



ANNUAL STATEMENT
For the Year Ended December 31, 2014

OF THE CONDITION AND AFFAIRS OF

THE TRAVELERS
INDEMNITY COMPANY

NAIC Group Code 3548 3548 NAIC Company Code 25658 Employer's ID Number 06-0566050
(Current Period) (Prior Period)

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

INCORPORATED/ORGANIZED, MARCH 25, 1903

COMMENCED BUSINESS, MAY 12, 1906

Statutory Home Office: One Tower Square, Hartford, CT, US 06183
Main Administrative Office: One Tower Square, Hartford, CT, US 06183 (860) 277-0111
Mail Address: One Tower Square, Hartford, CT, US 06183
Primary Location of Books and Records: One Tower Square, Hartford, CT, US 06183 (860) 277-0111
Internet Website Address: www.travelers.com
Statutory Statement Contact: Michael J. Doody (860) 277-3966
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(E-Mail Address) (Fax Number)

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Lists officers including Brian William MacLean, Jay Steven Benet, William Herbert Heyman, Alan David Schnitzer, Doreen Spadorcia, Andy Francis Besette, Bruce Richard Jones, Madelyn Joseph Lankton, Maria Olivo, Kenneth Franklin Spence, III, Douglas Keith Bell, Douglas Kenneth Russell, Scott William Rynda, Wendy Constance Skjerven, and Renée Helou Davis.

DIRECTORS

JAY STEVEN BENET BRIAN WILLIAM MacLEAN KENNETH FRANKLIN SPENCE, III
WILLIAM HERBERT HEYMAN DOREEN SPADORCIA GREGORY CHESHIRE TOCZYDLOWSKI

STATE OF CONNECTICUT }
COUNTY OF HARTFORD } 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 of Brian W. MacLean

Brian W. MacLean

President

Signature of Wendy C. Skjerven

Wendy C. Skjerven

Secretary

Signature of Douglas K. Russell

Douglas K. Russell

Controller

Subscribed and sworn to before me this

22nd day of January, 2015

Signature of Sandra M. Bachman

Notary Public

My Commission Expires September 30, 2017



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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	11,616,564,824	0	11,616,564,824	12,598,941,655
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	44,187,904	0	44,187,904	56,553,036
2.2 Common stocks.....	3,649,070,706	4,700,414	3,644,370,292	3,476,059,892
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	241,647,581	0	241,647,581	216,844,268
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....(371,309,504), Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....1,057,534,516, Schedule DA).....	686,225,012	0	686,225,012	3,652,929
6. Contract loans (including \$.....0 premium notes).....	(1,256,431)	(1,256,431)	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	985,431,718	239,735,141	745,696,577	601,946,233
9. Receivables for securities.....	0	0	0	231,282
10. Securities lending reinvested collateral assets (Schedule DL).....	63,378,059	0	63,378,059	49,353,210
11. Aggregate write-ins for invested assets.....	(3,356,553)	0	(3,356,553)	(3,475,972)
12. Subtotals, cash and invested assets (Lines 1 to 11).....	17,281,892,820	243,179,123	17,038,713,697	17,000,106,534
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	135,549,289	0	135,549,289	148,579,773
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	357,566,292	37,067,457	320,498,835	354,064,992
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....21,401,724 earned but unbilled premiums).....	965,913,950	4,903,787	961,010,163	933,467,795
15.3 Accrued retrospective premiums.....	20,691,658	1,159,395	19,532,263	22,161,051
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	1,384,279,989	0	1,384,279,989	1,314,052,474
16.2 Funds held by or deposited with reinsured companies.....	1,458,460	0	1,458,460	2,452,364
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0	13,006,323
18.2 Net deferred tax asset.....	793,028,173	320,612,344	472,415,829	488,853,692
19. Guaranty funds receivable or on deposit.....	1,333,584	0	1,333,584	1,571,149
20. Electronic data processing equipment and software.....	46,548,723	0	46,548,723	52,220,039
21. Furniture and equipment, including health care delivery assets (\$.....0).....	175,209,494	175,209,494	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	1,205,995,334	862,870,565	343,124,769	332,077,798
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	22,369,467,765	1,645,002,166	20,724,465,599	20,662,613,986
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	22,369,467,765	1,645,002,166	20,724,465,599	20,662,613,986

DETAILS OF WRITE-INS

1101. Deferred gain/loss.....	(3,356,553)	0	(3,356,553)	(3,475,972)
1102.....	0	0	0	0
1103.....	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	(3,356,553)	0	(3,356,553)	(3,475,972)
2501. COLI supplemental benefits trust.....	132,401,115	0	132,401,115	140,705,362
2502. Other assets.....	60,767,558	0	60,767,558	48,749,351
2503. Equities and deposits in pools and associations.....	46,439,375	0	46,439,375	45,974,905
2598. Summary of remaining write-ins for Line 25 from overflow page.....	966,387,286	862,870,565	103,516,721	96,648,180
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,205,995,334	862,870,565	343,124,769	332,077,798

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	6,803,744,952	6,927,362,737
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	1,112,050,482	1,077,656,012
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	1,658,228,404	1,525,340,357
4. Commissions payable, contingent commissions and other similar charges.....	144,151,660	142,036,106
5. Other expenses (excluding taxes, licenses and fees).....	146,261,520	141,989,673
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	77,053,988	82,503,827
7.1 Current federal and foreign income taxes (including \$.....11,261,273 on realized capital gains (losses)).....	45,968,243	0
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....7,571,534,931 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).....	2,125,708,319	2,077,407,720
10. Advance premium.....	91,158,881	75,805,142
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	10,831,590	10,941,679
12. Ceded reinsurance premiums payable (net of ceding commissions).....	60,424,950	73,402,689
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	122,895,559	134,213,303
14. Amounts withheld or retained by company for account of others.....	1,092,406,373	1,087,967,623
15. Remittances and items not allocated.....	234,154,567	230,467,495
16. Provision for reinsurance (including \$.....1,746,087 certified) (Schedule F, Part 8).....	83,045,889	119,805,883
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	121,418,463	136,729,170
20. Derivatives.....	0	0
21. Payable for securities.....	26,785,017	0
22. Payable for securities lending.....	63,378,059	49,353,210
23. Liability for amounts held under uninsured plans.....	0	0
24. Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25. Aggregate write-ins for liabilities.....	71,392,488	63,505,889
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	14,091,059,403	13,956,488,515
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	14,091,059,403	13,956,488,515
29. Aggregate write-ins for special surplus funds.....	19,578,587	22,748,125
30. Common capital stock.....	10,790,700	10,790,700
31. Preferred capital stock.....	0	0
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	0	0
34. Gross paid in and contributed surplus.....	4,234,154,921	4,234,154,921
35. Unassigned funds (surplus).....	2,368,881,988	2,438,431,725
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	6,633,406,196	6,706,125,470
38. TOTALS (Page 2, Line 28, Col. 3).....	20,724,465,599	20,662,613,986

DETAILS OF WRITE-INS

2501. Escheat liability.....	90,853,373	86,370,985
2502. Retroactive reinsurance reserve assumed.....	520,688	523,977
2503. Other statutory provisions.....	181,238	208,173
2598. Summary of remaining write-ins for Line 25 from overflow page.....	(20,162,811)	(23,597,246)
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	71,392,488	63,505,889
2901. Special surplus from retroactive reinsurance.....	19,578,587	22,748,125
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	19,578,587	22,748,125
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

THE TRAVELERS INDEMNITY COMPANY

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	4,655,473,796	4,633,572,774
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	2,148,280,274	2,264,147,033
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	666,153,022	556,063,789
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	1,414,181,600	1,418,717,956
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	4,228,614,896	4,238,928,778
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	426,858,901	394,643,996
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	781,464,083	747,071,637
10. Net realized capital gains (losses) less capital gains tax of \$.....11,538,495 (Exhibit of Capital Gains (Losses)).....	(15,143,857)	72,484,309
11. Net investment gain (loss) (Lines 9 + 10).....	766,320,225	819,555,946
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....2,847,080 amount charged off \$.....13,403,460).....	(10,556,380)	(11,006,222)
13. Finance and service charges not included in premiums.....	18,116,437	19,557,920
14. Aggregate write-ins for miscellaneous income.....	28,282,173	72,622,632
15. Total other income (Lines 12 through 14).....	35,842,230	81,174,330
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	1,229,021,355	1,295,374,273
17. Dividends to policyholders.....	7,328,336	6,777,433
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).....	1,221,693,019	1,288,596,840
19. Federal and foreign income taxes incurred.....	279,508,777	222,932,588
20. Net income (Line 18 minus Line 19) (to Line 22).....	942,184,243	1,065,664,252
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	6,706,125,470	7,119,286,075
22. Net income (from Line 20).....	942,184,243	1,065,664,252
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....5,786,113.....	204,790,254	235,642,281
25. Change in net unrealized foreign exchange capital gain (loss).....	(900,145)	(476,542)
26. Change in net deferred income tax.....	9,245,375	(82,905,336)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(24,647,046)	27,770,502
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	36,759,994	28,739,772
29. Change in surplus notes.....	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0
31. Cumulative effect of changes in accounting principles.....	0	0
32. Capital changes:		
32.1 Paid in.....	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0
32.3 Transferred to surplus.....	0	0
33. Surplus adjustments:		
33.1 Paid in.....	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0
33.3. Transferred from capital.....	0	0
34. Net remittances from or (to) Home Office.....	0	0
35. Dividends to stockholders.....	(1,242,000,000)	(1,701,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....	0	0
37. Aggregate write-ins for gains and losses in surplus.....	1,848,052	13,404,467
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(72,719,274)	(413,160,605)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	6,633,406,196	6,706,125,470
DETAILS OF WRITE-INS		
0501.	0	0
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0
1401. Profit and loss, miscellaneous.....	23,585,852	67,943,525
1402. Change in COLI cash values.....	6,163,404	5,945,295
1403. Other assets tri-party/tax credit bond income.....	265,963	286,752
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(1,733,045)	(1,552,940)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	28,282,173	72,622,632
3701. Prior period adjustment.....	1,848,052	13,404,467
3702.	0	0
3703.	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	1,848,052	13,404,467

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	4,713,068,326	4,485,950,866
2. Net investment income.....	855,091,408	827,946,070
3. Miscellaneous income.....	35,842,230	81,174,330
4. Total (Lines 1 through 3).....	5,604,001,964	5,395,071,266
5. Benefit and loss related payments.....	2,306,737,199	2,585,536,662
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	1,946,144,909	2,018,587,443
8. Dividends paid to policyholders.....	7,438,426	7,937,344
9. Federal and foreign income taxes paid (recovered) net of \$.....2,023,797 tax on capital gains (losses).....	232,072,706	254,324,227
10. Total (Lines 5 through 9).....	4,492,393,240	4,866,385,676
11. Net cash from operations (Line 4 minus Line 10).....	1,111,608,723	528,685,591
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	2,275,786,744	2,815,432,438
12.2 Stocks.....	35,548,986	43,521,658
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	95,440,546	89,296,577
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	165
12.7 Miscellaneous proceeds.....	27,016,299	162,283,140
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,433,792,575	3,110,533,978
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	1,334,455,948	2,101,755,864
13.2 Stocks.....	2,197,695	14,701,253
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	33,064,870	31,913,967
13.5 Other invested assets.....	217,615,886	200,255,856
13.6 Miscellaneous applications.....	14,024,849	15,600,844
13.7 Total investments acquired (Lines 13.1 to 13.6).....	1,601,359,249	2,364,227,784
14. Net increase (decrease) in contract loans and premium notes.....	(4,797,631)	2,561,489
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	837,230,957	743,744,705
CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds.....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0
16.5 Dividends to stockholders.....	1,242,000,000	1,701,000,000
16.6 Other cash provided (applied).....	(24,267,597)	459,542,929
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(1,266,267,597)	(1,241,457,071)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	682,572,083	30,973,225
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	3,652,929	(27,320,296)
19.2 End of year (Line 18 plus Line 19.1).....	686,225,012	3,652,929
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 Exchange of bonds.....	9,673,228	3,471,800
20.0002 Prior period return of capital.....	3,500,000	0
20.0003 Stock distribution from limited partnerships.....	2,197,695	5,555,845
20.0004 Interest payment received in securities.....	1,320,639	3,396,650
20.0005 Stock converted to bonds.....	22,043	0
20.0006 Exchange of stock.....	0	617,197
20.0007 Bonds converted to stock.....	0	157,111

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire.....	124,361,650	55,767,483	58,621,569	121,507,565
2.	Allied lines.....	113,027,939	56,785,812	55,991,105	113,822,645
3.	Farmowners multiple peril.....	38,043,438	18,253,248	18,152,947	38,143,739
4.	Homeowners multiple peril.....	747,802,052	405,064,903	400,056,879	752,810,076
5.	Commercial multiple peril.....	697,835,696	312,529,019	320,450,527	689,914,189
6.	Mortgage guaranty.....	0	0	0	0
8.	Ocean marine.....	56,690,669	24,485,959	23,215,619	57,961,009
9.	Inland marine.....	155,487,228	69,768,727	72,907,309	152,348,646
10.	Financial guaranty.....	0	(258)	(103)	(155)
11.1	Medical professional liability - occurrence.....	(38)	(352)	(296)	(94)
11.2	Medical professional liability - claims-made.....	(1,886)	5	0	(1,881)
12.	Earthquake.....	27,813,301	11,994,431	14,076,737	25,730,995
13.	Group accident and health.....	1,091	24,337	15,540	9,887
14.	Credit accident and health (group and individual).....	0	0	0	0
15.	Other accident and health.....	1,319,646	478,313	544,179	1,253,780
16.	Workers' compensation.....	894,363,667	324,126,850	342,908,218	875,582,299
17.1	Other liability - occurrence.....	403,213,166	168,792,674	175,484,800	396,521,040
17.2	Other liability - claims-made.....	135,407,355	79,277,813	75,371,955	139,313,213
17.3	Excess workers' compensation.....	4,357,264	1,681,086	1,585,190	4,453,160
18.1	Products liability - occurrence.....	34,393,931	12,951,316	14,079,823	33,265,423
18.2	Products liability - claims-made.....	6,357,315	2,213,772	2,804,133	5,766,953
19.1, 19.2	Private passenger auto liability.....	464,353,189	168,408,641	178,523,858	454,237,972
19.3, 19.4	Commercial auto liability.....	341,171,400	154,006,627	152,357,960	342,820,067
21.	Auto physical damage.....	390,027,099	145,952,646	155,038,816	380,940,929
22.	Aircraft (all perils).....	19,089	356	0	19,445
23.	Fidelity.....	12,105,099	8,712,584	7,663,205	13,154,478
24.	Surety.....	(4,825,066)	357,642	308,857	(4,776,282)
26.	Burglary and theft.....	1,396,804	843,912	829,219	1,411,498
27.	Boiler and machinery.....	43,894,878	19,484,177	19,410,973	43,968,082
28.	Credit.....	432	2,124	1,500	1,056
29.	International.....	443,659	18,421	3,334	458,747
30.	Warranty.....	0	0	0	0
31.	Reinsurance - nonproportional assumed property.....	9,899,410	3,685,936	3,790,490	9,794,856
32.	Reinsurance - nonproportional assumed liability.....	4,258,531	2,039,388	2,227,844	4,070,075
33.	Reinsurance - nonproportional assumed financial lines.....	346,584	259,928	230,642	375,871
34.	Aggregate write-ins for other lines of business.....	647,647	371,433	424,566	594,514
35.	TOTALS.....	4,704,212,238	2,048,338,953	2,097,077,395	4,655,473,796

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation.....	647,647	371,433	424,566	594,514
3402.	.....	0	0	0	0
3403.	.....	0	0	0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	647,647	371,433	424,566	594,514

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire.....	57,846,532	1,205,899	(430,862)	.0	58,621,569
2.	Allied lines.....	54,036,666	1,954,905	(466)	.0	55,991,105
3.	Farmowners multiple peril.....	18,521,088	(368,141)	0	.0	18,152,947
4.	Homeowners multiple peril.....	400,060,662	(3,783)	0	.0	400,056,879
5.	Commercial multiple peril.....	322,943,809	(135,891)	(2,357,391)	.0	320,450,527
6.	Mortgage guaranty.....	0	0	0	.0	0
8.	Ocean marine.....	24,185,124	361,890	(1,331,395)	.0	23,215,619
9.	Inland marine.....	61,153,091	12,340,822	(586,604)	.0	72,907,309
10.	Financial guaranty.....	0	(103)	0	.0	(103)
11.1	Medical professional liability - occurrence.....	(296)	0	0	.0	(296)
11.2	Medical professional liability - claims-made.....	0	0	0	.0	0
12.	Earthquake.....	13,545,960	530,777	0	.0	14,076,737
13.	Group accident and health.....	15,540	0	0	.0	15,540
14.	Credit accident and health (group and individual).....	0	0	0	.0	0
15.	Other accident and health.....	554,617	2,562	(13,000)	.0	544,179
16.	Workers' compensation.....	364,869,673	(70,884)	(13,177,027)	(8,713,544)	342,908,218
17.1	Other liability - occurrence.....	176,628,482	(521,376)	(3,025,200)	2,402,895	175,484,800
17.2	Other liability - claims-made.....	64,987,219	10,301,895	82,841	.0	75,371,955
17.3	Excess workers' compensation.....	1,586,122	0	(932)	.0	1,585,190
18.1	Products liability - occurrence.....	14,293,253	38,465	(552,206)	300,311	14,079,823
18.2	Products liability - claims-made.....	2,915,565	(111,431)	0	.0	2,804,133
19.1, 19.2	Private passenger auto liability.....	178,523,858	0	0	.0	178,523,858
19.3, 19.4	Commercial auto liability.....	153,424,407	152,416	(0)	(1,218,863)	152,357,960
21.	Auto physical damage.....	155,021,892	16,924	(0)	.0	155,038,816
22.	Aircraft (all perils).....	0	0	0	.0	0
23.	Fidelity.....	4,880,003	2,783,203	0	.0	7,663,205
24.	Surety.....	181,856	136,484	(9,482)	.0	308,857
26.	Burglary and theft.....	565,925	263,294	0	.0	829,219
27.	Boiler and machinery.....	18,562,064	848,910	0	.0	19,410,973
28.	Credit.....	1,500	0	0	.0	1,500
29.	International.....	3,334	0	0	.0	3,334
30.	Warranty.....	0	0	0	.0	0
31.	Reinsurance - nonproportional assumed property.....	2,824,184	966,306	0	.0	3,790,490
32.	Reinsurance - nonproportional assumed liability.....	2,150,688	77,156	0	.0	2,227,844
33.	Reinsurance - nonproportional assumed financial lines.....	230,642	0	0	.0	230,642
34.	Aggregate write-ins for other lines of business.....	424,566	0	0	.0	424,566
35.	TOTALS.....	2,094,938,022	30,770,297	(21,401,724)	(7,229,201)	2,097,077,395
36.	Accrued retrospective premiums based on experience.....					7,229,201
37.	Earned but unbilled premiums.....					21,401,724
38.	Balance (sum of Lines 35 through 37).....					2,125,708,319

DETAILS OF WRITE-INS

3401.	Tribal workers' compensation.....	424,566	0	0	.0	424,566
3402.	.....	0	0	0	.0	0
3403.	.....	0	0	0	.0	0
3498.	Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	.0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	424,566	0	0	.0	424,566

(a) State here basis of computation used in each case: Daily pro rata; pools and associations as submitted.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	143,106,216	497,238,430	648,155	409,910,416	106,720,735	124,361,650
2. Allied lines.....	172,001,048	427,712,229	594,700	372,278,799	115,001,239	113,027,939
3. Farmowners multiple peril.....	38,800,759	126,579,362	0	125,303,227	2,033,456	38,043,438
4. Homeowners multiple peril.....	37,018,222	3,249,383,944	0	2,463,026,855	75,573,259	747,802,052
5. Commercial multiple peril.....	267,639,598	2,934,703,833	4,333,563	2,299,142,795	209,698,503	697,835,696
6. Mortgage guaranty.....	0	0	0	0	0	0
8. Ocean marine.....	5,157	257,120,506	3,685	186,724,154	13,714,526	56,690,669
9. Inland marine.....	14,618,613	691,779,566	15,810	512,138,126	38,788,636	155,487,228
10. Financial guaranty.....	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	5,438	(5,400)	(38)
11.2 Medical professional liability - claims-made.....	0	0	0	(6,214)	8,100	(1,886)
12. Earthquake.....	48,366,852	90,978,905	7,668	91,608,348	19,931,776	27,813,301
13. Group accident and health.....	0	1,091	0	0	0	1,091
14. Credit accident and health (group and individual).....	0	0	0	0	0	0
15. Other accident and health.....	0	1,319,646	0	0	0	1,319,646
16. Workers' compensation.....	412,028,022	3,913,966,034	108,511,581	2,946,209,772	593,932,197	894,363,667
17.1 Other liability - occurrence.....	317,693,950	1,548,400,440	2,783,551	1,328,692,424	136,972,351	403,213,166
17.2 Other liability - claims-made.....	16,378,235	568,048,336	1,499,478	446,103,055	4,415,638	135,407,355
17.3 Excess workers' compensation.....	(3,841)	18,825,953	0	14,351,472	113,376	4,357,264
18.1 Products liability - occurrence.....	12,450,457	136,545,801	0	113,282,888	1,319,440	34,393,931
18.2 Products liability - claims-made.....	25,230	28,167,095	0	20,939,014	895,996	6,357,315
19.1, 19.2 Private passenger auto liability.....	13,731,339	1,987,040,854	11,245,575	1,529,434,604	18,229,975	464,353,189
19.3, 19.4 Commercial auto liability.....	192,115,026	1,330,655,866	17,195,972	1,123,752,236	75,043,227	341,171,400
21. Auto physical damage.....	62,949,628	1,627,475,182	2,549,615	1,284,627,693	18,319,632	390,027,099
22. Aircraft (all perils).....	0	81,963	0	62,873	0	19,089
23. Fidelity.....	79,793	51,882,862	2,429	39,870,424	(10,439)	12,105,099
24. Surety.....	390,089	8,078,462	0	(19,084,893)	32,378,510	(4,825,066)
26. Burglary and theft.....	13,697	6,915,315	885	5,447,672	85,421	1,396,804
27. Boiler and machinery.....	16,262,696	96,755,451	79,306,110	144,576,045	3,853,334	43,894,878
28. Credit.....	0	1,854	0	1,422	0	432
29. International.....	0	1,904,933	0	1,461,274	0	443,659
30. Warranty.....	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	(29,299)	43,051,087	32,605,571	516,808	9,899,410
32. Reinsurance - nonproportional assumed liability.....	XXX	18,456,535	2,140,962	14,026,273	2,312,694	4,258,531
33. Reinsurance - nonproportional assumed financial lines.....	XXX	1,488,126	0	1,141,541	0	346,584
34. Aggregate write-ins for other lines of business.....	0	2,780,793	0	2,133,146	0	647,647
35. TOTALS.....	1,765,670,785	19,624,260,066	273,890,826	15,489,766,452	1,469,842,987	4,704,212,238

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	0	2,780,793	0	2,133,146	0	647,647
3402.	0	0	0	0	0	0
3403.	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	2,780,793	0	2,133,146	0	647,647

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	62,667,331	234,275,463	233,005,123	63,937,670	45,625,056	45,026,788	64,535,939	53.1
2. Allied lines.....	106,686,873	229,219,525	278,999,508	56,906,889	46,539,841	56,111,416	47,335,314	41.6
3. Farmowners multiple peril.....	17,656,283	54,369,516	55,135,059	16,890,740	12,822,093	13,298,065	16,414,768	43.0
4. Homeowners multiple peril.....	18,222,342	1,371,090,442	1,065,907,789	323,404,996	160,203,548	172,635,508	310,973,036	41.3
5. Commercial multiple peril.....	107,303,689	1,283,673,420	1,086,947,572	304,029,537	596,306,811	572,583,147	327,753,201	47.5
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	943,288	101,095,893	80,077,038	21,962,144	44,301,052	46,111,245	20,151,951	34.8
9. Inland marine.....	17,682,250	291,815,967	241,673,701	67,824,516	58,322,953	55,745,592	70,401,877	46.2
10. Financial guaranty.....	0	0	0	0	1	34	(33)	21.4
11.1 Medical professional liability - occurrence.....	0	554,830	442,315	112,515	4,760,341	3,514,784	1,358,071	(1,447,683.0)
11.2 Medical professional liability - claims-made.....	932,888	2,747,709	3,188,575	492,022	12,288,595	14,829,443	(2,048,827)	108,906.0
12. Earthquake.....	164,423	2,311	130,664	36,070	1,240,279	59,941	1,216,409	4.7
13. Group accident and health.....	0	559,697	20,665	539,032	1,034,715	1,473,747	100,000	1,011.4
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	25,460	826,285	143,383	708,361	5,489,094	9,084,201	(2,886,745)	(230.2)
16. Workers' compensation.....	241,321,328	1,948,333,641	1,774,846,844	414,808,125	3,019,372,360	2,918,247,295	515,933,191	58.9
17.1 Other liability - occurrence.....	128,001,761	723,585,668	689,685,858	161,901,571	1,020,781,184	1,053,275,267	129,407,488	32.6
17.2 Other liability - claims-made.....	9,278,775	357,106,583	286,156,982	80,228,377	364,165,718	366,938,781	77,455,314	55.6
17.3 Excess workers' compensation.....	4,333,402	35,714,102	33,228,824	6,818,680	119,116,560	116,917,447	9,017,793	202.5
18.1 Products liability - occurrence.....	12,437,513	109,895,231	98,303,500	24,029,245	195,742,840	315,234,029	(95,461,944)	(287.0)
18.2 Products liability - claims-made.....	0	11,272,939	8,777,150	2,495,790	7,456,171	5,981,943	3,970,019	68.8
19.1, 19.2 Private passenger auto liability.....	14,900,565	1,138,485,764	890,531,302	262,855,027	407,200,617	390,161,973	279,893,672	61.6
19.3, 19.4 Commercial auto liability.....	71,914,963	797,311,699	679,276,456	189,950,206	460,686,734	461,136,014	189,500,926	55.3
21. Auto physical damage.....	28,386,276	913,098,000	724,506,177	216,978,099	21,539,180	22,415,109	216,102,170	56.7
22. Aircraft (all perils).....	2,374	2,081,143	2,009,639	73,878	2,009,273	3,148,235	(1,065,085)	(5,477.3)
23. Fidelity.....	(17,198)	46,382,026	37,333,586	9,031,242	29,683,853	30,278,541	8,436,553	64.1
24. Surety.....	(410,080)	85,570,434	79,942,805	5,217,549	17,341,296	36,390,409	(13,831,565)	289.6
26. Burglary and theft.....	0	2,005,427	1,538,363	467,064	1,527,398	1,962,057	32,405	2.3
27. Boiler and machinery.....	2,536,527	44,572,429	36,011,786	11,097,170	9,282,895	9,872,776	10,507,288	23.9
28. Credit.....	0	59,337	45,517	13,820	1,602,784	1,970,306	(353,703)	(33,501.3)
29. International.....	0	2,676,898	2,053,449	623,450	2,051,874	3,165,849	(490,526)	(106.9)
30. Warranty.....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	31,093,449	27,251,466	3,841,983	8,075,938	12,338,672	(420,751)	(4.3)
32. Reinsurance - nonproportional assumed liability.....	XXX	105,161,813	82,261,934	22,899,879	122,997,067	182,448,113	(36,551,167)	(898.0)
33. Reinsurance - nonproportional assumed financial lines.....	XXX	6,370,911	4,887,125	1,483,786	3,375,727	4,197,481	662,032	176.1
34. Aggregate write-ins for other lines of business.....	0	1,024,599	785,970	238,629	801,103	808,530	231,202	38.9
35. TOTALS.....	844,971,033	9,932,033,149	8,505,106,123	2,271,898,059	6,803,744,952	6,927,362,737	2,148,280,274	46.1

DETAILS OF WRITE-INS

3401. Tribal workers' compensation.....	0	1,024,599	785,970	238,629	801,103	808,530	231,202	38.9
3402.	0	0	0	0	0	0	0	0.0
3403.	0	0	0	0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	1,024,599	785,970	238,629	801,103	808,530	231,202	38.9

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	50,479,369	154,030,759	169,674,892	34,835,236	(3,317,754)	62,029,637	47,922,063	45,625,056	3,592,109
2. Allied lines.....	124,953,546	92,227,621	186,664,075	30,517,092	22,114,426	57,339,088	63,430,764	46,539,841	7,168,806
3. Farmowners multiple peril.....	5,077,157	20,626,611	19,722,246	5,981,523	6,456,149	22,941,005	22,556,584	12,822,093	2,613,481
4. Homeowners multiple peril.....	6,319,420	340,789,850	266,267,521	80,841,749	4,689,738	337,133,963	262,461,902	160,203,548	27,710,076
5. Commercial multiple peril.....	119,432,357	1,249,851,594	1,070,936,788	298,347,163	141,055,199	1,157,032,839	1,000,128,390	596,306,811	215,614,008
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	134,110	91,442,936	71,801,118	19,775,928	8,148,012	111,969,326	95,592,215	44,301,052	10,054,323
9. Inland marine.....	16,382,395	146,109,828	129,797,373	32,694,850	2,421,789	126,055,118	102,848,805	58,322,953	5,584,702
10. Financial guaranty.....	0	0	0	0	0	0	(1)	1	0
11.1 Medical professional liability - occurrence.....	0	14,813,573	11,378,048	3,435,525	3,616,175	3,961,345	6,252,704	4,760,341	1,020,634
11.2 Medical professional liability - claims-made.....	165,100	30,783,544	23,982,980	6,965,664	8,727,841	15,310,340	18,715,250	12,288,595	1,889,009
12. Earthquake.....	0	1,530,000	1,348,338	181,662	1,578,305	2,307,370	2,827,057	1,240,279	88,979
13. Group accident and health.....	0	647,254	0	647,254	0	483,584	96,123	(a) 1,034,715	110,453
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	403,373	1,988,811	310,740	2,081,444	1,207,248	2,687,983	487,581	(a) 5,489,094	3,054,396
16. Workers' compensation.....	1,403,352,202	7,145,001,615	6,968,964,220	1,579,389,597	982,822,090	6,452,576,412	5,995,415,739	3,019,372,360	435,564,451
17.1 Other liability - occurrence.....	187,921,433	1,009,878,528	956,884,703	240,915,258	836,760,457	2,870,598,341	2,927,492,872	1,020,781,184	320,546,984
17.2 Other liability - claims-made.....	38,493,310	597,270,077	506,348,396	129,414,991	58,783,886	1,040,732,850	864,766,010	364,165,718	139,301,675
17.3 Excess workers' compensation.....	0	322,735,668	275,181,267	47,554,400	191,373	363,460,040	292,089,254	119,116,560	6,457,053
18.1 Products liability - occurrence.....	19,659,529	223,499,378	194,275,586	48,883,321	160,473,795	534,912,586	548,526,863	195,742,840	311,276,264
18.2 Products liability - claims-made.....	0	13,530,745	11,330,454	2,200,291	841,087	21,344,692	16,929,898	7,456,171	4,874,575
19.1, 19.2 Private passenger auto liability.....	91,392,918	1,363,340,506	1,220,400,258	234,333,166	7,855,989	747,996,701	582,985,239	407,200,617	57,734,962
19.3, 19.4 Commercial auto liability.....	103,847,914	1,052,995,574	924,504,123	232,339,365	96,283,143	945,272,731	813,208,504	460,686,734	52,264,895
21. Auto physical damage.....	4,033,252	53,907,167	44,695,404	13,245,015	4,587,292	40,654,288	36,947,415	21,539,180	25,053,643
22. Aircraft (all perils).....	169,270	30,098,598	29,047,559	1,220,308	7,983,470	27,962,956	35,157,461	2,009,273	1,141,487
23. Fidelity.....	303	19,398,026	15,041,347	4,356,982	7,233,504	110,747,753	92,654,386	29,683,853	10,407,054
24. Surety.....	1,829,644	39,889,541	32,639,235	9,079,950	11,858,435	38,587,537	42,184,627	17,341,296	4,954,789
26. Burglary and theft.....	(1)	48,439	37,158	11,280	875	6,672,134	11,527,398	5,156,891	753,886
27. Boiler and machinery.....	1,436,677	23,048,867	19,131,462	5,354,081	3,881,400	12,859,200	12,811,787	9,282,895	1,331,004
28. Credit.....	0	3,001,546	2,305,340	696,207	135	3,898,999	2,992,556	1,602,784	(107,892)
29. International.....	0	5,543,789	4,252,640	1,291,148	28,426	3,260,893	2,528,593	2,051,874	153,261
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	56,490,965	48,056,505	8,434,460	XXX	13,428,009	13,786,531	8,075,938	912,793
32. Reinsurance - nonproportional assumed liability.....	XXX	398,985,718	326,108,196	72,877,522	XXX	235,286,028	185,166,484	122,997,067	6,486,421
33. Reinsurance - nonproportional assumed financial lines.....	XXX	7,569,235	5,871,849	1,697,386	XXX	7,547,461	5,869,120	3,375,727	277,786
34. Aggregate write-ins for other lines of business.....	0	463,230	355,344	107,886	0	2,976,458	2,283,241	801,103	342,339
35. TOTALS.....	2,175,483,278	14,511,539,593	13,537,315,163	3,149,707,708	2,376,282,485	15,380,027,664	14,102,272,905	6,803,744,952	1,658,228,404
DETAILS OF WRITE-INS									
3401. Tribal workers' compensation.....	0	463,230	355,344	107,886	0	2,976,458	2,283,241	801,103	342,339
3402.	0	0	0	0	0	0	0	0	0
3403.	0	0	0	0	0	0	0	0	0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34 above).....	0	463,230	355,344	107,886	0	2,976,458	2,283,241	801,103	342,339

10

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct.....	149,816,893	0	0	149,816,893
1.2 Reinsurance assumed.....	1,128,774,553	0	0	1,128,774,553
1.3 Reinsurance ceded.....	998,076,003	0	0	998,076,003
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	280,515,443	0	0	280,515,443
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	218,515,403	0	218,515,403
2.2 Reinsurance assumed, excluding contingent.....	0	2,643,990,779	0	2,643,990,779
2.3 Reinsurance ceded, excluding contingent.....	0	2,239,573,298	0	2,239,573,298
2.4 Contingent - direct.....	0	5,233,834	0	5,233,834
2.5 Contingent - reinsurance assumed.....	0	169,321,393	0	169,321,393
2.6 Contingent - reinsurance ceded.....	0	135,098,178	0	135,098,178
2.7 Policy and membership fees.....	0	0	0	0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	0	662,389,933	0	662,389,933
3. Allowances to manager and agents.....	0	807,336	0	807,336
4. Advertising.....	6,810	25,959,949	0	25,966,759
5. Boards, bureaus and associations.....	1,109,499	18,894,237	3,557	20,007,293
6. Surveys and underwriting reports.....	201	16,554,586	0	16,554,787
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	150,229,424	329,375,765	7,992,552	487,597,741
8.2 Payroll taxes.....	10,899,930	21,905,716	226,750	33,032,396
9. Employee relations and welfare.....	25,880,858	49,647,342	481,617	76,009,817
10. Insurance.....	157,173,400	4,078,495	8,530	161,260,425
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	8,761,734	16,672,578	105,593	25,539,905
13. Rent and rent items.....	8,075,759	19,777,854	425,519	28,279,132
14. Equipment.....	1,903,770	8,044,571	2,760,418	12,708,759
15. Cost or depreciation of EDP equipment and software.....	4,145,849	65,671,762	61,111	69,878,722
16. Printing and stationery.....	632,954	1,971,385	29,497	2,633,836
17. Postage, telephone and telegraph, exchange and express.....	2,693,368	18,977,950	38,492	21,709,810
18. Legal and auditing.....	7,541,751	9,481,363	270,407	17,293,521
19. Totals (Lines 3 to 18).....	379,055,307	607,820,889	12,404,043	999,280,239
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....606,224.....	0	104,708,141	0	104,708,141
20.2 Insurance department licenses and fees.....	0	11,608,139	0	11,608,139
20.3 Gross guaranty association assessments.....	0	(854,258)	0	(854,258)
20.4 All other (excluding federal and foreign income and real estate).....	0	4,006,492	0	4,006,492
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	119,468,514	0	119,468,514
21. Real estate expenses.....	0	0	21,415,340	21,415,340
22. Real estate taxes.....	0	0	5,766,375	5,766,375
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	6,582,272	24,502,268	940,066	32,024,606
25. Total expenses incurred.....	666,153,022	1,414,181,604	40,525,824	(a) 2,120,860,450
26. Less unpaid expenses - current year.....	1,658,228,404	364,368,824	3,098,343	2,025,695,571
27. Add unpaid expenses - prior year.....	1,525,340,357	363,304,723	3,224,883	1,891,869,964
28. Amounts receivable relating to uninsured plans, prior year.....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year.....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	533,264,975	1,413,117,503	40,652,364	1,987,034,842

DETAILS OF WRITE-INS

2401. Miscellaneous expenses.....	12,114,857	70,708,035	1,024,059	83,846,951
2402. Service reimbursements.....	(2,041,794)	(23,468,478)	0	(25,510,272)
2403. Cost of computer software developed for internal use.....	(3,490,791)	(22,737,289)	(83,993)	(26,312,073)
2498. Summary of remaining write-ins for Line 24 from overflow page.....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498) (Line 24 above).....	6,582,272	24,502,268	940,066	32,024,606

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

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....9,094,044	.....9,394,867
1.1 Bonds exempt from U.S. tax.....	(a).....240,164,070	.....232,278,204
1.2 Other bonds (unaffiliated).....	(a).....244,064,651	.....238,511,187
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....3,791,178	.....3,791,178
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....490,963	.....490,963
2.21 Common stocks of affiliates.....	.....224,000,000	.....224,000,000
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....44,915,050	.....44,915,050
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....1,460,760	.....1,457,656
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....74,337,136	.....74,448,335
9. Aggregate write-ins for investment income.....	.....1,369,394	.....1,369,394
10. Total gross investment income.....	.....843,687,246	.....830,656,834
11. Investment expenses.....		(g).....40,525,824
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....98,156
14. Depreciation on real estate and other invested assets.....		(i).....8,261,558
15. Aggregate write-ins for deductions from investment income.....		.....307,213
16. Total deductions (Lines 11 through 15).....		.....49,192,751
17. Net investment income (Line 10 minus Line 16).....		.....781,464,083

DETAILS OF WRITE-INS

0901. Property and wind plans.....	.....768,552	.....768,552
0902. Miscellaneous income.....	.....346,418	.....346,418
0903. Securities lending income.....	.....254,424	.....254,424
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....1,369,394	.....1,369,394
1501. Management fees.....		.....307,213
1502. ....		.....0
1503. ....		.....0
1598. Summary of remaining write-ins for Line 15 from overflow page.....		.....0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15 above).....		.....307,213

- (a) Includes \$.....17,460,465 accrual of discount less \$.....66,863,296 amortization of premium and less \$.....1,275,886 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....44,915,050 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....8,261,558 depreciation on real estate and \$.....0 depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....5,027	.....0	.....5,027	.....0	.....0
1.1 Bonds exempt from U.S. tax.....	.....(416,986)	.....0	.....(416,986)	.....0	.....0
1.2 Other bonds (unaffiliated).....	.....15,269,007	.....(10,493,695)	.....4,775,312	.....3,993,442	.....0
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....(99,766)	.....(92,694)	.....(192,460)	.....1,427,328	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....614,244	.....(223,633)	.....390,612	.....522,063	.....(2,588)
2.21 Common stocks of affiliates.....	.....0	.....0	.....0	.....191,922,471	.....0
3. Mortgage loans.....	.....0	.....0	.....0	.....0	.....0
4. Real estate.....	.....0	.....0	.....0	.....0	.....0
5. Contract loans.....	.....0	.....0	.....0	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	.....0	.....0	.....0	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....10,737,299	.....(18,887,873)	.....(8,150,573)	.....16,091,643	.....(820,992)
9. Aggregate write-ins for capital gains (losses).....	.....0	.....(16,294)	.....(16,294)	.....119,419	.....(76,565)
10. Total capital gains (losses).....	.....26,108,826	.....(29,714,188)	.....(3,605,362)	.....214,076,367	.....(900,145)

DETAILS OF WRITE-INS

0901. Real gain LTBD impair recovery.....	.....0	.....93,994	.....93,994	.....0	.....0
0902. Foreign exchange.....	.....0	.....(110,288)	.....(110,288)	.....0	.....(76,565)
0903. Deferred Gain.....	.....0	.....0	.....0	.....119,419	.....0
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above).....	.....0	.....(16,294)	.....(16,294)	.....119,419	.....(76,565)

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	4,700,414	3,429,547	(1,270,867)
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....	0	0	0
3.2 Other than first liens.....	0	0	0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....	0	0	0
4.2 Properties held for the production of income.....	0	0	0
4.3 Properties held for sale.....	0	0	0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	0	0	0
6. Contract loans.....	(1,256,431)	3,541,199	4,797,631
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	239,735,141	257,435,913	17,700,772
9. Receivables for securities.....	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	243,179,123	264,406,659	21,227,536
13. Title plants (for Title insurers only).....	0	0	0
14. Investment income due and accrued.....	0	0	0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	37,067,457	36,223,323	(844,133)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	4,903,787	4,511,434	(392,353)
15.3 Accrued retrospective premiums.....	1,159,395	661,235	(498,161)
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....	0	0	0
16.2 Funds held by or deposited with reinsured companies.....	0	0	0
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	0	0	0
18.2 Net deferred tax asset.....	320,612,344	300,715,219	(19,897,125)
19. Guaranty funds receivable or on deposit.....	0	0	0
20. Electronic data processing equipment and software.....	0	0	0
21. Furniture and equipment, including health care delivery assets.....	175,209,494	179,147,366	3,937,872
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0
24. Health care and other amounts receivable.....	0	0	0
25. Aggregate write-ins for other than invested assets.....	862,870,565	834,689,883	(28,180,682)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	1,645,002,166	1,620,355,119	(24,647,046)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	1,645,002,166	1,620,355,119	(24,647,046)

DETAILS OF WRITE-INS

1101.....	0	0	0
1102.....	0	0	0
1103.....	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Other assets nonadmitted.....	770,045,583	792,697,448	22,651,865
2502. Miscellaneous ledger balances.....	91,033,572	40,029,075	(51,004,497)
2503. Amounts receivable under high deductible policies.....	1,791,410	1,963,361	171,950
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	862,870,565	834,689,883	(28,180,682)

NOTES TO FINANCIAL STATEMENTS**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. The Travelers Indemnity Company (the Company) prepares its statutory financial statements in conformity with accounting practices prescribed or permitted by the State of Connecticut. The State of Connecticut requires that insurance companies domiciled in Connecticut prepare their statutory basis financial statements in accordance with the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual*, subject to any deviations prescribed or permitted by the Connecticut Insurance Commissioner. The Company has not applied for and does not believe that it employs any statutory accounting practices that would be considered a permitted practice in its financial statements.

<u>Net Income</u>	<u>State of Domicile</u>	<u>2014</u>	<u>2013</u>
1. The Travelers Indemnity Company state basis	CT	\$ 942,184,243	\$ 1,065,664,252
2. State prescribed practices that increase/(decrease) NAIC SAP		-	-
3. State permitted practices that increase/(decrease) NAIC SAP		-	-
4. NAIC SAP (1-2-3=4)		<u>\$ 942,184,243</u>	<u>\$ 1,065,664,252</u>
 <u>Surplus</u>			
5. The Travelers Indemnity Company state basis	CT	\$ 6,633,406,196	\$ 6,706,125,470
6. State prescribed practices that increase/(decrease) NAIC SAP		-	-
7. State permitted practices that increase/(decrease) NAIC SAP		-	-
8. NAIC SAP (5-6-7=8)		<u>\$ 6,633,406,196</u>	<u>\$ 6,706,125,470</u>

- B. The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of certain assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and losses and expenses during the reporting period. Actual results could differ from those estimates.
- C. Certain assets designated as nonadmitted are excluded from the statutory balance sheet and changes in such amounts are charged or credited directly to unassigned funds, a component of surplus as regards policyholders (policyholders' surplus). The costs of acquiring both new and renewal insurance business are charged to income as incurred. Premiums are recognized as revenues pro rata over the policy period. Unearned premium reserves represent the unexpired portion of policy premiums, net of reinsurance. Reserves for losses, loss adjustment expenses (LAE) and unearned premiums ceded to reinsurers have been reported as reductions of the related reserves. Amounts recoverable from reinsurers are estimated in a manner consistent with the loss liability associated with the reinsured business. A liability is established for unsecured, unauthorized reinsurance and overdue authorized reinsurance recoverables.

The provision for federal income taxes is comprised of two components, current income taxes and deferred income taxes. Deferred federal income taxes arise from changes during the year in cumulative temporary differences between the statutory basis and tax basis of assets and liabilities.

Invested assets are valued according to statutory requirements and the bases of valuation adopted by the NAIC.

Short-term investments are stated at amortized cost and consist of investments with remaining maturities of one year or less at the time of acquisition, excluding those investments classified as cash equivalents.

Bonds are generally stated at amortized cost, except bonds that are defined by the NAIC as non-investment grade (NAIC Class 3-6) which are stated at the lower of amortized cost or NAIC fair value. Amortization is calculated using the constant yield method.

Common stocks of non-affiliates are stated at NAIC fair value.

NAIC Class 1 and 2 redeemable preferred stocks generally are stated at amortized cost, whereas NAIC Class 3-6 redeemable preferred stocks are stated at the lower of cost, amortized cost, or NAIC fair value. NAIC Class 1 and 2 non-redeemable preferred stocks generally are stated at NAIC fair value, while NAIC Class 3-6 non-redeemable preferred stocks are stated at the lower of cost or NAIC fair value.

Real estate is stated at depreciated cost, net of encumbrances and specific impairments.

Loan-backed and structured securities are amortized using the retrospective method, except for securities that have incurred a decline in fair value that is other-than-temporary which are amortized using the prospective method. The effective yield used to determine amortization is calculated based on actual historical and projected future cash flows, which are obtained from a nationally recognized securities data provider.

Investments in subsidiaries and affiliated entities are based on the net worth of the entity, determined in accordance with statutory accounting valuation methods. Dividends received from subsidiaries are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

The Company also exercises 100% control over The Travelers Lloyds Insurance Company, an unincorporated association, reported on Schedule BA based on the underlying statutory equity of its financial statements.

The Company's investments in partnerships, joint ventures and limited liability companies are reported using the equity method of accounting, determined in accordance with statutory accounting valuation methods. Distributions of accumulated earnings received from these investments are recorded as net investment income and undistributed net income is recorded as net unrealized capital gains (losses).

The Company utilizes anticipated investment income as a factor in the premium deficiency calculation.

Property-casualty reserves are established for loss and LAE and represent management's estimate of the ultimate cost of all unpaid reported and unreported claims incurred and related expenses. In establishing loss and LAE reserves, the Company also takes into account estimated recoveries, reinsurance, salvage and subrogation. The loss and LAE reserves are reviewed regularly by qualified actuaries employed by the Company. The Company continually refines its loss and LAE reserve estimates in a regular ongoing process as historical loss experience develops and additional claims are reported and settled. Because establishment of loss and LAE reserves is an inherently uncertain process involving estimates, currently established reserves may change. The Company reflects adjustments to loss and LAE reserves in the period in which the estimates are changed. Such changes in estimates could occur in a future period and may be material to the Company's net income in such period. For a discussion of loss and LAE reserves related to asbestos and environmental reserves, see Note 33.

The Company has not modified its accounting policy regarding the capitalization of fixed assets from the prior period.

2. ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

The Company had no material changes in accounting principles or material corrections of errors during 2014.

NOTES TO FINANCIAL STATEMENTS**3. BUSINESS COMBINATIONS AND GOODWILL**

Not applicable.

4. DISCONTINUED OPERATIONS

Not applicable.

5. INVESTMENTS**A. Mortgage Loans:**

Not applicable.

B. Debt Restructuring:

Not applicable.

C. Reverse Mortgages:

Not applicable.

D. Loan-Backed Securities:

1. The Company applies the retrospective method of revaluing loan-backed securities. The Company's loan-backed securities are revalued quarterly using the constant effective yield method which includes an adjustment for estimated principal pre-payments, if any. The effective yield used to determine amortization for these securities is recalculated and adjusted periodically based upon actual historical and/or projected future cash flows. The Company changes from the retrospective to prospective method for valuing the securities when an other-than-temporary impairment has been recorded.

For collateralized mortgage obligations, asset-backed securities and pass-through certificates prepayment assumptions are adjusted periodically.

When unit prices published by the Securities Valuation Office were not available, the Company uses a nationally recognized pricing service, as well as broker quotes in determining the fair value of its loan-backed securities.

2. The following table provides aggregated information on structured securities classified on the basis for the recognized 2014 other-than-temporary impairments:

	Amortized cost basis before other-than- temporary impairment	Other-than temporary impairment recognized in loss	Fair value
(OTTI recognized in the quarter ending March 31, 2014)			
Present value of Cash flows is less than Amortized cost	\$ 1,817,036	\$ 71,446	\$ 1,859,510
(OTTI recognized in the quarter ending June 30, 2014)			
Present value of Cash flows is less than Amortized cost	\$ 26,160,643	\$ 560,865	\$ 27,757,639
(OTTI recognized in the quarter ending September 30, 2014)			
Present value of Cash flows is less than Amortized cost	\$ 980,732	\$ 27,845	\$ 950,086
(OTTI recognized in the quarter ending December 31, 2014)			
Present value of Cash flows is less than Amortized cost	\$ -	\$ -	\$ -

3. Loan-backed and structured securities with other-than-temporary impairments recognized in 2014 are as follows:

Cusip	Amortized cost basis before other-than- temporary impairment	Projected Cash Flow	Other-than- temporary impairment recognized in loss	Amortized cost basis after other- than- temporary impairment	Fair Value	Impairment Quarter
12669EEJ1	1,817,036	1,745,590	71,446	1,745,590	1,859,510	Q1 - 2014
36242D6C2	1,811,466	1,794,852	16,614	1,794,852	1,818,930	Q2 - 2014
36297XAF0	16,132,655	15,668,921	463,734	15,668,921	17,694,752	Q2 - 2014
466247LU5	7,580,033	7,506,408	73,625	7,506,408	7,596,454	Q2 - 2014
05949CFG6	594,254	592,888	1,366	592,888	607,093	Q2 - 2014
126671RX6	42,235	36,709	5,526	36,709	40,410	Q2 - 2014
22540V6Q0	980,732	952,887	27,845	952,887	950,086	Q3 - 2014

NOTES TO FINANCIAL STATEMENTS

4. The gross unrealized investment losses and related fair value for impaired securities for which an other-than-temporary impairment has not been recognized as a realized loss were as follows:

a. The aggregate amount of unrealized losses:		1. Less than 12 Months	\$ 63,589
		2. 12 Months or Longer	\$ 3,752,789
b. The aggregate related fair value of securities with unrealized losses:			
		1. Less than 12 Months	\$ 15,673,358
		2. 12 Months or Longer	\$ 143,560,952

5. The Company determines an other-than-temporary impairment by utilizing discounted cash flow modeling to determine the present value of the security and comparing the present value with the amortized cost of the security. If the amortized cost is greater than the present value of the expected cash flows, the difference is considered a credit loss and recognized in net realized investment gains (losses). The Company estimates the present value of the security by projecting future cash flows of the assets underlying the securitization, allocating the flows to the various tranches based on the structure of the securitization, and determining the present value of the cash flows using the effective yield of the security at the date of acquisition (or the most recent implied rate used to accrete the security if the implied rate has changed as a result of a previous impairment or changes in expected cash flows). The Company incorporates levels of delinquencies, defaults and severities as well as credit attributes of the remaining assets in the securitization, along with other economic data, to arrive at its best estimate of the parameters applied to the assets underlying the securitization.

E. Repurchase Agreements and/or Securities Lending Transactions:

1. The Company requires collateral equal to at least 102% of the market value of the loaned security plus accrued interest. The Company accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury securities and U.S. Treasury repurchase agreements.
2. Not applicable.
3. Not applicable.
4. Not applicable.
5. Collateral Reinvestment

Aggregate Cash Collateral Reinvested

<u>Securities Lending</u>	<u>Amortized Cost</u>	<u>Fair Value</u>
30 Days or Less	\$63,378,059	\$63,378,059

6. Not applicable.
7. Not applicable.

F. Real Estate:

Not applicable.

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

The Company has investments in certain federal and state sponsored LIHTC properties. The federal sponsored LIHTC property investments primarily generate federal tax credits which allow the Company to offset federal taxes and are projected to be available through 2028. The state sponsored LIHTC property investments primarily generate premium tax credits which allow the Company to offset premium taxes in Georgia and are projected to be available through 2025. There are currently unfunded commitments of \$22,929,522 related to these LIHTC.

Management of the Company is not aware of any of the LIHTC investments and related properties being the subject of any state regulatory reviews.

Current LIHTC investments do not exceed 10% of the Company's total net admitted assets.

H. Restricted Assets:

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted							Percentage		
	Current Year					6	7	8	9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A (b)	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a. Subject to contractual obligation for which liability is shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
b. Collateral held under securities lending agreement	\$ 63,378,059	\$ -	\$ -	\$ -	\$ 63,378,059	\$ 49,353,210	\$ 14,024,849	\$ 63,378,059	0.3%	0.3%
c. Subject to repurchase agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
d. Subject to reverse repurchase agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
e. Subject to dollar repurchase agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
f. Subject to dollar reverse repurchase agreement	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
g. Placed under options contract	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
i. FHLB capital stock	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
j. On deposit with states	\$ 1,146,385,804	\$ -	\$ -	\$ -	\$ 1,146,385,804	\$ 1,151,632,656	\$ (5,246,852)	\$ 1,146,385,804	5.1%	5.5%
k. On deposit with other regulatory bodies	\$ 16,253,128	\$ -	\$ -	\$ -	\$ 16,253,128	\$ 16,457,326	\$ (204,198)	\$ 16,253,128	0.1%	0.1%
l. Pledged as collateral to FHLB (including assets backing funding)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
m. Pledged as collateral not captured in other categories	\$ 14,212,811	\$ -	\$ -	\$ -	\$ 14,212,811	\$ 16,714,813	\$ (2,502,002)	\$ 14,212,811	0.1%	0.1%
n. Other restricted assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
o. Total restricted assets	\$ 1,240,229,802	\$ -	\$ -	\$ -	\$ 1,240,229,802	\$ 1,234,158,005	\$ 6,071,797	\$ 1,240,229,802	5.5%	6.0%

NOTES TO FINANCIAL STATEMENTS

2. Details of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, Are Reported in Aggregate)

Description of assets	Gross Restricted							Percentage		
	Current Year					6	7	8	9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A (b)	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
Bonds - reinsurance	\$ 14,212,811	\$ -	\$ -	\$ -	\$ 14,212,811	\$ 16,714,813	\$ (2,502,002)	\$ 14,212,811	0.1%	0.1%
Total	\$ 14,212,811	\$ -	\$ -	\$ -	\$ 14,212,811	\$ 16,714,813	\$ (2,502,002)	\$ 14,212,811	0.1%	0.1%

3. Not applicable.

I. Working Capital Investments:

Not applicable.

J. Offsetting and Netting of Assets and Liabilities:

Not applicable.

K. Structured Notes:

Not applicable.

6. JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

A. Not applicable.

B. Joint ventures, partnerships, and limited liability companies are recorded on a lag basis with changes in the Company's proportional share of equity recorded as an unrealized gain (loss), subject to testing for possible impairment. As part of the impairment testing process, the Company evaluates those assets for other-than-temporary impairments using financial information that is received from the respective joint venture, partnership, or limited liability company. The Company concluded that some of the aforementioned assets, as a result of deteriorating economic conditions, had other-than-temporary impairments and recorded a realized loss of \$18,929,771 with an offsetting entry to change in net unrealized capital gains or (losses). There was no impact to policyholders' surplus as the change in net unrealized capital gains or (losses) was offset by the realized loss of the same amount.

7. INVESTMENT INCOME

A. Policyholders' surplus excludes due and accrued investment income if amounts are over 90 days past due.

B. At December 31, 2014, the Company had no accrued investment income over 90 days past due.

8. DERIVATIVE INSTRUMENTS

Not applicable.

9. INCOME TAXES

A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

	December 31, 2014		
	Ordinary	Capital	Total
1. a) Gross deferred tax assets	\$ 906,535,590	\$ 67,447,815	\$ 973,983,405
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	906,535,590	67,447,815	973,983,405
d) Deferred tax assets nonadmitted	291,591,511	29,020,833	320,612,344
e) Subtotal (net deferred tax assets)	614,944,079	38,426,982	653,371,061
f) Deferred tax liabilities	153,130,032	27,825,200	180,955,232
g) Net admitted deferred tax asset (liability)	\$ 461,814,047	\$ 10,601,782	\$ 472,415,829

	December 31, 2013		
	Ordinary	Capital	Total
a) Gross deferred tax assets	\$ 890,574,210	\$ 63,227,296	\$ 953,801,506
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	890,574,210	63,227,296	953,801,506
d) Deferred tax assets nonadmitted	277,557,301	23,157,918	300,715,219
e) Subtotal (net deferred tax assets)	613,016,909	40,069,378	653,086,287
f) Deferred tax liabilities	135,497,817	28,734,778	164,232,595
g) Net admitted deferred tax asset (liability)	\$ 477,519,092	\$ 11,334,600	\$ 488,853,692

	Change		
	Ordinary	Capital	Total
a) Gross deferred tax assets	\$ 15,961,380	\$ 4,220,519	\$ 20,181,899
b) Statutory valuation allowance adjustment	-	-	-
c) Adjusted gross deferred tax assets	15,961,380	4,220,519	20,181,899
d) Deferred tax assets nonadmitted	14,034,210	5,862,915	19,897,125
e) Subtotal (net deferred tax assets)	1,927,170	(1,642,396)	284,774
f) Deferred tax liabilities	17,632,215	(909,578)	16,722,637
g) Net admitted deferred tax asset (liability)	\$ (15,705,045)	\$ (732,818)	\$ (16,437,863)

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components SSAP No. 101:

	<u>December 31, 2014</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 388,710,069	\$ 9,354,365	\$ 98,064,434
b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 Below)	73,103,978	1,247,417	74,351,395
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	73,103,978	1,247,417	74,351,395
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	917,166,247
c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	153,130,032	27,825,200	180,955,232
d) Deferred tax assets admitted as the result of application of SSAP No. 101			
Total (2(a) + 2(b) + 2(c))	<u>614,944,079</u>	<u>38,426,982</u>	<u>653,371,061</u>
DTLs netted against deferred tax assets	<u>153,130,032</u>	<u>27,825,200</u>	<u>180,955,232</u>
Total	<u>\$ 461,814,047</u>	<u>\$ 10,601,782</u>	<u>\$ 472,415,829</u>

Admission Calculation Components SSAP No. 101:

	<u>December 31, 2013</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 257,600,749	\$ 9,293,643	\$ 266,894,392
b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 Below)	219,918,343	2,040,957	221,959,300
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	219,918,343	2,040,957	221,959,300
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	924,757,761
c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	135,497,817	28,734,778	164,232,595
d) Deferred tax assets admitted as the result of application of SSAP No. 101			
Total (2(a) + 2(b) + 2(c))	<u>613,016,909</u>	<u>40,069,378</u>	<u>653,086,287</u>
DTLs netted against deferred tax assets	<u>135,497,817</u>	<u>28,734,778</u>	<u>164,232,595</u>
Total	<u>\$ 477,519,092</u>	<u>\$ 11,334,600</u>	<u>\$ 488,853,692</u>

Admission Calculation Components SSAP No. 101:

	<u>Change</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a) Federal income taxes paid in prior years recoverable through loss carrybacks	\$ 131,109,320	\$ 60,722	\$ 131,170,042
b) Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 Below)	(146,814,365)	(793,540)	(147,607,905)
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	(146,814,365)	(793,540)	(147,607,905)
2. Adjusted gross deferred tax assets allowed per limitation threshold	xxxx	xxxx	(7,591,514)
c) Adjusted gross deferred tax assets (excluding the amount of deferred tax assets from 2(a) and 2(b) above) offset by gross deferred tax liabilities	17,632,215	(909,578)	16,722,637
d) Deferred tax assets admitted as the result of application of SSAP No. 101			
Total (2(a) + 2(b) + 2(c))	<u>1,927,170</u>	<u>(1,642,396)</u>	<u>284,774</u>
DTLs netted against deferred tax assets	<u>17,632,215</u>	<u>(909,578)</u>	<u>16,722,637</u>
Total	<u>\$ (15,705,045)</u>	<u>\$ (732,818)</u>	<u>\$ (16,437,863)</u>

	<u>2014</u>	<u>2013</u>
3. a) Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount.	528%	542%
b) Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above.	6,114,441,644	6,165,051,739

NOTES TO FINANCIAL STATEMENTS

<u>December 31, 2014</u>		
	<u>Ordinary</u>	<u>Capital</u>
4. Impact of Tax Planning Strategies:		
a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 9A1(c)	906,535,590	67,447,815
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e)	614,944,079	38,426,982
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%

<u>December 31, 2013</u>		
	<u>Ordinary</u>	<u>Capital</u>
a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 9A1(c)	890,574,210	63,227,296
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e)	613,016,909	40,069,378
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%

<u>Change</u>		
	<u>Ordinary</u>	<u>Capital</u>
a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.		
1. Adjusted gross deferred tax assets amounts from Note 9A1(c)	15,961,380	4,220,519
2. Percentage of adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%
3. Net admitted adjusted gross deferred tax assets amounts from Note 9A1(e)	1,927,170	(1,642,396)
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	0%	0%

b) Does the Company's tax-planning strategies include the use of reinsurance? Yes ___ No X

B. DTL not recognized for the following amounts:

Not applicable.

C. The provisions for incurred tax on earnings are as follows:

	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>Change</u>
1. Federal	\$ 279,508,777	\$ 222,926,089	\$ 56,582,688
Foreign	-	6,499	(6,499)
Subtotal	279,508,777	222,932,588	56,576,189
Federal income taxes on net capital gains	11,538,495	437,189	11,101,306
Federal and foreign income taxes incurred	<u>\$ 291,047,272</u>	<u>\$ 223,369,777</u>	<u>\$ 67,677,495</u>

2. The tax effects of temporary differences that give rise to significant portions of the DTA and DTL are as follows:

	<u>December 31, 2014</u>	<u>December 31, 2013</u>	<u>Change</u>
DTA:			
<u>Ordinary:</u>			
Discounting of unpaid losses	\$ 173,775,066	\$ 186,345,258	\$ (12,570,192)
Unearned premium reserve	155,180,702	150,724,900	4,455,802
Investments	3,674,476	7,980,567	(4,306,091)
Fixed assets	93,907,794	93,267,872	639,922
Compensation and benefits accrual	283,474,348	267,224,432	16,249,916
Non-admitted assets	150,300,646	136,135,774	14,164,872
Other	46,222,558	48,895,407	(2,672,849)
Total DTA - ordinary	906,535,590	890,574,210	15,961,380
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	291,591,511	277,557,301	14,034,210
Admitted ordinary DTA	<u>\$ 614,944,079</u>	<u>\$ 613,016,909</u>	<u>\$ 1,927,170</u>

NOTES TO FINANCIAL STATEMENTS

Capital:			
Investments	\$ 67,447,815	\$ 63,227,296	\$ 4,220,519
Total DTA – capital	67,447,815	63,227,296	4,220,519
Statutory valuation allowance adjustment	-	-	-
Nonadmitted DTA	29,020,833	23,157,918	5,862,915
Admitted capital DTA	\$ 38,426,982	\$ 40,069,378	\$ (1,642,396)
Total admitted DTA	\$ 653,371,061	\$ 653,086,287	\$ 284,774

DTL:			
Ordinary:			
Investments	\$ 88,894,563	\$ 71,656,166	\$ 17,238,397
Compensation and benefits accrual	57,662,705	57,638,543	24,162
Other	6,572,764	6,203,108	369,656
Total ordinary DTL	\$ 153,130,032	\$ 135,497,817	\$ 17,632,215

Capital:			
Investments	\$ 27,825,200	\$ 28,734,778	\$ (909,578)
Total capital DTL	\$ 27,825,200	\$ 28,734,778	\$ (909,578)
Total DTL	\$ 180,955,232	\$ 164,232,595	\$ 16,722,637
Net admitted DTA/(DTL)	\$ 472,415,829	\$ 488,853,692	\$ (16,437,863)

- Deferred income taxes do not include any benefit from investment tax credits.
- Deferred income taxes do not include a benefit from net operating losses.
- There are no adjustments to a DTA or DTL for enacted changes in tax laws or rates or a change in the tax status of the Company.
- There are no adjustments to gross DTA because of change in circumstances that causes a change in judgment about the realizability of the related DTA.

The change in net deferred income taxes is comprised of the following:

	December 31, 2014	December 31, 2013	Change
Total DTA	\$ 973,983,405	\$ 953,801,506	\$ 20,181,899
Total DTL	180,955,232	164,232,595	16,722,637
Net DTA/(DTL)	\$ 739,028,173	\$ 789,568,911	3,459,262
Tax effect of unrealized gains (losses)			5,786,113
Change in net deferred income tax			\$ 9,245,375

- The provision for federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory federal income tax rate before income tax. The significant items causing this difference are as follows:

Rate Reconciliation:	
	December 31, 2014
Pretax net income (loss)	\$ 1,233,231,514
Taxes at statutory rate	431,631,030
Increase (decrease) attributable to:	
Nontaxable investment income	(161,051,529)
Other	11,222,396
	\$ 281,801,897
Federal and foreign taxes incurred	\$ 291,047,272
Change in net deferred taxes	(9,245,375)
Total statutory income tax	\$ 281,801,897
Effective tax rate	22.9%

- The Company has no net operating loss carryforward available for tax purposes.
 - The Company has \$291,243,942, \$242,161,554, and \$21,693,794 of federal income tax from the current and prior tax years respectively, available for recoupment in the event of future losses.
 - The reporting entity has no protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.
- The Company is included in a consolidated federal income tax return with its ultimate parent company, The Travelers Companies, Inc. (TRV). A list of the entities included with the Company in a consolidated federal income tax return filing is attached.
 - The Company is a party to a tax allocation agreement that sets forth the manner in which total consolidated federal income tax is allocated among companies included in the consolidated return. Member companies included in the TRV consolidated return are allocated taxes annually based upon their separate taxable income. Companies with a current federal income tax receivable from TRV will receive settlement to the extent that such receivables are for tax benefits that have been utilized in the consolidated federal income tax return. Member companies are reimbursed by TRV in the event the Internal Revenue Service levies upon a member's assets for unpaid taxes in excess of the amount specifically allocated to a member.

In the event that the consolidated group develops an Alternative Minimum Tax (AMT), each company with an AMT on a separate company basis will be allocated a portion of the consolidated AMT. Settlement of the AMT will be made in the same manner and timing as the regular federal income tax.

- The Company does not believe it is reasonably possible that the liability related to any federal or foreign tax loss contingencies may significantly increase within the next 12 months.

NOTES TO FINANCIAL STATEMENTS**10. INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES**

- A-C. (1) In May 2014, the Company sold \$113.7 million of securities to Travelers Money Market Liquidity Pool (TRVMMLP).
- (2) In December 2013, the Company made a \$7.5 million capital contribution to its subsidiary, The Travelers Home and Marine Insurance Company.
- (3) In June 2013, the Company purchased \$351.3 million of securities from St. Paul Fire and Marine Insurance Company (Fire and Marine).

Schedule Y - Part 2 summarizes the net flow of funds among affiliates for various types of transactions between affiliates. Regulatory prior approval and/or prior notification has been satisfied for any transaction requiring such action.

The following are general business arrangements that result in or are used for transactions with affiliates in the normal course of business:

- The principal banking functions for the property-casualty operations of TRV and some or all of its affiliated property-casualty insurance companies are handled by the Company. Settlements between the companies are made at least monthly.
 - TRV maintains a private short-term investment pool, known as the TRVMMLP in which affiliated companies may participate. This pool is managed by the Company. Each company may convert its position in the pool into cash at any time and may also use its position in the pool to settle transactions with other affiliated participants in the pool. The position of each company in the pool is calculated and adjusted daily. Each participating insurance company carries its share of the pool as a short-term investment in Schedule DA. At December 31, 2014 and 2013, the TRVMMLP totaled \$4.5 billion and \$3.5 billion, respectively.
- D. (1) At December 31, 2014 and 2013, the Company had \$121,418,463 and \$136,729,170 payable to affiliates, respectively. Accounts between and among the Company and its affiliates are settled on a daily basis through the TRVMMLP or cash. Any items open at the end of the month are settled in the following month.
- (2) The Company participates in an intercompany reinsurance pooling agreement as described in Note 26. The following represents the unsettled balances resulting from affiliated reinsurance that are reported in the respective balance sheet accounts:

	<u>December 31, 2014</u>	<u>December 31, 2013</u>
Uncollected premiums and agents' balances in course of collection	\$ 36,614,679	\$ 89,227,237
Amounts recoverable from reinsurers	914,786,288	916,672,562
Reinsurance payable on paid losses and loss adjustment expenses	1,110,652,232	1,075,122,509

These balances were settled net through the intercompany settlement process during January 2015 and January 2014, respectively.

- E. Guarantees or undertakings, including the company and any affiliates:

The Company is party to various guarantees with affiliates. See Note 14G for additional detail.

- F. Material management or service contracts and cost sharing arrangements, involving the Company or any affiliate, other than cost allocation arrangements:

TYPE OF CONTRACT AND DESCRIPTION	SERVICING COMPANY	OTHER PARTY
Service Expense Reimbursement	The Travelers Companies, Inc.	The Travelers Indemnity Company
Expense Allocation	The Travelers Indemnity Company	Travelers P&C ¹
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C ¹
Corporate Services	The Travelers Indemnity Company	First Floridian Auto and Home Insurance Company
Corporate Services	The Travelers Indemnity Company	The Premier Insurance Company of Massachusetts
Service Agreement	The Travelers Indemnity Company	8527512 Canada Inc.
Service Agreement	The Travelers Indemnity Company	The Dominion of Canada General Insurance Company
Service Agreement	The Travelers Indemnity Company	Travelers Management Limited
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Casualty and Surety Company of Europe Limited
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Syndicate Management Limited
Investment Management Services Agreement	The Travelers Indemnity Company	Travelers Insurance Company Limited
Service Agreement	The Travelers Indemnity Company	Travelers Insurance Company of Canada

¹ "Travelers P&C" includes The Travelers Indemnity Company and some or all of its insurance subsidiaries and affiliates.

- G. All of the issued and outstanding common stock of the Company is owned by Travelers Insurance Group Holdings, Inc. (TIGHI), which in turn is indirectly owned by TRV, a publicly traded insurance holding company, the organization of which is shown in Schedule Y - Part 1.
- H. Not applicable.

NOTES TO FINANCIAL STATEMENTS

I. Not applicable.

J. Not applicable.

K. Not applicable.

L. The Company directly owns Jupiter Holdings, Inc. (Jupiter), a downstream noninsurance holding company. Jupiter directly owns American Equity Insurance Company (American Equity), an Arizona domiciled insurer, and Northland Insurance Company (Northland), a Connecticut domiciled insurer. American Equity directly owns American Equity Specialty Insurance Company (American Equity Specialty), a Connecticut domiciled insurer. Northland directly owns Northfield Insurance Company (Northfield), an Iowa domiciled insurer, and Northland Casualty Company (Northland Casualty), a Connecticut domiciled insurer.

(1) The carrying value of the Company's investment in Jupiter was \$651,144,792 at December 31, 2014.

(2) The Company has not obtained an audit of Jupiter's financial statements.

(3) The Company has limited the carrying value of its investment in Jupiter to the value contained in the statutory audited financial statements of American Equity and Northland, including any adjustments required by SSAP No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No. 88*.

(4) Jupiter does not have any material assets other than the ownership of its insurance subsidiaries. Jupiter does not have any material direct liabilities, commitments, contingencies, guarantees or obligations that are required to be reported.

11. DEBT

Not applicable.

12. RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS**A-D. Defined Benefit Plans:**

Not applicable.

E. Defined Contribution Plans:

Not applicable.

F. Multiemployer Plans:

Not applicable.

G. Consolidated/Holding Company Plans:**1. Employee Retirement Plans:**

The Company participates in a qualified noncontributory defined benefit pension plan sponsored by TRV that provides benefits, primarily under a cash balance formula, for substantially all employees of the Company and its property-casualty affiliates. In addition the Company participates in nonqualified defined benefit pension plans sponsored by TRV which cover certain highly-compensated employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under these plans. The Company is charged for its allocable share of pension expense for these plans based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the pension expense was \$22,866,345 and \$31,258,797 for 2014 and 2013, respectively.

2. Postretirement Benefit Plan:

The Company participates in a postretirement health and life insurance benefit plan sponsored by TRV for employees of the Company and its property-casualty affiliates that satisfy certain age and service requirements and for certain retirees. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of postretirement benefit expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the postretirement benefit expense was \$767,485 and \$1,130,107 for 2014 and 2013, respectively.

3. Deferred Compensation Plans:

The Company participates in a 401(k) savings plan sponsored by TRV for substantially all employees of the Company and its property-casualty affiliates. The Company has no legal obligation for benefits under this plan. The Company is charged for its allocable share of expense for this plan based on its allocated and/or direct salary costs in accordance with an expense allocation agreement. The Company's allocated share of the 401(k) savings plan expense was \$20,991,263 and \$20,892,508 for 2014 and 2013, respectively.

H. Postemployment Benefits and Compensated Absences:

Not applicable.

I. Impact of Medicare Modernization Act on Postretirement Benefits:

Not applicable.

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

The Company has 150,000 shares of common capital stock authorized and 107,907 shares issued and outstanding with a par value of \$100 per share.

The Company paid ordinary dividends of \$110 million and extraordinary dividends of \$1.132 billion for a total of \$1.242 billion in 2014, to its parent company, TIGHI. In 2013, the Company paid ordinary dividends of \$476 million and extraordinary dividends of \$1.225 billion for a total of \$1.701 billion to TIGHI.

Dividends to shareholders and the proportion of the profits of the Company that may be paid to shareholders are not limited by charter. The maximum amount of dividends which can be paid by Connecticut insurance companies to shareholders without prior approval of the domiciliary Insurance Commissioner is subject to restrictions relating to statutory surplus or net income. The maximum amount of dividends to shareholders that can be made during 2015 without prior approval is \$942,184,000.

NOTES TO FINANCIAL STATEMENTS

There are no restrictions on the use of the Company's unassigned funds and such funds are held for the benefit of the shareholder, except for the dividend restrictions indicated above.

The change in the balance of special surplus from retroactive reinsurance is a result of ongoing activity occurring in 2014. See Note 23F for additional detail.

Unassigned funds have been increased by cumulative net unrealized gains of \$1,932,691,296.

14. CONTINGENCIES**A. Contingent Commitments:**

At December 31, 2014, the Company had commitments to fund investments of \$446.3 million.

B. Assessments:

1. The Company has accrued liabilities of \$57.2 million for guaranty fund and other insurance-related assessments and related recoverables of \$2.0 million at December 31, 2014. The assessments are expected to be paid over a period ranging from one year to the life expectancy of certain workers' compensation claimants and the recoverables are expected to occur over the same period of time.

2. a. Assets recognized from paid and accrued premium tax offsets December 31, 2013 \$ 1,571,149

b. Decreases current year:
Premium tax offset charged off -
Premium tax offset applied 614,002
Premium tax offset refund 54,889

c. Increases current year:
Premium tax offset accrued 431,326

d. Assets recognized from paid and accrued premium tax offsets December 31, 2014 \$ 1,333,584

C. Gain Contingencies:

On August 17, 2010, in a reinsurance dispute in New York state court captioned *United States Fidelity & Guaranty Company v. American Re-Insurance Company, et al.*, the trial court granted summary judgment for United States Fidelity and Guaranty Company (USF&G) and denied summary judgment for American Re-Insurance Company, a subsidiary of Munich Re (American Re), and three other reinsurers. By order dated October 22, 2010, the trial court corrected certain clerical errors and made certain clarifications to the August 17, 2010 order. On October 25, 2010, judgment was entered against American Re and the other three insurers, awarding USF&G \$420 million, comprising \$251 million ceded under the terms of the disputed reinsurance contract plus interest of 9% amounting to \$169 million as of that date. The judgment, including the award of interest, was appealed by the reinsurers to the New York Supreme Court, Appellate Division, First Department. On January 24, 2012, the Appellate Division affirmed the judgment. On January 30, 2012, the reinsurers filed a motion with the Appellate Division seeking permission to appeal its decision to the New York Court of Appeals, and on March 12, 2012, the Appellate Division granted the reinsurers' motion. On February 7, 2013, the Court of Appeals issued an opinion that largely affirmed the summary judgment in USF&G's favor, while modifying in part the summary judgment with respect to two discrete issues and remanding the case to the trial court for determination of those issues. The Court set a trial date for August 3, 2015. USF&G believes it has a meritorious position on each of these issues and intends to pursue its claim vigorously. On May 2, 2013, the Court of Appeals denied a motion by reinsurers to reconsider the February 7, 2013 opinion. In November 2013, USF&G entered into a settlement agreement with one of the reinsurers. At December 31, 2014, the claim totaled \$488 million, comprising the \$238 million of reinsurance recoverable plus interest amounting to \$250 million as of that date. Interest will continue to accrue at an annual rate of 9% until the claim is paid.

As USF&G is a participant in the TRV Pool, any amounts recoverable from this claim are subject to participation percentages of the TRV Pool (See Note 26). Accordingly, the Company's respective TRV Pool participation share of the \$238 million awarded by the court represents the amounts owed to and reported by the Company under the terms of the disputed reinsurance contract. The Company's respective Pool participation share of the interest that would be received as part of any judgment ultimately entered in favor of USF&G is treated for accounting purposes as a gain contingency in accordance with SSAP No. 5R, *Liabilities, Contingencies and Impairment of Assets - Revised*, and accordingly has not been recognized in the Company's statutory financial statements.

Resolution of Gain Contingency:

The Company was one of the Settlement Class plaintiffs and a class member in a class action lawsuit captioned *Safeco Insurance Company of America, et al. v. American International Group, Inc. et al.* (U.S. District Court, N.D. Ill.) in which the defendants were alleged to have engaged in the under-reporting of workers' compensation premium in connection with a workers' compensation reinsurance pool in which several members of the TRV Pool participate. In February 2012, the district court issued a written opinion approving the class settlement pursuant to which the defendants agreed to pay \$450 million to the class. In March 2012, three parties who objected to the settlement appealed the court's orders approving the settlement to the U.S. Court of Appeals for the Seventh Circuit. In January 2013, all parties, including the three parties who had objected to the settlement, filed a Stipulation of Dismissal indicating that there were no longer any objections to the settlement, and in March 2013, the Seventh Circuit dismissed the appeals. In April 2013, the Seventh Circuit issued its mandate returning the case to the district court for administration of the settlement. In June and November 2013, the Company received two payments totaling approximately \$93 million, comprising its allocation from the settlement fund. The combination of the payments received in June and November 2013 totaling \$93 million, less approximately \$2 million remitted to another insurer, resulted in a net gain of \$91 million.

As the Company is a participant in the TRV Pool, its settlement amount is subject to participation percentages of the TRV Pool (See Note 26). Accordingly, the Company's respective TRV Pool participation share of the \$91 million receipt is reported as an aggregate write-in for miscellaneous income in the Company's 2013 Statement of Income.

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

The Company paid the following amounts in the reporting period to settle claims related extra contractual obligations or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$12,000

NOTES TO FINANCIAL STATEMENTS

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

0-25 Claims
X

Claim count information provided herein is disclosed on a per claim basis.

E. Product Warranties:

Not applicable.

F. Joint and Several Liabilities:

Not applicable.

G. All Other Contingencies:

- In the process of selling business entities to third parties, the Company has agreed to indemnify purchasers for losses arising out of breaches of representations and warranties with respect to the business entities being sold, covenants and obligations of the Company and/or its subsidiaries following the close, and from imposition of additional taxes due to either a change in the tax law or an adverse interpretation of the tax law. The indemnification provisions have either agreed upon term limitations or no term limitations. Certain of these contingent obligations are subject to deductibles which have to be incurred by the obligee before the Company is obligated to make payments.

Nature and circumstances of guarantee and key attributes, including date and duration of agreement	Liability recognition of guarantee. (include amt recognized at inception. If no initial recognition, document exception allowed under SSAP No. 5R)	Ultimate financial statement impact if action under the guarantee is required	Maximum potential amount of future payments (undiscounted) the guarantor could be required to make under the guarantee. If unable to develop an estimate, this should be noted specifically	Current status of payment or performance risk of guarantee. Also provide additional discussion as warranted
Sale of Businesses	The fair value of guarantee liabilities as described are minimal and immaterial to the financial statements taken as a whole	Expense - Statement of Income - Line 14. Aggregate write-ins for miscellaneous income	\$2,000,000	The Company has assessed the performance risk as remote under these guarantees

a. Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under guarantees \$ 2,000,000

b. Current liability recognized in financial statements:
 Noncontingent liabilities -
 Contingent liabilities -

c. Ultimate financial statement impact if action under the guarantee is required:
 Investment in SCA -
 Joint venture -
 Dividends to stockholders -
 Expense 2,000,000
 Other -
 Total \$ 2,000,000

- The Company has purchased annuities from life insurance companies to fund structured settlements. For a discussion of the Company's contingent liabilities for structured settlements, see Note 27.

- In the ordinary course of business, the Company is a defendant or codefendant in various litigation matters. Although there can be no assurances, as of December 31, 2014, the Company believes, based on information currently available, that the ultimate resolution of these legal proceedings would not be likely to have a material adverse effect on its net income, financial condition or liquidity.

- For a discussion of contingencies related to asbestos and environmental reserves, see Note 33.

15. LEASES

A. Lessee Leasing Arrangements:

- At December 31, 2014, the Company is a party to various lease agreements for office space, data processing equipment, automobiles and office equipment. The office space and data processing equipment leases are for various periods of time. The other leases generally do not exceed five years. Total rental expense under operating leases for the Company for 2014 and 2013 was \$153,893,599 and \$158,610,895, respectively. Rental expenses incurred by the Company are subject to an intercompany expense allocation agreement. Total rental income from subleases for 2014 and 2013 was \$837,709 and \$392,605, respectively.

There are numerous leases with renewal terms, none of which are material to the Company.

- Aggregate future minimum rental payments for leases having initial or remaining noncancelable lease terms in excess of one year for the Company totaled \$601,008,327 at December 31, 2014. This is offset by the aggregate future minimum rental payments to be received by the Company under subleases totaling \$1,572,361.

NOTES TO FINANCIAL STATEMENTS

At December 31, 2014, the minimum aggregate future rental commitments are as follows:

Year Ending <u>December 31</u>	<u>Operating Leases</u>
2015	\$ 139,959,992
2016	126,234,462
2017	103,242,603
2018	68,638,114
2019	51,324,307
2020 and later years	<u>111,608,849</u>
Total	<u>\$ 601,008,327</u>

3. Sale-Leaseback Transactions:

Not applicable.

B. Lessor's Business Activities:

Not applicable.

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

In the normal course of business, the Company has unfunded commitments to partnerships and limited liability companies. The off-balance-sheet risks of these financial instruments were \$446.3 million at December 31, 2014.

In prior years, the Company underwrote insurance guaranteeing the structured settlements of certain life insurers. Also in past years, the Company underwrote financial guarantee insurance representing the Company's participation in the Municipal Bond Insurance Association's (MBIA) guarantee of municipal bond obligations. See Note 36 for additional discussion.

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

A. Transfers of Receivables Reported as Sales:

Not applicable.

B. Transfer and Servicing of Financial Assets:

The Company engages in securities lending activities from which it generates net investment income from the lending of certain of its investments to other institutions for short periods of time. Borrowers of these securities provide collateral equal to at least 102% of the market value of the loaned securities plus accrued interest. This collateral is held by a third party custodian, and the Company has the right to access the collateral only in the event that the institution borrowing the Company's securities is in default under the lending agreement. The loaned securities remain a recorded asset of the Company. The Company accepts only cash as collateral for securities on loan and restricts the manner in which that cash is invested to U.S. Treasury securities and U.S. Treasury repurchase agreements. These securities typically have a duration of 1 day. See Schedule D – Part 1 for identification and description of securities on loan.

C. Wash Sales:

Not applicable.

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

Not applicable.

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

The Company did not have any direct premiums written through managing general agents (as defined in Appendix A-225 of the NAIC *Accounting Practices and Procedures Manual*) or third party administrators.

20. FAIR VALUE MEASUREMENTS

The Company's estimates of fair value for financial assets and financial liabilities are based on the framework established in the fair value accounting guidance. The framework is based on the inputs used in valuation, gives the highest priority to quoted prices in active markets, and requires that observable inputs be used in the valuations when available. The disclosure of fair value estimates in the fair value accounting guidance hierarchy is based on whether the significant inputs into the valuation are observable. In determining the level of the hierarchy in which the estimate is disclosed, the highest priority is given to unadjusted quoted prices in active markets and the lowest priority to unobservable inputs that reflect the Company's significant market assumptions. The level in the fair value hierarchy within which the fair value measurement is reported is based on the lowest level input that is significant to the measurement in its entirety. The three levels of the hierarchy are as follows:

- Level 1 - Unadjusted quoted market prices for identical assets or liabilities in active markets that the Company has the ability to access.
- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; or valuations based on models where the significant inputs are observable (e.g., interest rates, yield curves, prepayment speeds, default rates, loss severities, etc.) or can be corroborated by observable market data.
- Level 3 - Valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Company's own assumptions about the inputs that market participants would use.

NOTES TO FINANCIAL STATEMENTS

- A. (1) Securities measured and reported at fair value as of December 31, 2014:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds				
Industrial and miscellaneous	\$ -	\$ 116,386,703	\$ 9,276,206	\$ 125,662,909
Preferred stock				
Non-redeemable preferred stock	1,359,500	23,645,847	-	25,005,347
Common stock	6,556,434	-	-	6,556,434
Total securities at fair value	\$ 7,915,934	\$ 140,032,550	\$ 9,276,206	\$ 157,224,690

There were no significant transfers between level 1 and level 2.

- (2) Securities measured at fair value using significant unobservable inputs (Level 3):

<u>Description</u>	<u>Beginning Balance at 1/1/2014</u>	<u>Transfers in to Level 3</u>	<u>Transfers out of Level 3</u>	<u>Total gains & (losses) included in Net Income</u>	<u>Total gains & (losses) included in Surplus</u>	<u>Purchases</u>	<u>Issuances</u>	<u>Sales</u>	<u>Settlements</u>	<u>Ending Balance at 12/31/2014</u>
Bonds	\$ 6,422,830	\$ 5,371,056	\$ (108,737)	\$ (31,245)	\$ (270,892)	\$ 9,611,094	\$ -	\$ -	\$ (11,717,900)	\$ 9,276,206

- (3) The Company holds NAIC designation 3 - 6 securities at the lower of cost or market as defined in SSAP No. 26,
- Bonds, Excluding Loan-backed and Structured Securities*
- . Market fluctuations cause securities to change from being held at cost to fair value or vice versa. These changes result in a transfer in or out of level 3.

The Company transfers securities out of level 3 when it is able to obtain market observable data. The Company recognizes these transfers at the end of the period.

- (4) Bonds and preferred stock are carried at fair value in accordance with NAIC guidance. These securities are generally priced by the SVO or by a third party organization.

The Company holds common stock where fair value is based upon market quotations. Accordingly, the fair value for such common stock is included in the amount disclosed in level 1 of the hierarchy. The market quotations for these securities are provided by the SVO or a third party organization.

- (5) Not applicable.

- B. Not applicable.

- C. The following table provides the aggregate fair value and reported aggregate admitted asset value by type of financial instrument; and the hierarchy level in which the fair values fall.

(At December 31, 2014)	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not Practicable (Carrying Value)</u>
<u>Description</u>						
Short term bonds	\$ 1,057,534,516	\$ 1,057,534,516	\$ 288,184,860	\$ 768,361,117	\$ 988,539	\$ -
Long term bonds	12,218,388,199	11,616,564,824	490,533,113	11,703,489,486	24,365,600	-
Preferred stock	49,283,527	44,187,904	8,359,300	40,924,227	-	-
Common stock	6,556,434	6,556,434	6,556,434	-	-	-

(At December 31, 2013)	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not Practicable (Carrying Value)</u>
<u>Description</u>						
Short term bonds	\$ 505,967,116	\$ 505,967,116	\$ 212,978,427	\$ 292,988,689	\$ -	\$ -
Long term bonds	13,119,960,284	12,598,941,655	588,146,699	12,490,633,300	41,180,285	-
Preferred stock	61,217,196	56,553,036	12,603,757	48,613,439	-	-
Common stock	8,397,639	8,397,639	8,367,259	30,380	-	-

- D. Not applicable.

21. OTHER ITEMS

- A. Extraordinary Items:

Not applicable.

- B. Troubled Debt Restructuring:

Not applicable.

- C. Other Disclosures and Unusual Items:

The Company elected to use rounding in reporting amounts in this statement.

NOTES TO FINANCIAL STATEMENTS

2014 Schedule P:

The 2004 and prior "Total Net Losses and Expenses Unpaid" (Schedule P - Part 1, Column 24, Line 1) is separately reported to accident year as follows (in thousands):

Schedule P	<u>Accident Years</u>				
	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000 & Prior</u>
Part 1A	\$ 113	\$ 93	\$ 93	\$ 179	\$ 959
Part 1B	197	133	33	64	51,150
Part 1C	3,612	1,986	1,293	1,869	9,867
Part 1D	80,517	84,545	80,300	92,541	951,677
Part 1E	7,643	6,020	5,648	6,015	69,010
Part 1F - Section 1	133	583	3,280	114	1,345
Part 1F - Section 2	206	4,247	562	224	8,285
Part 1G	156	551	331	702	14,247
Part 1H - Section 1	14,339	19,191	14,252	23,919	507,199
Part 1H - Section 2	3,226	10,731	5,570	12,690	30,655
Part 1M	-	5	-	129	495
Part 1N	31	15	160	4,432	2,016
Part 1O	253	3,256	4,545	18,186	87,516
Part 1P	116	146	208	1,221	765
Part 1R - Section 1	12,179	14,315	17,367	8,523	344,576
Part 1R - Section 2	147	120	171	229	2,121

The following loss and/or LAE reserves have been assumed / (ceded) under retroactive reinsurance agreements. They are reported here by line of business and accident year to facilitate loss discounting under Internal Revenue Code Section 846 (in thousands):

	<u>2002</u>	<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>	<u>1994</u>
Commercial Auto	\$ (181)	\$ (147)	\$ (34)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Workers' Compensation	(1,418)	(1,245)	(276)	(10,689)	-	(164)	-	-	-
Commercial Multiple Peril	-	-	-	-	-	-	-	-	-
Medical Malpractice – CM	-	-	(838)	-	-	-	-	-	-
Special Liability	-	-	-	-	-	-	-	-	-
Other Liability – Occ	(382)	(5)	(2)	-	-	-	-	-	-
Other Liability – CM	-	(3,425)	-	-	-	-	-	-	-
Special Property	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Reinsurance A	(113)	-	-	-	-	-	-	-	-
Reinsurance B	(1,115)	-	-	-	-	-	-	-	-

D. Business Interruption Insurance Recoveries:

Not applicable.

E. State Transferable and Non-transferable Tax Credits:

<u>Description of State Transferable and Non-transferable Tax Credits</u>	<u>State</u>	<u>Carrying Value</u>	<u>Unused Amount</u>
Enhanced Capital Tennessee Tax Credit	TN	\$ 2,975,099	\$ 3,525,000
Advantage Capital 2013 State TC Ser E	NE	410,429	494,831
Petros Wyoming Fund Series 2014	WY	217,729	217,729

2. These credits are utilized per a set schedule as outlined in the purchase agreements.

3. Not applicable.

4. State Tax Credits Admitted and Nonadmitted:

	<u>Total Admitted</u>	<u>Total Nonadmitted</u>
Transferable	\$ 3,603,257	\$ -
Non-transferable	-	-

F. Subprime Mortgage Related Risk Exposure:

The Company defines subprime mortgage-backed securities as investments which generally contain a majority of loans to borrowers that exhibit one or more of the following characteristics at the time of issuance:

- Low FICO scores,
- Above prime interest rates,
- High loan-to-value ratios,
- High debt-to-income ratios,
- Low loan documentation (e.g. limited or no verification of income and assets), or
- Other characteristics that are inconsistent with conventional underwriting standards employed by government sponsored mortgage entities.

In addition, because of their high loan-to-value ratios, the Company has categorized second-lien mortgage-backed securities as subprime, regardless of the credit characteristics of the borrower on the underlying mortgage.

The Company reviews the credit characteristics of the loans that back these mortgage-backed securities when making the determination to categorize them as subprime exposure. Since the primary purpose of the investment portfolio is to fund future claim payments, the Company employs a conservative investment philosophy. In applying this philosophy to structured securities, including subprime mortgage-backed securities, the Company favors the purchase of senior credit tranches over junior or leveraged credit tranches.

Overall exposure to subprime mortgage-backed securities is sufficiently small in that the Company would likely have other securities available for liquidity needs. The Company utilizes discounted cash flow valuation analysis in its regular, ongoing review of its existing subprime mortgage portfolio, as well as in its analysis of subprime mortgage-backed bonds for purchase. Based upon the credit performance of mortgages within each securitization, the Company projects voluntary prepayments, defaults and loss severity to estimate any expected losses.

NOTES TO FINANCIAL STATEMENTS

Direct exposure through other investments:

	Actual Cost	Book/Adjusted Carrying Value (excluding interest)	Fair Value	Other-Than- Temporary Impairment Losses Recognized
Residential mortgage-backed securities:	\$ 114,412,237	\$ 114,117,996	\$ 140,049,209	\$ 23,890,769

22. EVENTS SUBSEQUENT

The Company had no material subsequent events through February 18, 2015.

23. REINSURANCE**A. Unsecured Reinsurance Recoverables:****1. Affiliated Company Recoverables:**

The Company participates in the TRV Pool and/or other reinsurance programs with affiliates and takes credit for reinsurance ceded directly and indirectly to these companies. The unsecured aggregate recoverables for ceded losses, loss adjustment expenses and unearned premiums at December 31, 2014, in connection with reinsurance agreements among affiliated insurers, were as follows:

Reinsurance balances ceded to pool participants and recoverable by The Travelers Indemnity Company (06-0566050):

<u>Company</u>	<u>F.E.I.N.</u>	<u>Amount</u>
St. Paul Fire and Marine Insurance Company	41-0406690	\$ 11,549,213,584
Travelers Casualty and Surety Company	06-6033504	9,485,563,224
The Phoenix Insurance Company	06-0303275	2,326,951,698
The Standard Fire Insurance Company	06-6033509	2,254,047,226
United States Fidelity and Guaranty Company	52-0515280	2,060,438,163
Travelers Casualty Insurance Company of America	06-0876835	1,270,500,452
Farmington Casualty Company	06-1067463	688,714,227
The Travelers Indemnity Company of Connecticut	06-0336212	638,391,429
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	637,526,007
The Charter Oak Fire Insurance Company	06-0291290	593,076,123
Northland Insurance Company	41-6009967	567,817,627
St. Paul Surplus Lines Insurance Company	41-1230819	409,505,751
The Travelers Indemnity Company of America	58-6020487	359,677,405
St. Paul Protective Insurance Company	36-2542404	270,118,676
Northfield Insurance Company	41-0983992	241,980,661
Travelers Commercial Casualty Company	95-3634110	218,759,065
Travelers Commercial Insurance Company	06-1286268	218,713,288
Travelers Casualty Company of Connecticut	06-1286266	218,713,288
St. Paul Mercury Insurance Company	41-0881659	190,582,733
Travelers Property Casualty Company of America	36-2719165	179,859,217
Travelers Property Casualty Insurance Company	06-1286274	139,604,222
The Travelers Casualty Company	41-1435765	134,950,746
Travelers Constitution State Insurance Company	41-1435766	134,950,746
Travelers Excess and Surplus Lines Company	06-1203698	125,643,797
Travelers Personal Insurance Company	36-3703200	125,643,797
The Travelers Home and Marine Insurance Company	35-1838079	125,649,797
TravCo Insurance Company	35-1838077	125,649,797
Travelers Personal Security Insurance Company	06-1286264	125,649,797
Discover Property & Casualty Insurance Company	36-2999370	65,704,219
Discover Specialty Insurance Company	52-1925132	65,148,626
Northland Casualty Company	94-6051964	65,148,626
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	46,534,727
St. Paul Guardian Insurance Company	41-0963301	46,534,727
American Equity Specialty Insurance Company	86-0868106	46,534,727
Total		<u>\$ 35,753,480,195</u>

Reinsurance balances assumed by The Travelers Indemnity Company and recoverable by the following pool participants:

<u>Company</u>	<u>F.E.I.N.</u>	<u>Amount</u>
Travelers Property Casualty Company of America	36-2719165	\$ 10,985,599,592
St. Paul Fire and Marine Insurance Company	41-0406690	4,522,124,976
Travelers Casualty and Surety Company	06-6033504	3,327,356,529
The Travelers Indemnity Company of America	58-6020487	2,929,217,303
The Travelers Indemnity Company of Connecticut	06-0336212	2,751,597,676
The Charter Oak Fire Insurance Company	06-0291290	2,708,580,059
The Travelers Home and Marine Insurance Company	35-1838079	2,358,410,661
The Phoenix Insurance Company	06-0303275	2,112,657,375
United States Fidelity and Guaranty Company	52-0515280	1,957,800,284
The Standard Fire Insurance Company	06-6033509	1,830,983,595
Travelers Casualty Insurance Company of America	06-0876835	1,660,399,632
St. Paul Mercury Insurance Company	41-0881659	1,300,249,786
Farmington Casualty Company	06-1067463	690,911,425
The Automobile Insurance Company of Hartford, Connecticut	06-0848755	619,745,458
Fidelity and Guaranty Insurance Underwriters, Inc.	52-0616768	544,595,839
Discover Property & Casualty Insurance Company	36-2999370	518,431,905
Northland Insurance Company	41-6009967	488,273,127
Travelers Commercial Insurance Company	06-1286268	406,005,164
St. Paul Surplus Lines Insurance Company	41-1230819	292,013,651
TravCo Insurance Company	35-1838077	277,128,098
Travelers Property Casualty Insurance Company	06-1286274	246,908,448
Northfield Insurance Company	41-0983992	206,526,507

NOTES TO FINANCIAL STATEMENTS

Travelers Excess and Surplus Lines Company	06-1203698	169,950,534
St. Paul Protective Insurance Company	36-2542404	169,113,719
Travelers Personal Security Insurance Company	06-1286264	152,079,498
St. Paul Guardian Insurance Company	41-0963301	140,924,655
Travelers Commercial Casualty Company	95-3634110	103,309,439
Travelers Personal Insurance Company	36-3703200	59,978,807
Travelers Casualty Company of Connecticut	06-1286266	57,466,718
Northland Casualty Company	94-6051964	19,862,439
Discover Specialty Insurance Company	52-1925132	9,989,947
The Travelers Casualty Company	41-1435765	5,966,379
Travelers Constitution State Insurance Company	41-1435766	4,148,133
American Equity Specialty Insurance Company	86-0868106	337,916
Total		<u>\$ 43,628,645,274</u>

2. Unaffiliated Company Recoverables:

The unsecured aggregate recoverables for ceded losses, LAE and unearned premiums recoverable from any unaffiliated reinsurer at December 31, 2014, that exceeded 3% of the Company's policyholders' surplus, were as follows:

	<u>Group Code</u>	<u>F.E.I.N.</u>	<u>Amount</u>
National Workers' Compensation Reinsurance Pool	0000	AA-9992118	\$ 1,785,987,633
Munich Reinsurance America Inc.	0361	13-4924125	409,292,165
Swiss Reinsurance America Corporation	0181	13-1675535	369,263,687
Michigan Catastrophe Claim Association	0000	AA-9991159	369,023,971

Additional detail on reinsurance recoverable balances by reinsurer is shown in Schedule F - Part 3.

B. Reinsurance Recoverable in Dispute:

There are no reinsurance recoverables with individual reinsurers, on paid or unpaid (including IBNR) losses, in dispute which exceed 5% of the Company's policyholders' surplus. In addition, the aggregate of all disputed items does not exceed 10% of the Company's policyholders' surplus.

C. Reinsurance Assumed and Ceded:

1.	<u>Assumed Reinsurance</u>		<u>Ceded Reinsurance</u>		<u>Net</u>	
	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>	<u>Premium Reserve</u>	<u>Commission Equity</u>
Affiliates	\$ 8,819,739,786	\$ 1,108,442,395	\$ 7,003,234,089	\$ 880,148,593	\$ 1,816,505,697	\$ 228,293,802
All Other	98,414,476	12,368,480	568,300,842	71,422,600	(469,886,366)	(59,054,120)
Total	<u>\$ 8,918,154,262</u>	<u>\$ 1,120,810,875</u>	<u>\$ 7,571,534,931</u>	<u>\$ 951,571,193</u>	<u>\$ 1,346,619,331</u>	<u>\$ 169,239,682</u>

Direct Unearned Premium Reserve \$ 779,088,988

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to \$43,784,192 at December 31, 2014. This balance represents the Company's 23.29% pro rata share of the net amount of the TRV Pool (see Note 26):

	<u>Direct</u>	<u>Assumed</u>	<u>Ceded</u>	<u>Net</u>
a. Contingent Commission	\$ 8,278,346	\$ 180,475,668	\$144,969,822	\$ 43,784,192
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
d. Total	<u>\$ 8,278,346</u>	<u>\$ 180,475,668</u>	<u>\$144,969,822</u>	<u>\$ 43,784,192</u>

D. Uncollectible Reinsurance:

The Company has written off as uncollectible/(recovered) in the current year, certain reinsurance balances due (from the companies listed below) in the amount of \$4,248,229, which is reflected as:

a. Losses incurred	\$ 4,248,229
b. Loss adjustment expenses incurred	-
c. Premiums earned	-
d. Other	-
e.	
<u>Company</u>	<u>Amount</u>
Insurance Corporation of New York	\$ 5,251,441
Lumbermens Mutual Casualty Company	482,032
International Casualty Company SPC Inc.	434,811
Mission Reinsurance Corporation	137,097
Highlands Insurance Company (UK) Ltd.	(133,050)
English & American Insurance Company Ltd.	(361,597)
OIC Run-Off Ltd.	(401,876)
Midland Insurance Company	(1,340,905)
All Others (less than \$100,000)	180,276
Total	<u>\$ 4,248,229</u>

E. Commutation of Ceded Reinsurance:

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

a. Losses incurred	\$ 48,100,850
b. Loss adjustment expenses incurred	-
c. Premiums earned	-
d. Other Gain/(Loss)	15,774,510

NOTES TO FINANCIAL STATEMENTS

e.

<u>Company</u>	<u>Amount</u>
Dealer Management Group Ltd.	\$ 25,000
Sun Valley Indemnity	15,000
Renaissance Reinsurance Ltd.	(10,788,780)
Platinum U/W Bermuda, Ltd.	(10,788,780)
Hannover Ruckysicherung SE	<u>(10,788,780)</u>
Total Gain/(Loss)	<u>\$ (32,326,340)</u>

F. Retroactive Reinsurance:

	<u>Assumed</u>	<u>Ceded</u>
a. Reserves Transferred:		
(1) Initial Reserves	\$ 2,189,260	\$113,033,968
(2) Adjustments - Prior Year(s)	(698,700)	43,266,048
(3) Adjustments - Current Year	85,770	<u>(1,087,384)</u>
(4) Current Total	<u>\$ 1,576,330</u>	<u>\$155,212,632</u>
b. Consideration Paid or Received:		
(1) Initial Consideration	\$ 2,434,990	\$100,161,042
(2) Adjustments - Prior Year(s)	-	8,452,738
(3) Adjustments - Current Year	<u>220,294</u>	<u>51,070</u>
(4) Current Total	<u>\$ 2,655,284</u>	<u>\$108,664,850</u>
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	\$ 966,583	\$132,707,826
(2) Current Year	<u>89,059</u>	<u>2,347,380</u>
(3) Current Total	<u>\$ 1,055,642</u>	<u>\$135,055,206</u>
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	\$ 245,730	\$ 12,872,926
(2) Adjustments - Prior Year(s)	698,700	34,813,310
(3) Adjustments - Current Year	<u>134,524</u>	<u>(1,138,454)</u>
(4) Current Year Restricted Surplus	<u>1,078,954</u>	<u>18,499,632</u>
(5) Cumulative Total Transferred to Unassigned Funds	<u>\$ -</u>	<u>\$ 28,048,150</u>

e. List the other insurers included in the above transactions:

<u>Company</u>	<u>Assumed</u>	<u>Ceded</u>
Munich Reinsurance America, Inc. (10227)	\$ 1,490,560	\$ -
Commercial Risk Re-Insurance Co. (27955)	-	2,981,120
General Reinsurance Corporation (22039)	-	72,651,338
TIG Insurance Company (25534)	-	18,034,271
Platinum Underwriters Reinsurance Inc. (10357)	-	21,413,210
Swiss Reinsurance America Corporation (25364)	-	6,591,206
Westport Insurance Corporation (39845)	-	4,359,122
XL Reinsurance America Inc. (20583)	-	18,367,179
Various	85,770	10,815,186
Total	<u>\$ 1,576,330</u>	<u>\$ 155,212,632</u>

f. Paid Loss/LAE Recoverable:

1. Authorized Reinsurers

<u>Company</u>	<u>Total Paid Loss/LAE Recoverable</u>	<u>Amount Over 90 Days Past Due</u>
General Reinsurance Corporation (22039)	\$ 39,421	\$ 39,421
Platinum Underwriters Reinsurance Inc. (10357)	34,826	-
Swiss Reinsurance America Corporation (25364)	8,282	2,920
Westport Insurance Corporation (39845)	15,150	-
XL Reinsurance America Inc. (20583)	84	84
Various	5,204	568
Total	<u>\$ 102,967</u>	<u>\$ 42,993</u>

2. Unauthorized Reinsurers

<u>Company</u>	<u>Total Paid Loss/LAE Recoverable</u>	<u>Amount Over 90 Days Past Due</u>	<u>Collateral Held</u>
TIG Insurance Company (25534)	\$ -	\$ -	\$ 6,442,907
Various	11,254	7,572	-
Total	<u>\$ 11,254</u>	<u>\$ 7,572</u>	<u>\$ 6,442,907</u>

G. Reinsurance Accounted for as a Deposit:

As of December 31, 2014, the Company had one ceded reinsurance contract accounted for as a deposit with a non-zero balance. This contract has been in runoff since 2008 and has a balance of \$1,250 at year-end. Due to the immaterial nature of this balance the Company accounts for its estimated ultimate remaining recoverable on an undiscounted basis.

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

Not applicable.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation:

Not applicable.

NOTES TO FINANCIAL STATEMENTS**24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION**

A. Accrued retrospective premiums (Page 2, Line 15.3) have been determined based upon loss experience on business subject to such experience rating adjustment. Accrued retrospectively rated premiums, including all of those relating to bulk IBNR, have been determined by or allocated to individual policyholder accounts. Ten percent of the amount not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss expense reserves), or collateral as permitted by SSAP No. 66, *Retrospectively Rated Contracts*, has been nonadmitted. The amount shown in Part E below is the Company's proportionate share of the accrued retrospective premiums of the TRV Pool (see Note 26).

B. The Company records accrued retrospective premium as an adjustment to earned premium.

C. See Schedule P - Part 7A.

D. Not applicable.

E. Calculation of nonadmitted retrospective premium:

1. Total accrued retrospective premium	\$ 20,691,658
2. Unsecured amount	5,344,085
3. Less: Nonadmitted amount (10%)	534,408
4. Less: Nonadmitted for any person for whom agents' balances or uncollected premiums are nonadmitted	<u>624,987</u>
5. Admitted amount (1) - (3) - (4)	<u>\$ 19,532,263</u>

F. Not applicable.

25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

During the period from January 1, 2014 to December 31, 2014, the prior year-end total loss and LAE reserves developed favorably by \$128,033,000, resulting from better than expected loss and defense and cost containment development primarily in the other liability – occurrence, reinsurance – liability, homeowners and special property lines. This favorable development was partially offset by unfavorable development primarily related to asbestos loss and LAE reserves for "Prior" accident years in the products liability – occurrence line.

The improvement in the other liability – occurrence line was concentrated in the excess coverages for accident years 2008 through 2012 reflecting more favorable legal and judicial environments than what the Company previously expected. The improvement in the reinsurance – liability line was driven by better than expected loss experience related to, and the commutation of reinsurance treaties associated with, a workers' compensation reinsurance pool for "Prior" accident years. The improvement in the homeowners line was driven primarily by better than expected development for non-catastrophe weather-related claims for accident year 2013 and for catastrophe claims for accident years 2011 through 2013. The improvement in the special property line was driven primarily by better than expected development for catastrophe and non-catastrophe claims for accident years 2010 through 2013.

