



QUARTERLY STATEMENT
AS OF SEPTEMBER 30, 2017
OF THE CONDITION AND AFFAIRS OF THE
SOUTHWEST GENERAL INSURANCE COMPANY

NAIC Group Code 0000 , 0000 NAIC Company Code 27499 Employer's ID Number 85-0168089
(Current Period) (Prior Period)

Organized under the Laws of New Mexico , State of Domicile or Port of Entry NM

Country of Domicile United States of America

Incorporated/Organized 03/01/1949 Commenced Business 03/01/1949

Statutory Home Office 701 West Coal Avenue , Gallup, NM, US 87301
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 701 West Coal Avenue
(Street and Number) Gallup, NM, US 87301 (505)722-6621
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Mail Address P.O. Box 1377 , Gallup, NM, US 87305
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 701 West Coal Avenue
(Street and Number) Gallup, NM, US 87301 (505)722-6621
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Web Site Address N/A

Statutory Statement Contact Cynthia Gail Knight (505)722-6621-1003
(Name) (Area Code)(Telephone Number)(Extension)
cindyk@gurleymotor.com (505)863-9091
(E-Mail Address) (Fax Number)

OFFICERS

<u>Name</u>	<u>Title</u>
Steven Patrick Gurley	President
Cynthia Gail Knight	Vice President
Cynthia Gail Knight	Treasurer
Loretta Mescal	Secretary

OTHERS

DIRECTORS OR TRUSTEES

Steven Patrick Gurley	Cynthia Gail Knight
Loretta Mescal	Burke Stansberry
Salvador Murillo	Donna Swoboda

State of New Mexico
 County of McKinley ss

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

(Signature)
 Steven Patrick Gurley
(Printed Name)
 1.
 President
(Title)

(Signature)
 Cynthia Gail Knight
(Printed Name)
 2.
 Vice-President/Treasurer
(Title)

(Signature)
 Loretta Mescal
(Printed Name)
 3.
 Secretary
(Title)

Subscribed and sworn to before me this _____ day of _____, 2017

- a. Is this an original filing?
 b. If no, 1. State the amendment number
 2. Date filed
 3. Number of pages attached

Yes[X] No[]

(Notary Public Signature)

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	1,162,707		1,162,707	1,166,577
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	3,094,668	2,905,320	189,348	215,310
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 (\$.....445,476), cash equivalents (\$.....0) and short-term investments (\$.....0)	445,476		445,476	637,157
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)	4,702,851	2,905,320	1,797,531	2,019,044
13. Title plants less \$.....0 charged off (for Title insurers only)				
14. Investment income due and accrued	5,528		5,528	1,701
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	40		40	39,562
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				
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	55,517		55,517	55,518
18.2 Net deferred tax asset	127,004	127,004		
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	42,068	7,197	34,871	37,283
21. Furniture and equipment, including health care delivery assets (\$.....0)				
22. Net adjustments 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)	4,933,008	3,039,521	1,893,487	2,153,108
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. TOTAL (Lines 26 and 27)	4,933,008	3,039,521	1,893,487	2,153,108
DETAILS OF WRITE-INS				
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.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$.....48,243)	186,233	222,444
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	21,600	25,912
4. Commissions payable, contingent commissions and other similar charges	186	4,335
5. Other expenses (excluding taxes, licenses and fees)	2,250	
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	(1,591)	(1,696)
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 \$.....113,545 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act)	487,587	622,073
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)	696,265	873,068
27. Protected cell liabilities		
28. TOTAL liabilities (Lines 26 and 27)	696,265	873,068
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	600,648	600,648
31. Preferred capital stock		
32. Aggregate write-ins for other-than-special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus		
35. Unassigned funds (surplus)	2,840,438	2,923,256
36. Less treasury stock, at cost:		
36.1 .....605 shares common (value included in Line 30 \$.....421,080)	2,243,864	2,243,864
36.2 .....0 shares preferred (value included in Line 31 \$.....0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	1,197,222	1,280,040
38. TOTALS (Page 2, Line 28, Col. 3)	1,893,487	2,153,108
DETAILS OF WRITE-INS		
2501.		
2502.		
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.		
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.		
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 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned			
1.1 Direct (written \$.....327,363)	461,850	582,353	762,512
1.2 Assumed (written \$.....0)			
1.3 Ceded (written \$.....0)			
1.4 Net (written \$.....327,363)	461,850	582,353	762,512
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....225,768)			
2.1 Direct	185,994	364,237	409,712
2.2 Assumed			
2.3 Ceded			
2.4 Net	185,994	364,237	409,712
3. Loss adjustment expenses incurred	(2,830)	9,623	11,044
4. Other underwriting expenses incurred	390,603	411,134	579,587
5. Aggregate write-ins for underwriting deductions			
6. TOTAL underwriting deductions (Lines 2 through 5)	573,767	784,994	1,000,343
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(111,917)	(202,641)	(237,831)
INVESTMENT INCOME			
9. Net investment income earned	10,057	11,709	12,759
10. Net realized capital gains (losses) less capital gains tax of \$.....0			
11. Net investment gain (loss) (Lines 9 + 10)	10,057	11,709	12,759
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	31,785	32,046	42,735
15. TOTAL other income (Lines 12 through 14)	31,785	32,046	42,735
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(70,075)	(158,886)	(182,337)
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)	(70,075)	(158,886)	(182,337)
19. Federal and foreign income taxes incurred			
20. Net income (Line 18 minus Line 19) (to Line 22)	(70,075)	(158,886)	(182,337)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	1,280,040	1,490,668	1,490,668
22. Net income (from Line 20)	(70,075)	(158,886)	(182,337)
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....25,549	49,595	108,029	105,327
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	64,442	133,720	125,076
27. Change in nonadmitted assets	(126,780)	(256,469)	(258,694)
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)	(82,818)	(173,606)	(210,628)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	1,197,222	1,317,062	1,280,040
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)			
1401. COMPUTER RENTAL	31,500	31,500	42,000
1402. OTHER INCOME	285	546	735
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	31,785	32,046	42,735
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	366,886	457,066	529,415
2. Net investment income	10,100	13,968	21,482
3. Miscellaneous income	31,785	32,046	42,735
4. TOTAL (Lines 1 to 3)	408,771	503,080	593,632
5. Benefit and loss related payments	222,205	320,980	397,300
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	368,749	393,744	553,822
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses)		(18,186)	(18,167)
10. TOTAL (Lines 5 through 9)	590,954	696,538	932,955
11. Net cash from operations (Line 4 minus Line 10)	(182,183)	(193,458)	(339,323)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds		345,000	491,341
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)		345,000	491,341
13. Cost of investments acquired (long-term only):			
13.1 Bonds		203,866	203,866
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)		203,866	203,866
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)		141,134	287,475
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)	(9,498)	(8,152)	(13,729)
17. Net cash from financing and miscellaneous sources (Line 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	(9,498)	(8,152)	(13,729)
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)	(191,681)	(60,476)	(65,577)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	637,157	702,734	702,734
19.2 End of period (Line 18 plus Line 19.1)	445,476	642,258	637,157

Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:

20.0001				
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Notes to Financial Statement

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

The financial statements of Southwest General Insurance Company are presented on the basis of accounting practices prescribed or permitted by the New Mexico Division of Insurance.

The New Mexico Division 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 Commissioners' (NAIC) *Accounting Practices and Procedures* manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of New Mexico. The state has adopted certain prescribed accounting practices that differ from those found in NAIC SAP. In addition, the Commissioner of Insurance has the right to permit other specific practices that deviate from prescribed practices.

A reconciliation of the Company's net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of New Mexico is shown below:

	<u>September 30, 2017</u>	<u>December 31, 2016</u>
(1) Net Income New Mexico basis:	(\$70,075)	(\$182,337)
(2) State Prescribed Practices (Income):	NONE	NONE
(3) State Permitted Practices (Income):	NONE	NONE
(4) Net Income, NAIC SAP:	(\$70,075)	(\$182,337)
(5) Statutory Surplus New Mexico basis:	\$1,197,222	\$1,280,040
(6) State Prescribed Practices (Surplus):	NONE	NONE
(7) State Permitted Practices (Surplus):	NONE	NONE
(8) Statutory Surplus, NAIC SAP:	\$1,197,222	\$1,280,040

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

No Change.

C. Accounting Policy

No Change.

D. Going Concern

No Change.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

A. Accounting Changes: None

B. Correction of Errors: None

3. BUSINESS COMBINATIONS AND GOODWILL

No Change.

4. DISCONTINUED OPERATIONS

No Change.

5. INVESTMENTS

A-C: No Change.

D. Loan-Backed Securities - The Company has no investments in loan-backed securities.

E. Repurchase Agreements - The Company has no investments in repurchase agreements.

Notes to Financial Statement

All others: No Change.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No Change.

7. INVESTMENT INCOME

No Change.

8. DERIVATIVE INSTRUMENTS

No Change.

9. INCOME TAXES

No Change.

10. INFORMATION CONCERNING PARENT, SUBSIDIARIES AND AFFILIATES

No Change.

11. DEBT

No Change.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

A. Defined Benefit Plans: N/A

All Others: No Change.

13. CAPITAL AND SURPLUS, SHAREHOLDERS' DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

No Change.

14. CONTINGENCIES

No Change.

15. LEASES

No Change.

16. INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No Change.

17. SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfers of Receivables Reported as Sales: No Change

B. Transfer and Servicing of Financial Assets: No Change

C. Wash Sales: None

18. GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE UNINSURED PORTION OF PARTIALLY INSURED PLANS

No Change.

19. DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

No Change.

20. FAIR VALUE MEASUREMENTS

A. Fair Value Disclosures

1. Fair Value Measurements at Reporting Date

Notes to Financial Statement

The Company has categorized its assets and liabilities that are measured and reported at fair value in the statement of financial position into the three-level fair value hierarchy as reflected in the following table.

	Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
a.	Assets at fair value				
01	Common Stock – Industrial & Miscellaneous	3,094,668			3,094,668
02	Other				
99	Subtotal – Assets at fair value	3,094,668			3,094,668
b.	Liabilities at fair value				
01	Other				
02	Other				
99	Subtotal – Liabilities at fair value	None			None

2. Fair Value Measurements in Level 3 of the Fair Value Hierarchy: N/A

3. Transfers between Hierarchy Levels: None.

4. Input and Techniques Used for Fair Value Hierarchy:

Level 1: Quoted prices in active markets for identical assets and liabilities. This category for items measured and reported at fair value includes exchange-traded common stocks and mutual funds. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are thus classified Level 1.

Level 2: Significant Other Observable Inputs: The Company has no assets or liabilities measured and reported at fair value in this category.

Level 3: Significant Unobservable Inputs: The Company has no assets or liabilities measured and reported at fair value in this category.

5. Derivative Assets and Liabilities: N/A

B. Other Fair Value Disclosures: None

C. Aggregate Fair Value and Admitted Value:

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Common Stocks	3,094,668	189,348	189,348			
Other						

D. Not Practicable to Estimate Fair Value: None

21. OTHER ITEMS

No Change.

22. EVENTS SUBSEQUENT

No Change.

23. REINSURANCE

No Change.

24. RETROSPECTIVELY RATED CONTRACTS & CONTRACTS SUBJECT TO REDETERMINATION

No Change.

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves as of December 31, 2016 were approximately \$248,000. As of September 30, 2017, approximately \$46,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now approximately \$167,000 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on private passenger and auto physical damage lines on insurance.

Notes to Financial Statement

Therefore, there has been approximately \$35,000 of favorable prior-year development since December 31, 2016. This change is generally the result of on-going analysis of recent loss development trends, potential claim litigation expenses and the closing of statutes on claim filings. Original estimates are increased or decreased as additional information becomes known regarding individual claims. Since the businesses to which these changes relate is not subject to premium adjustments, favorable and unfavorable changes in expenses have the potential to impact surplus. The Company's policies do not provide for additional premiums or return premiums based on loss experience.

26. INTERCOMPANY POOLING ARRANGEMENTS

No Change.

27. STRUCTURED SETTLEMENTS

No Change.

28. HEALTH CARE RECEIVABLES

No Change.

29. PARTICIPATING POLICIES

No Change.

30. PREMIUM DEFICIENCY RESERVES

No Change.

31. HIGH DEDUCTIBLES

No Change.

32. DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

No Change.

33. ASBESTOS/ENVIRONMENTAL RESERVES

No Change.

34. SUBSCRIBER SAVINGS ACCOUNTS

No Change.

35. MULTIPLE PERIL CROP INSURANCE

No Change.

36. FINANCIAL GUARANTY INSURANCE

The Company does not sell financial guaranty insurance.

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[] N/A[X]

- 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:

- 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). 10/24/2013
- 6.4 By what department or departments?
NEW MEXICO DEPARTMENT OF INSURANCE
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes[] No[] N/A[X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[] N/A[]

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

- 8.1 Is the company a subsidiary of a bank holding company regulated 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
.....	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]	Yes[] No[X]

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes[X] No[]
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes[] 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: \$ 0

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes[] No[X]
- 11.2 If yes, give full and complete information relating thereto:

- 12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
- 13. Amount of real estate and mortgages held in short-term investments: \$ 0

GENERAL INTERROGATORIES (Continued)

INVESTMENT

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

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds		
14.22 Preferred Stock		
14.23 Common Stock		
14.24 Short-Term Investments		
14.25 Mortgages 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

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 N/A

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

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 0
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ 0
16.3 Total payable for securities lending reported on the liability page	\$ 0

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes 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
Wells Fargo Advisors, LLC	6501 Americas Pky NE, Albuquerque, NM 87110
Morgan Stanley Smith Barney, LLC	6565 Americas Pky NE, Albuquerque, NM 87110
MUFG Union Bank, N.A.	350 California St., San Francisco, CA 94104

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

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 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
Morgan Stanley Smith Barney, LLC, Clifford Gramer	U

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

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

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

GENERAL INTERROGATORIES (Continued)

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
149777	Morgan Stanley Smith Barney, LLC, Clifford Gramer .....	.....	Securities Exchange Commission .....	..... DS

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes[X] No[]

18.2 If no, list exceptions:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?
If yes, attach an explanation. Yes[] No[] N/A[X]
2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured?
If yes, attach an explanation. Yes[] No[X]
- 3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes[] No[X]
3.2 If yes, give full and complete information thereto
- 4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see annual statement instructions pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes[] No[X]
4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 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
04.2999 Total										

5. Operating Percentages:
 5.1 A&H loss percent 0.000%
 5.2 A&H cost containment percent 0.000%
 5.3 A&H expense percent excluding cost containment expenses 0.000%
- 6.1 Do you act as a custodian for health savings accounts? Yes[] No[X]
 6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0
 6.3 Do you act as an administrator for health savings accounts? Yes[] No[X]
 6.4 If yes, please provide the balance of the funds administered as of the reporting date. \$ 0

SCHEDULE F - CEDED REINSURANCE
Showing all new reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
			NONE			

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**Current Year to Date - Allocated by States and Territories**

	1 Active Status	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
States, etc.							
1. Alabama (AL)	N						
2. Alaska (AK)	N						
3. Arizona (AZ)	L	173,643	172,200	118,984	170,058	45,523	113,781
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)	L	153,720	281,499	103,222	150,922	140,709	139,507
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	(a) 2	327,363	453,699	222,206	320,980	186,232	253,288
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						

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

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

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

A. SOUTHWEST CREDIT LIFE, INC.

(NAIC Company Code: 91448, Federal ID No. 85-0274677)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	25.00%
Erin A. Ingalls		25.00%
Shannon M. O'Donnell		25.00%
Lauren L. Kellerman		25.00%

B. SOUTHWEST GENERAL INSURANCE COMPANY

(NAIC Company Code: 27499, Federal ID No. 85-0168089)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Patrick J. Gurley & Carolee Gurley Irrevocable Trust		50.40%
Steven P. Gurley	Pres./Dir.	12.40%
Erin A. Ingalls		12.40%
Shannon M. O'Donnell		12.40%
Lauren L. Kellerman		12.40%

C. RED ROCK INVESTMENT COMPANY

(Federal ID No. 85-0086708)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	24.58%
Erin A. Ingalls		24.58%
Shannon M. O'Donnell		24.58%
Lauren L. Kellerman		24.58%
Burke Stansberry		1.68%

D. GURLEY MOTOR COMPANY

(Federal ID No. 85-0165743)

<u>Name</u>	<u>Title</u>	<u>Ownership Percentage</u>
Steven P. Gurley	Pres./Dir.	52.00%
Erin A. Ingalls		16.00%
Shannon M. O'Donnell		16.00%
Lauryn L. Kellerman		16.00%

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	FEDERAL RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies) / Person(s)	Is an SCA Filing Required? (Y/N)	*
.....	91448	85-0274677	.....	.....	.....	Southwest Credit Life, Inc.	NM	IA	SEE SCHED Y PART 1	Board of Directors, Management, Influence .....	.....	SEE SCHED Y PART 1	N	.....
.....	00000	85-0086708	.....	.....	.....	Gurley Motor Company	NM	NIA	SEE SCHED Y PART 1	Board of Directors, Management, Influence .....	.....	SEE SCHED Y PART 1	N	.....
.....	00000	85-0165743	.....	.....	.....	Red Rock Investment Co.	NM	NIA	SEE SCHED Y PART 1	Board of Directors, Management, Influence .....	.....	SEE SCHED Y PART 1	N	.....
.....	27499	85-0168089	.....	.....	.....	Southwest General Insurance Company ..	NM	RE	SEE SCHED Y PART 1	Board of Directors, Management, Influence .....	.....	SEE SCHED Y PART 1	N	.....

Asterisk	Explanation
0000001

STATEMENT AS OF **September 30, 2017** OF THE **SOUTHWEST GENERAL INSURANCE COMPANY**
PART 1 - LOSS EXPERIENCE

Line 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				
17.1 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	85,295	4,168	4.887	33.646
19.3 19.4 Commercial auto liability				
21. Auto physical damage	275,106	167,199	60.776	87.164
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty	101,449	14,627	14.418	19.549
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business				
35. TOTALS	461,850	185,994	40.272	62.546
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line 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	23,787	82,766	101,403
19.3 19.4 Commercial auto liability			
21. Auto physical damage	21,566	171,567	260,534
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty	18,745	73,030	91,762
31. Reinsurance-Nonproportional Assumed Property	X X X	X X X	X X X
32. Reinsurance-Nonproportional Assumed Liability	X X X	X X X	X X X
33. Reinsurance-Nonproportional Assumed Financial Lines	X X X	X X X	X X X
34. Aggregate write-ins for other lines of business			
35. TOTALS	64,098	327,363	453,699
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. TOTALS (Lines 3401 through 3403 plus 3498) (Line 34 above)			

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)	2017 Loss and LAE Payments on Claims Reported as of Prior Year-End	2017 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2017 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 and 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 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 11 + 12)
1. 2014 + Prior	59	8	67				52		2	54	(7)	(6)	(13)
2. 2015	46	10	56	4		4	40		1	41	(2)	(9)	(11)
3. Subtotals 2015 + Prior	105	18	123	4		4	92		3	95	(9)	(15)	(24)
4. 2016	92	33	125	42		42	56		7	63	6	(26)	(20)
5. Subtotals 2016 + Prior	197	51	248	46		46	148		10	158	(3)	(41)	(44)
6. 2017	X X X	X X X	X X X	X X X		178	X X X		31	50	X X X	X X X	X X X
7. Totals	197	51	248	46		178	148		41	208	(3)	(41)	(44)
8. Prior Year-End Surplus As Regards Policyholders	1,280										Col. 11, Line 7 As % of Col. 1 Line 7 1..... (1.523)	Col. 12, Line 7 As % of Col. 2 Line 7 2..... (80.392)	Col. 13, Line 7 As % of Col. 3 Line 7 3..... (17.742)
													Col. 13, Line 7 Line 8 4..... (3.438)

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STATEMENT AS OF **September 30, 2017** OF THE **SOUTHWEST GENERAL INSURANCE COMPANY**
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		
9. Total foreign exchange change in book value/recorded investment		
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	4,186,101	4,320,920
2. Cost of bonds and stocks acquired		203,866
3. Accrual of discount	369	543
4. Unrealized valuation increase (decrease)	75,144	159,588
5. Total gain (loss) on disposals		
6. Deduct consideration for bonds and stocks disposed of		491,341
7. Deduct amortization of premium	4,239	7,475
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	4,257,375	4,186,101
11. Deduct total nonadmitted amounts	2,905,320	2,804,215
12. Statement value at end of current period (Line 10 minus Line 11)	1,352,055	1,381,886

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	1,164,685		688	(1,290)	1,165,902	1,164,685	1,162,707	1,167,265
2. NAIC 2 (a)								
3. NAIC 3 (a)								
4. NAIC 4 (a)								
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	1,164,685		688	(1,290)	1,165,902	1,164,685	1,162,707	1,167,265
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	1,164,685		688	(1,290)	1,165,902	1,164,685	1,162,707	1,167,265

(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

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SCHEDULE DA - PART 1**Short - Term Investments**

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals		X X X			

SCHEDULE DA - Verification**Short-Term Investments**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	688	684,606
2. Cost of short-term investments acquired		
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	688	683,918
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other-than-temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)		688
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		688

SI04 Schedule DB - Part A Verification NONE

SI04 Schedule DB - Part B Verification NONE

SI05 Schedule DB Part C Section 1 NONE

SI06 Schedule DB Part C Section 2 NONE

SI07 Schedule DB - Verification NONE

SI08 Schedule E - Verification (Cash Equivalents) NONE

E01 Schedule A Part 2	NONE
E01 Schedule A Part 3	NONE
E02 Schedule B Part 2	NONE
E02 Schedule B Part 3	NONE
E03 Schedule BA Part 2	NONE
E03 Schedule BA Part 3	NONE
E04 Schedule D Part 3	NONE
E05 Schedule D Part 4	NONE
E06 Schedule DB Part A Section 1	NONE
E07 Schedule DB Part B Section 1	NONE
E08 Schedule DB Part D Section 1	NONE
E09 Schedule DB Part D Section 2 - Collateral Pledged By Reporting Entity	NONE
E09 Schedule DB Part D Section 2 - Collateral Pledged To Reporting Entity	NONE
E10 Schedule DL - Part 1 - Securities Lending Collateral Assets	NONE
E11 Schedule DL - Part 2 - Securities Lending Collateral Assets	NONE

SCHEDULE E - PART 1 - CASH**Month End Depository Balances**

1 Depository		2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
						6 First Month	7 Second Month	8 Third Month	
open depositories									
PINNACLE BANK, NM	GALLUP, NEW MEXICO					49,295	53,113	23,602	X X X
MORGAN STANLEY	ALBUQUERQUE, NEW MEXICO		0.010	58		461,838	421,857	421,874	X X X
0199998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - open depositories		X X X	X X X						X X X
0199999 Totals - Open Depositories		X X X	X X X	58		511,133	474,970	445,476	X X X
0299998 Deposits in .....0 depositories that do not exceed the allowable limit in any one depository (see Instructions) - suspended depositories		X X X	X X X						X X X
0299999 Totals - Suspended Depositories		X X X	X X X						X X X
0399999 Total Cash On Deposit		X X X	X X X	58		511,133	474,970	445,476	X X X
0499999 Cash in Company's Office		X X X	X X X	X X X	X X X				X X X
0599999 Total Cash		X X X	X X X	58		511,133	474,970	445,476	X X X

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
N O N E							
8699999 Total - Cash Equivalents							

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