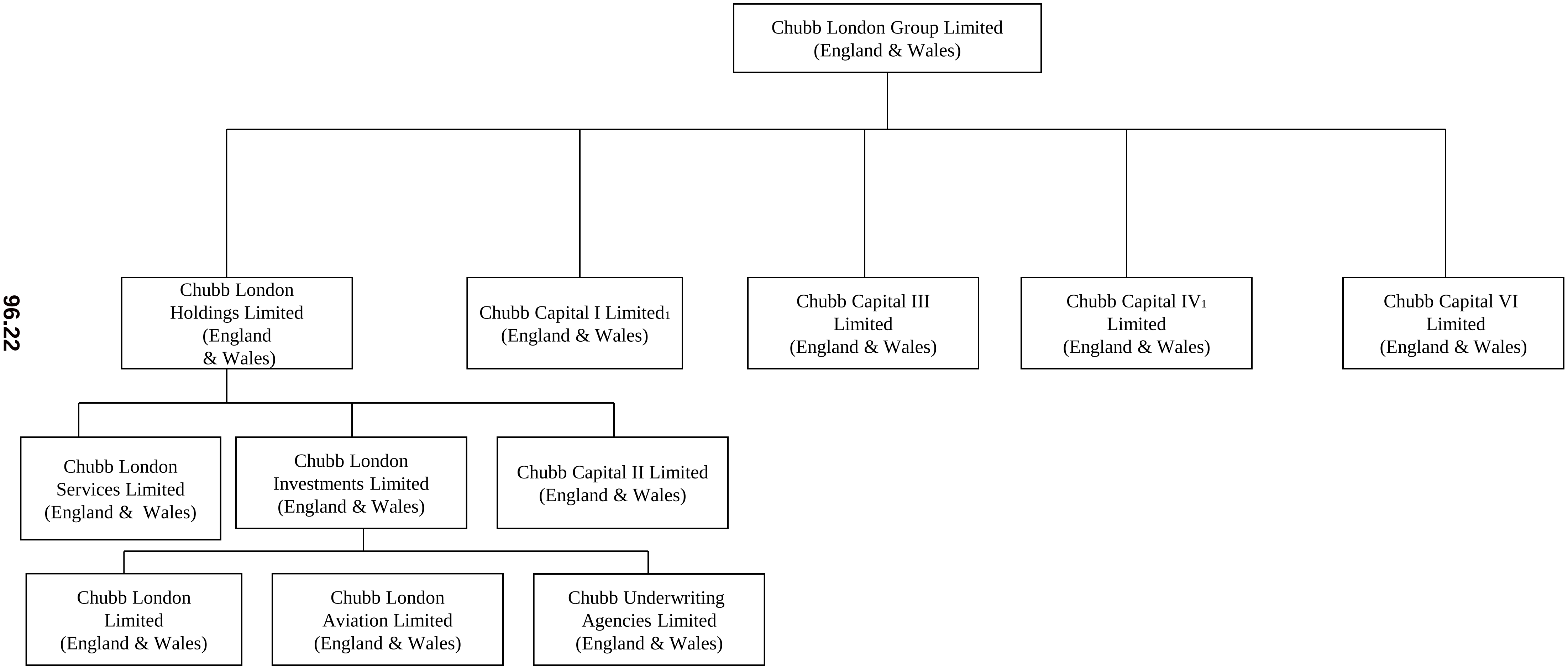
STRUCTURE OF CHUBB LIMITED



96.21

1. Owned 33.33% by ACE Bermuda Insurance Ltd. and 66.66% by Chubb Tempest Reinsurance Ltd.
2. Owned 33.33% by ACE Bermuda Insurance Ltd. and 66.66% by Chubb Tempest Reinsurance Ltd.
3. Formerly ACE European Markets Insurance Limited

STRUCTURE OF CHUBB LIMITED

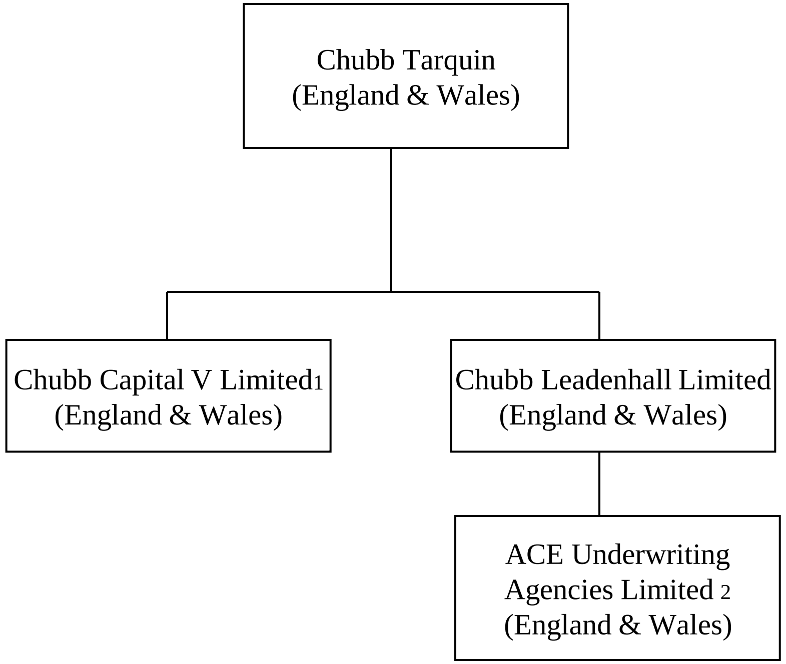


96.22

1. Capital Providers

STRUCTURE OF CHUBB LIMITED

96.23



1. Capital Provider
2. Managing Agency

2016 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK