

QUARTERLY STATEMENT

OF THE

New Mexico Property and Casualty Company

of Albuquerque

in the state of New Mexico

TO THE

Insurance Department

OF THE

STATE OF

State of New Mexico

FOR THE QUARTER ENDED

March 31, 2018

PROPERTY AND CASUALTY

2018



12242201820100101

QUARTERLY STATEMENT

AS OF MARCH 31, 2018
OF THE CONDITION AND AFFAIRS OF THE

New Mexico Property and Casualty Company

NAIC Group Code 0000, NAIC Company Code 12242, Employer's ID Number 46-0510470
Organized under the Laws of New Mexico, State of Domicile or Port of Entry Ne
Country of Domicile United States
Incorporated/Organized January 23, 2003, Commenced Business January 1, 2005
Statutory Home Office 6300 Jefferson St NE, Albuquerque, NM US 87109
Main Administrative Office 6300 Jefferson St NE, Albuquerque, NM US 87109
Mail Address 6300 Jefferson St NE, Albuquerque, NM US 87109
Primary Location of Books and Records 6300 Jefferson St NE, Albuquerque, NM US 87109
Internet Website Address na
Statutory Statement Contact Maria Cassimus, maria@atlasresources.com

OFFICERS

Chairman of the Board
Nick P. Kapnison

Table with 2 columns: Name, Title. Row 1: Jimmy D. Daskalos, President. Row 2: None None, None. Row 3: None None, None.

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. All cells are empty.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Row 1: Nick P. Kapnison, Jeanette Chavez-Bath, Maria Cassimus, Nadine M. Daskalos. Row 2: Jimmy D. Daskalos, empty, empty, empty.

State of New Mexico

County of Bernalillo

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.

Table with 3 columns: Signature, (Printed Name), Title. Row 1: Nick P. Kapnison, Chairman of the Board. Row 2: Jimmy Daskalos, President. Row 3: None None, Secretary.

Subscribed and sworn to before me this day of , 2018

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	713,330		713,330	713,008
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks				
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 16,762), cash equivalents (\$ 0), and short-term investments (\$ 0)	16,762		16,762	44,628
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	730,092		730,092	757,636
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,500		1,500	524
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection				
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	54,815		54,815	46,943
16.2 Funds held by or deposited with reinsured companies	472,980		472,980	469,157
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset				
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	1,259,387		1,259,387	1,274,260
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	1,259,387		1,259,387	1,274,260

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Other				
2502. Premium Tax Receivable				
2503. Deductible Receivables				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 0)	195,610	224,525
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	95,900	95,805
4. Commissions payable, contingent commissions and other similar charges		
5. Other expenses (excluding taxes, licenses and fees)	2,172	(7,827)
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 (after deducting unearned premiums for ceded reinsurance of \$ 0 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)		
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	293,682	312,503
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	293,682	312,503
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	500,000	500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	2,296,488	2,296,488
35. Unassigned funds (surplus)	(1,830,783)	(1,834,731)
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	965,705	961,757
38. Totals (Page 2, Line 28, Col. 3)	1,259,387	1,274,260

DETAILS OF WRITE-IN LINES		
2501.		
2502.	NONE	
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
2901.		
2902.	NONE	
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.	NONE	
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 0)			52
1.2 Assumed (written \$ 111)	111	28	
1.3 Ceded (written \$ 0)			
1.4 Net (written \$ 111)	111	28	52
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 0):			
2.1 Direct	17,377		(30,733)
2.2 Assumed	(5,460)	(3,063)	
2.3 Ceded	18,071		
2.4 Net	(6,154)	(3,063)	(30,733)
3. Loss adjustment expenses incurred	92		(9,519)
4. Other underwriting expenses incurred	8,920	12,068	60,077
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	2,858	9,005	19,825
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(2,747)	(8,977)	(19,773)
INVESTMENT INCOME			
9. Net investment income earned	6,695	7,572	24,178
10. Net realized capital gains (losses) less capital gains tax of \$ 0			
11. Net investment gain (loss) (Lines 9 + 10)	6,695	7,572	24,178
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)			
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	3,948	(1,405)	4,405
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)	3,948	(1,405)	4,405
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19) (to Line 22)	3,948	(1,405)	4,405
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	961,757	957,352	957,352
22. Net income (from Line 20)	3,948	(1,405)	4,405
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			
27. Change in nonadmitted assets			
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	3,948	(1,405)	4,405
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	965,705	955,947	961,757

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page	NONE		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	NONE		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	NONE		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	(11,584)	(11,119)	(38,588)
2. Net investment income	5,397	3,782	28,456
3. Miscellaneous income			
4. Total (Lines 1 to 3)	(6,187)	(7,337)	(10,132)
5. Benefit and loss related payments	22,758	32,483	104,589
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	(1,079)	25,582	71,023
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)			
10. Total (Lines 5 through 9)	21,679	58,065	175,612
11. Net cash from operations (Line 4 minus Line 10)	(27,866)	(65,402)	(185,744)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds			547,924
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)			547,924
13. Cost of investments acquired (long-term only):			
13.1 Bonds		3,565	428,372
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 Total investments acquired (Lines 13.1 to 13.6)		3,565	428,372
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)		(3,565)	119,552
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)			
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)			
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)	(27,866)	(68,967)	(66,192)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	44,628	110,820	110,820
19.2 End of period (Line 18 plus Line 19.1)	16,762	41,853	44,628

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

20.0001			
20.0002			
20.0003			

NOTES TO FINANCIAL STATEMENTS

New Mexico Property & Casualty Company Notes to Statutory Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of the Company have been prepared in accordance with the NAIC Annual Statement Instructions, Accounting Policies and Procedures Manual and State of New Mexico Office of the Superintendent of Insurance with no exceptions.

The New Mexico Office of the Superintendent of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of New Mexico for determining and reporting the financial condition and results of operations of an insurance company for determining its solvency under the New Mexico Insurance Law. The National Association of Insurance Commissioner's Accounting Practices and Procedures Manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of New Mexico.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the Office of the Superintendent of Insurance is shown below:

<u>Net Income</u>	<u>2018</u>	<u>2017</u>
1. Net Income New Mexico State basis	\$3,948	\$4,405
2. State Prescribed Practices (Income): Depreciation on fixed assets		
3. State Permitted Practices (Income): Depreciation, home office property		
4. Net Income, NAIC SAP	\$3,948	\$4,405
<u>Surplus</u>		
5. Statutory Surplus New Mexico State basis	\$965,705	\$961,757
6. State Prescribed Practices (Surplus): Goodwill, net Fixed Assets, net		
7. State Permitted Practices (Surplus): Home Office Property		
8. Statutory Surplus, NAIC SAP	\$965,705	\$961,757

B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

Expenses are incurred in connection with acquiring new insurance business, including such acquisition costs as sales commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

In addition, the Company uses the following accounting policies:

- Short - term investments are stated at amortized cost.
- Bonds not backed by other loans are stated at amortized cost using the straight line method.

NOTES TO FINANCIAL STATEMENTS

- Common stocks – none
- Preferred stocks – none

- Mortgage loans – none
- Loan backed securities – none
- The company does not own any non-insurance companies
- The company does not own any joint ventures
- Derivatives – none
- Premium deficiency - none
- Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessary based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- The Company has not modified its capitalization policy from prior period.

D. Going Concern

Not applicable

2. Accounting Changes and Corrections of Errors

None

3. Business Combinations and Goodwill

None

4. Discontinued Operations

None

5. Investments

A. Mortgage Loans

None

B. Debt Restructuring

None

C. Reverse Mortgages

None

D. Loan-Backed Securities

None

E. Repurchase Agreements and/or Securities Lending Transactions

None

F. Real Estate

None

G. Investments in Low Income Housing Tax Credits

None

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

None

I. Working Capital Finance Investments

None

J. Offsetting and Netting of Assets and Liabilities

None

K. Structured Notes

None

L. 5*Securities

None

6. Joint Ventures, Partnerships and Limited Liability Companies

None

7. Investment Income

A. Accrued Investment Income

The company non-admits investment income due and accrued if amounts are over 90 days past due.

B. Amounts Non-Admitted

None

8. Derivative Instruments

None

9. Income Taxes

No change

10. Information Concerning Parent, Subsidiaries Affiliates and Other Related Parties

A. Nature of Relationships

Nick Kapnison and Jimmy Daskalos own New Mexico Property and Casualty Insurance Company. They own AR3, LLC, dba Atlas Resources, FDC Contractors, Employers Reinsurance and NMPC MGA-TPA LLC. AR3, LLC, dba Atlas Resources provides payroll and shares certain expenses with New Mexico Property and Casualty Company. NMPC MGA-TPA LLC provides managing general agent and third party administrative services commencing in 2011. Such transactions are detailed on Schedule Y.

B. Details of Transactions Greater Than ½ of 1% of Admitted Assets

None

C. Change in Terms of Inter-company Arrangements

An Expense Sharing Agreement is in effect between New Mexico Property and Casualty Company and AR3, LLC dba Atlas Resources. The agreement was effective 10/01/08. There were no changes to the contract thereafter.

D. Amounts Due To Or From Related Parties

There are no amounts owed to or from related parties at March 31, 2018.

NOTES TO FINANCIAL STATEMENTS

E. Guarantees or Contingencies for Related Plans

None

F. Management, Service Contracts, Cost Sharing Arrangements

An Expense Sharing Agreement is in effect between New Mexico Property and Casualty Company and AR3, LLC dba Atlas Resources. The agreement was effective 10/01/08

New Mexico Property and Casualty Company entered into a MGA and Third Party Administrator agreement with NMPC MGA-TPA effective 09/01/2010.

G. Nature of Relationships That Could Affect Operations

See note 10 A, B and C

H. Amount Deducted for Investment in Upstream Company

None

I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets

None

J. Write Downs for Impairments of Investments in Subsidiaries, Controlled or Affiliated Companies

None

K. Investment in Foreign Insurance Subsidiary

None

L. Investment in downstream noninsurance holding company

None

M. SCA Investments

None

N. Investments in Insurance SCA

None

11. Debt

None

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits and Compensated Absences and Other Postretirement Benefit Plans

None

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

The Company has 10,000,000 shares of common stock authorized of which 100,000 have been issued and outstanding as of March 31, 2018. The par value of the common stock is \$5.00 per share

The Company has no preferred stock outstanding

The maximum amount of dividends which can be paid to shareholders without prior approval of the New Mexico State Insurance Commissioner is subject to restrictions relating to statutory surplus. Statutory surplus as of March 31, 2018 was \$965,705. The Company is unable to pay any dividends at this time since there is no earned surplus.

There have been no Surplus Advances, Company Stock Held for Special Purposes, Changes in Special Surplus Funds, Changes in Unassigned Funds, Surplus Notes or Quasi-Reorganizations.

14. Liabilities, Contingencies and Assessments

None

15. Leases

There are no material lease obligations at this time.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None

NOTES TO FINANCIAL STATEMENTS**17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities**

None

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans

None

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

None

20. Fair Value Measurements

(1) Fair Value Measurements at Reporting Date

Description	(Level 1)	(Level 2)	(Level 3)	Total
Assets at fair value				
Bonds				
U.S. Governments	\$407,036	\$0	\$0	\$407,036
Industrial and Miscellaneous	304,894	0	0	304,894
Separate account assets	0	0	0	0
Total assets at fair value	<u>\$711,930</u>	<u>\$0</u>	<u>\$0</u>	<u>\$711,930</u>
Liabilities at fair value	\$0	\$0	\$0	\$0

(2) Fair Value Measurements in Level 3

None

Description	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable
Bonds	\$711,930	\$711,930	\$711,930	\$0	\$0	\$0

(3) Not Practicable to Estimate Fair Value

None

21. Other Items

All figures within this statement have been rounded to the nearest dollar.

A. Unusual or Infrequent Items

Not Applicable

B. Troubled Debt Restructuring; Debtors

Not Applicable

C. Other Disclosures

The Company had no agent balances receivable at 12/31/16 and 12/31/17.

Uncollectible Premium Receivable

At March 31, 2018, the Company had no admitted assets in premium receivables due from policyholders. The Company routinely assesses the collect-ability of the receivables and has written off amounts deemed uncollectible.

Non cash investing...

Not Applicable

D. Business Interruption Recoveries..

Not Applicable

E. State Transferable and Non Transferable Tax Credits

Not Applicable

F. Subprime Mortgage Related Risk Exposure

NOTES TO FINANCIAL STATEMENTS

Not Applicable

- G. Insurance-Linked Securities (ILS) Contracts
Not Applicable

22. Events Subsequent

In our opinion there are no events subsequent to the close of the books which have a material effect on the financial condition of the Company.

23. Reinsurance

- A. Unsecured Reinsurance Recoverable

None

- B. Reinsurance Recoverable in Dispute

None

- C. Reinsurance Assumed and Ceded

	Assumed Reinsurance		Ceded Reinsurance		Net	
	(1) Premium Reserve	(2) Commission Equity	(3) Premium Reserve	(4) Commission Equity	(5) Premium Reserve	(6) Commission Equity
i. Affiliates	\$ 0	\$0	\$0	\$0	\$0	\$0
ii. All Other	0	0	0	0	0	0
iii. Total	\$ 0	\$ 0	\$ 0	\$0	\$0	\$0

- iv. Direct Unearned Premium Reserve \$0

New Mexico Property and Casualty has a reinsurance contract predicated on loss experience. In particular a sliding scale profit commission ranging from 24% with a 69% loss ratio to 40% with a 50% loss ratio is included with the 2008/2009 Quota Share Agreement. There is no contingent commission adjustment as of March 31, 2018 and December 31, 2017. The quota share agreement was cut-off on June 30, 2009.

REINSURANCE

	(4) Direct	(2) Assumed	(3) Ceded	(4) Net
a. Contingent Commission	\$0	\$0	\$0	\$0
b. Sliding Scale Adjustments	0	0	0	0
c. Other	0	0	0	0
d. Total	\$0	\$0	\$0	\$0

- D. Uncollectible Reinsurance

None

- E. Commutation of Ceded Reinsurance

None

- F. Retroactive Reinsurance

There were no retroactive reinsurance transactions during 2018.

- G. Reinsurance Accounted for as a Deposit

NOTES TO FINANCIAL STATEMENTS

None

H. Disclosures for the Transfer of Property and Casualty Run – Off Agreements

None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

None

J. Reinsurance Agreements Qualify for Reinsurer Aggregation

None

24. Retrospectively Rated Contract & Contracts Subject to Re-determination

None

25. Changes in Incurred Losses and Loss Adjustment Expenses

The activity in the liability for unpaid claims and claim adjustment expenses is summarized as follows (amounts in 000)

Balance at January 1, 2018	\$323
<u>Incurred</u>	
Current Year	0
Prior Year	<u>(6)</u>
Total Incurred	(6)
<u>Paid</u>	
Current Year	0
Prior Year	<u>25</u>
Total Paid	25
Net Unpaid Losses and LAE at March 31, 2018	<u>\$292</u>

26. Inter-company Pooling Arrangements

None

27. Structured Settlements

None

28. Health Care Receivables

None

29. Participating Policies

None

30. Premium Deficiency Reserves

None

31. High Deductibles

None

32. Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses

None

NOTES TO FINANCIAL STATEMENTS

33. Asbestos and Environmental Reserves

None

34. Subscriber Savings Accounts

None

35. Multiple Crop Insurance

None

36. Financial Guaranty Insurance

None

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

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

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

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change: _____

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []

If yes, complete Schedule Y, Parts 1, and 1A.

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

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

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [] No [X]

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group _____

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

4.2 If yes, provide 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
.....
.....

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

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

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

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 04/23/2013

6.4 By what department or departments?
 New Mexico

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

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

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

GENERAL INTERROGATORIES

7.2 If yes, give full information

.....

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

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

.....

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

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

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

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

- (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.

Yes [X] No []

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

.....

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

.....

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

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

.....

FINANCIAL

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

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

INVESTMENT

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

GENERAL INTERROGATORIES

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

.....

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

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

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

14.2 If yes, please complete the following:

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

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

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

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

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

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

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

1 Name of Custodian(s)	2 Custodian Address
Bank of Albuquerque	PO Box 1271, Tulsa, OK 74101
.....

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

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

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

GENERAL INTERROGATORIES

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

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

17.5 Investment management - Identify all investment advisors, investment managers, broker/dealers. Including individuals that have the authority to make investments 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

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed

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

18.2 If no, list exceptions:

.....

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5*GI securities? Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
.....
.....
.....
TOTAL		

5. Operating Percentages:
 5.1. A&H loss percent _____ %
 5.2. A&H cost containment percent _____ %
 5.3. A&H expense percent excluding cost containment expenses _____ %

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [] No [X]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity Yes [] No [X]

NONE Schedule F

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year To Date - Allocated by States and Territories

States, Etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama	AL	N					
2. Alaska	AK	N					
3. Arizona	AZ	N					
4. Arkansas	AR	N					
5. California	CA	N					
6. Colorado	CO	N					
7. Connecticut	CT	N					
8. Delaware	DE	N					
9. District of Columbia	DC	N					
10. Florida	FL	N					
11. Georgia	GA	N					
12. Hawaii	HI	N					
13. Idaho	ID	N					
14. Illinois	IL	N					
15. Indiana	IN	N					
16. Iowa	IA	N					
17. Kansas	KS	N					
18. Kentucky	KY	N					
19. Louisiana	LA	N					
20. Maine	ME	N					
21. Maryland	MD	N					
22. Massachusetts	MA	N					
23. Michigan	MI	N					
24. Minnesota	MN	N					
25. Mississippi	MS	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			29,190	36,616	1,487,449
32. New Mexico	NM	L					1,594,588
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					
55. U.S. Virgin Islands	VI	N					
56. Northern Mariana Islands	MP	N					
57. Canada	CAN	N					
58. Aggregate Other Alien	OT	X X X					
59. Totals		X X X			29,190	36,616	1,487,449
					29,190	36,616	1,487,449

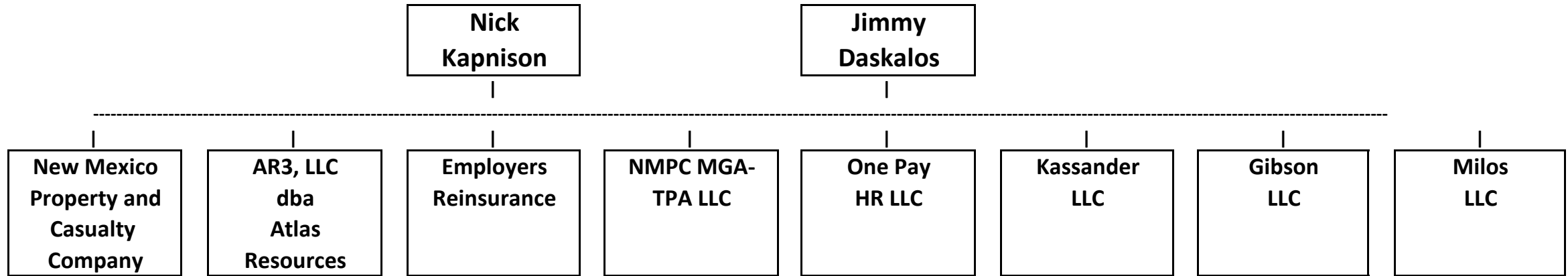
DETAILS OF WRITE-INS							
58001.	X X X						
58002.	X X X						
58003.	X X X						
58998. Summary of remaining write-ins for Line 58 from overflow page	X X X						
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X						

NONE

- (a) Active Status Counts
- L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG 1
 - R - Registered - Non-domiciled RRGs _____
 - E - Eligible - Reporting entities eligible or approved to write surplus lines in the state _____
 - Q - Qualified - Qualified or accredited reinsurer _____
 - D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile _____
 - N - None of the above - Not allowed to write business in the state (other than their state of domicile - See DSLI) 56

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

PART 1 - ORGANIZATIONAL CHART



PART 1 – LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation		17,377		
17.1 Other liability-occurrence				
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability				
21. Auto physical damage				
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business				
35. TOTALS		17,377		

DETAILS OF WRITE-INS			
3401.	NONE		
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

PART 2 – DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability			
21. Auto physical damage			
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS			

DETAILS OF WRITE-INS			
3401.	NONE		
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2018 Loss and LAE Payments on Claims Reported as of Prior Year-End	2018 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2018 Loss and LAE Payments (Cols 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss & LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 - 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2015 + prior	176	144	320	23		23	147		144	291	(6)		(6)
2. 2016													
3. Subtotals 2016 + prior	176	144	320	23		23	147		144	291	(6)		(6)
4. 2017													
5. Subtotals 2017 + prior	176	144	320	23		23	147		144	291	(6)		(6)
6. 2018	X X X	X X X	X X X	X X X			X X X				X X X	X X X	X X X
7. Totals	176	144	320	23		23	147		144	291	(6)		(6)

8. Prior Year-End Surplus As Regards Policyholders

961,757

Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
1. <u>-3.409</u>	2. _____	3. <u>-1.875</u>
		Col. 13, Line 7 Line 8
		4. <u>-0.001</u>

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

- Question 1: Company does not write this line of business.

- Question 2: Company does not write this line of business.

- Question 3: Company does not write this line of business.

- Question 4: Company does not write this line of business.

Bar Code:



12242201849000010



12242201845500010



12242201836500010



12242201850500010

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	713,009	840,176
2. Cost of bonds and stocks acquired		420,965
3. Accrual of discount	321	1,964
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		554,129
7. Deduct amortization of premium		(4,033)
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)	713,330	713,009
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	713,330	713,009

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

S102

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	713,009			321	713,330			713,009
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	713,009			321	713,330			713,009
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds & Preferred Stock	713,009			321	713,330			713,009

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash-equivalent bonds by NAIC designation:

NAIC 1 \$ 0; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

- NONE Schedule DA - Part 1 and Verification**
- NONE Schedule DB - Part A and B Verification**
- NONE Schedule DB - Part C - Section 1**
- NONE Schedule DB - Part C - Section 2**
- NONE Schedule DB - Verification**
- NONE Schedule E Verification**
- NONE Schedule A - Part 2 and 3**
- NONE Schedule B - Part 2 and 3**
- NONE Schedule BA - Part 2 and 3**
- NONE Schedule D - Part 3**
- NONE Schedule D - Part 4**
- NONE Schedule DB - Part A - Section 1**
- NONE Schedule DB - Part B - Section 1**
- NONE Schedule DB - Part D - Section 1**
- NONE Schedule DB - Part D - Section 2**
- NONE Schedule DL - Part 1**
- NONE Schedule DL - Part 2**

NONE Schedule E - Part 2