The unfavorable development related to asbestos includes a reclassification of reserves for the Direct Action Settlement litigation from loss to adjusting and other (AO) LAE as disclosed in the Schedule P Interrogatories of the Company. This change impacts the apparent development for the "Prior" accident year in Schedule P, Part 2R - Section 1, even though the reclassification did not change total loss and LAE reserve development. Lastly, asbestos-related AO reserves include an increase for the court awarded interest for that same settlement.

The remaining changes are generally the result of ongoing analyses of recent loss data and trends. A portion of the change from prior year effects relates to retrospectively rated policies which are subject to premium adjustments.

26. INTERCOMPANY POOLING ARRANGEMENTS

The Company is a participant in the TRV Pool, an intercompany pooling arrangement. The lead company of the TRV Pool is the Company. Under the terms of the arrangement, the property-casualty underwriting risks for substantially all lines of business of the intercompany pool participants are reinsured with the Company. The pool of net underwriting risks remaining after reinsurance is transacted with third parties by the Company is then retroceded to the pool participants based on pool participation percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of the Company and are not allocated to the other pool participants.

The names, NAIC company codes and intercompany pool percentages of the companies participating in the TRV Pool are as follows:

<u>TRV Pool Participant</u>	<u>NAIC Company Code</u>	<u>Pool Participation %</u>
St. Paul Fire and Marine Insurance Company	24767	24.79
The Travelers Indemnity Company	25658	23.29
Travelers Casualty and Surety Company	19038	20.36
The Phoenix Insurance Company	25623	5.00
The Standard Fire Insurance Company	19070	4.84
United States Fidelity and Guaranty Company	25887	4.41
Travelers Casualty Insurance Company of America	19046	2.73
Farmington Casualty Company	41483	1.48
The Automobile Insurance Company of Hartford, Connecticut	19062	1.37
The Travelers Indemnity Company of Connecticut	25682	1.37
The Charter Oak Fire Insurance Company	25615	1.27
Northland Insurance Company	24015	1.22
St. Paul Surplus Lines Insurance Company	30481	0.88
The Travelers Indemnity Company of America	25666	0.77
St. Paul Protective Insurance Company	19224	0.58
Northfield Insurance Company	27987	0.52
Travelers Casualty Company of Connecticut	36170	0.47
Travelers Commercial Casualty Company	40282	0.47
Travelers Commercial Insurance Company	36137	0.47
St. Paul Mercury Insurance Company	24791	0.40
Travelers Property Casualty Company of America	25674	0.36
Travelers Property Casualty Insurance Company	36161	0.30
The Travelers Casualty Company	41769	0.29
Travelers Constitution State Insurance Company	41750	0.29
TravCo Insurance Company	28188	0.27
Travelers Excess and Surplus Lines Company	29696	0.27
The Travelers Home and Marine Insurance Company	27998	0.27
Travelers Personal Security Insurance Company	36145	0.27

NOTES TO FINANCIAL STATEMENTS

Travelers Personal Insurance Company	38130	0.27
Discover Property & Casualty Insurance Company	36463	0.14
Discover Specialty Insurance Company	10213	0.14
Northland Casualty Company	24031	0.14
American Equity Specialty Insurance Company	10819	0.10
Fidelity and Guaranty Insurance Underwriters, Inc.	25879	0.10
St. Paul Guardian Insurance Company	24775	0.10

All of the above TRV Pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

As of December 31, 2014 the Company had \$159,251,264 payable to affiliates as a result of its intercompany reinsurance transactions which settled in January 2015.

27. STRUCTURED SETTLEMENTS

The Company has purchased annuities from life insurance companies, under which the claimant is the payee and the Company is the owner of the annuity contract, to fund structured settlements. These annuity contracts are now the direct responsibility of the life insurance companies from whom they have been purchased and claims settled by the purchase of such annuity contracts are treated as closed claims. In the event that the life insurance company fails to make the required annuity payments, the Company would be required to make such payments if and to the extent not paid by state guaranty associations.

The following data represents the Company's proportionate share of structured settlement annuities purchased by members of the TRV Pool (see Note 26):

A. <u>Loss Reserves Eliminated by Annuities</u>		<u>Unrecorded Loss Contingencies</u>
\$ 704,831,998		\$ 704,831,998
B. <u>Life Insurance Company and Location</u>	<u>Licensed in Company's State of Domicile</u>	<u>Statement Value of Annuities</u>
Fidelity & Guaranty Life Insurance Company, Baltimore, MD	Yes	\$ 208,223,765
MetLife Insurance Company USA, Charlotte, NC	Yes	80,623,699
Genworth Life and Annuity Insurance Company, Richmond, VA	Yes	53,484,785
Symetra Life Insurance Company, Bellevue, WA	Yes	51,374,629
All other companies		311,125,120

28. HEALTH CARE RECEIVABLES

Not applicable.

29. PARTICIPATING POLICIES

Not applicable.

30. PREMIUM DEFICIENCY RESERVES

1. Liability carried for premium deficiency reserves	\$	0
2. Date of the most recent evaluation of this liability	December 31, 2014	
3. Was anticipated investment income utilized in the calculation?		Yes

31. HIGH DEDUCTIBLES

At December 31, 2014, the amount of reserve credit recorded by the Company for high deductible policies on unpaid claims was \$1,460,287,824 and the amount billed and outstanding on paid claims was \$12,486,009. These amounts represent the Company's proportionate share of the TRV Pool (see Note 26).

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

A. The Company establishes and reports tabular workers' compensation case reserves consistent with statistical reporting requirements, as described below. The total reserve (case plus IBNR/Bulk) for these claims is consistent with its own evaluation of the ultimate payout and a 5% discount rate.

Except for certain third party administered claims, tabular workers' compensation case reserves have been discounted in accordance with state approved workers' compensation statistical plans. The tabular case reserves, as included in Schedule P, reflect a discount rate of 3.5% or as specified by state requirements, generally using the following United States Life Tables:

Effective for all claims valued prior to October 1, 2014:

Non-Fatal Cases:	United States Life Tables Total Population 1969-71 – MI United States Life Tables Total Population 1979-81 – TX United States Life Tables Total Population 1999 – FL, NJ & NY United States Life Tables Total Male or Total Female 1989-91 – CA United States Life Tables Total Male or Total Female 2006 – MA United States Life Tables Total Male or Total Female 2000 – MN United States Life Tables Total Male or Total Female 1999 – all other states
Fatal Cases:	United States Life Tables Total Female 1969-71 – MI * United States Life Tables Total Female 1979-81 – TX * United States Life Tables Total Female 1989-91 – CA * United States Life Tables Total Female 2006 – MA * * and the 1979 NCCI Remarriage Table New York Mandated Mortality & Remarriage Table – NY United States Life Tables Total Female 2000 – MN ** United States Life Tables Total Female 1999 – all other states ** ** and the 1980 Railroad Retirement Board Remarriage Table

NOTES TO FINANCIAL STATEMENTS

Effective for all claims valued as of October 1, 2014 and subsequent:

Non-Fatal Cases: United States Life Tables Total Population 1979-81 – TX
 United States Life Tables Total Population 1999 – NY
 United States Life Tables Total Population 2007 – FL
 United States Life Tables Total Male or Total Female 2006 – MA
 United States Life Tables Total Male or Total Female 2009 – MN
 United States Life Tables Total Male or Total Female 2007 – all other states

Fatal Cases: United States Life Tables Total Female 1979-81 – TX *
 United States Life Tables Total Female 2006 – MA *
 * and the 1979 NCCI Remarriage Table
 New York Mandated Mortality & Remarriage Table – NY
 United States Life Tables Total Female 2007 – all other states **
 United States Life Tables Total Female 2009 – MN **
 ** and the 1997 Railroad Retirement Board Remarriage Table

Other liability reserves related to annuity obligations from structured settlements are discounted using a discount rate of 5% and reflect the 1983 Individual Annuity Mortality table adjusted for impairment and future mortality improvement.

The Company develops loss reserve estimates for workers' compensation tabular claims that are expectations of what the ultimate settlement costs for these claims will be upon final resolution in the future. These estimates are based on the Company's assessment of facts and circumstances currently known and, using Company experience, multiple actuarial estimation methods. This includes estimates of payment patterns reflecting actual mortality, morbidity and settlement history that relate both to claims currently identified as tabular as well as claims not yet identified as tabular ("IBNR" tabular).

The total reserves and the corresponding discount that the Company has established for these claims reflects these multiple estimation methods, payment patterns and a discount rate of 5%. The liabilities and discount amounts shown below reflect estimates of the ultimate liability for tabular claims. Furthermore, the case vs. IBNR discount amounts shown below each reflects estimates of the ultimate resolution costs for these claims: case amounts for claims already identified as tabular; IBNR amounts for claims yet to be identified as tabular.

The December 31, 2014 liabilities of the Company included \$391,854,081 and \$26,299,471 of such discounted liabilities related to workers' compensation and other liability-occurrence reserves, respectively. The amount of discount for case and IBNR reserves at December 31, 2014 is as follows:

Tabular Discount

	<u>Schedule P Lines of Business</u>	<u>Tabular Discount Included in Schedule P, Part 1 *</u>	
		<u>Case</u>	<u>IBNR</u>
1.	Workers' Compensation	\$ 88,615,655	\$ 99,291,588
2.	Other Liability-Occurrence	<u>2,910,086</u>	<u>38,149,486</u>
3.	Total	<u>\$ 91,525,741</u>	<u>\$ 137,441,074</u>

* Excludes medical loss reserves and all loss adjustment expense reserves

B. Non-tabular reserves have not been discounted.

C. No changes in the rates or other key assumptions used to discount prior accident year reserves have been made.

33. ASBESTOS/ENVIRONMENTAL RESERVES

The following represents the Company's allocable share of the pooled property-casualty business of the TRV Pool, based on its pro rata participation percentage of 23.29%.

A. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to asbestos losses? Yes (X) No ()

Exposure for asbestos losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

Because each policyholder presents different liability and coverage issues, the Company generally reviews the exposure presented by each policyholder at least annually. Among the factors which the Company may consider in the course of this review are: available insurance coverage, including the role of any umbrella or excess insurance the Company has issued to the policyholder; limits and deductibles; an analysis of the policyholder's potential liability; the jurisdictions involved; past and anticipated future claim activity and loss development on pending claims; past settlement values of similar claims; allocated claim adjustment expense; potential role of other insurance; the role, if any, of non-asbestos claims or potential non-asbestos claims in any resolution process; and applicable coverage defenses or determinations, if any, including the determination as to whether or not an asbestos claim is a products/completed operation claim subject to an aggregate limit and the available coverage, if any, for that claim.

The Company continues to be involved in coverage litigation concerning a number of policyholders, some of whom have filed for bankruptcy, who in some instances have asserted that all or a portion of their asbestos-related claims are not subject to aggregate limits on coverage. In these instances, policyholders also may assert that each individual bodily injury claim should be treated as a separate occurrence under the policy. It is difficult to predict whether these policyholders will be successful on both issues. To the extent both issues are resolved in a policyholder's favor and other Company defenses are not successful, the Company's coverage obligations under the policies at issue would be materially increased and bounded only by the applicable per-occurrence limits and the number of asbestos bodily injury claims against the policyholders. Although the Company has seen a moderation in the overall risk associated with these lawsuits, it remains difficult to predict the ultimate cost of these claims.

The Company's quarterly asbestos reserve review includes an analysis of exposure and claim payment patterns by policyholder category, as well as recent settlements, policyholder bankruptcies, judicial rulings and legislative actions. The Company also analyzes developing payment patterns among policyholders as well as projected reinsurance billings and recoveries. In addition, the Company reviews its historical gross and net loss and expense paid experience, year-by-year, to assess any emerging trends, fluctuations, or characteristics suggested by the aggregate paid activity. Conventional actuarial methods are not utilized to establish asbestos reserves nor have the Company's evaluations resulted in any way of determining a meaningful average asbestos defense or indemnity payment.

NOTES TO FINANCIAL STATEMENTS

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1. <u>Direct Basis – Asbestos:</u>					
a. Beginning reserves:	\$ 678,147,000	\$ 637,531,000	\$ 595,149,000	\$ 571,315,000	\$ 554,427,000
b. Incurred losses and LAE:	48,210,000	32,605,000	29,881,000	40,501,000	58,856,000
c. Calendar year payments for losses and LAE:	<u>88,826,000</u>	<u>74,987,000</u>	<u>53,715,000</u>	<u>57,389,000</u>	<u>72,007,000</u>
d. Ending reserves:	<u>\$ 637,531,000</u>	<u>\$ 595,149,000</u>	<u>\$ 571,315,000</u>	<u>\$ 554,427,000</u>	<u>\$ 541,276,000</u>
2. <u>Assumed Reinsurance Basis- Asbestos:</u>					
a. Beginning reserves:	\$ 42,494,000	\$ 46,979,000	\$ 51,922,000	\$ 52,345,000	\$ 50,191,000
b. Incurred losses and LAE:	12,808,000	12,809,000	7,616,000	3,750,000	1,232,000
c. Calendar year payments for losses and LAE:	<u>8,323,000</u>	<u>7,866,000</u>	<u>7,193,000</u>	<u>5,904,000</u>	<u>8,045,000</u>
d. Ending reserves:	<u>\$ 46,979,000</u>	<u>\$ 51,922,000</u>	<u>\$ 52,345,000</u>	<u>\$ 50,191,000</u>	<u>\$ 43,378,000</u>
3. <u>Net of Ceded Reinsurance Basis- Asbestos:</u>					
a. Beginning reserves:	\$ 641,746,000	\$ 592,910,000	\$ 567,614,000	\$ 551,095,000	\$ 544,900,000
b. Incurred losses and LAE:	32,607,000	40,758,000	38,429,000	44,250,000	58,225,000
c. Calendar year payments for losses and LAE:	<u>81,443,000</u>	<u>66,054,000</u>	<u>54,948,000</u>	<u>50,445,000</u>	<u>56,535,000</u>
d. Ending reserves:	<u>\$ 592,910,000</u>	<u>\$ 567,614,000</u>	<u>\$ 551,095,000</u>	<u>\$ 544,900,000</u>	<u>\$ 546,590,000</u>

Where appropriate, these agreements also include indemnities and hold harmless provisions to protect the Company.

B. Ending loss and LAE reserves for unreported claims included in Part A above:

1. Direct Basis:	\$ 444,762,000
2. Assumed Reinsurance Basis:	\$ 16,500,000
3. Net of Ceded Reinsurance Basis:	\$ 439,346,000

C. Ending LAE reserves for reported and unreported claims included in Part A above:

1. Direct Basis:	\$ 260,037,000
2. Assumed Reinsurance Basis:	\$ 468,000
3. Net of Ceded Reinsurance Basis:	\$ 254,624,000

D. Does the Company have on the books or has it ever written an insured for which you have identified a potential for the existence of a liability due to environmental losses? Yes (X) No ()

Exposure for environmental losses arises from liability coverage written many years ago. The exposures include bodily injury and property damage losses.

The resolution of environmental exposures by the Company generally occurs through settlements with policyholders as opposed to claimants. Generally, the Company strives to extinguish any obligations it may have under any policy issued to the policyholder for past, present and future environmental liabilities and extinguish any pending coverage litigation dispute with the policyholder. This form of settlement is commonly referred to as a "buy-back" of policies for future environmental liability. In addition, many of the agreements have also extinguished any insurance obligation which the Company may have for other claims, including but not limited to asbestos and other cumulative injury claims. The Company and its policyholders may also agree to settlements which extinguish any liability arising from known specified sites or claims. Where appropriate, these agreements also include indemnities and hold harmless provisions to protect the Company. The Company's general purpose in executing these agreements is to reduce the Company's potential environmental exposure and eliminate the risks presented by coverage litigation with the policyholder and related costs.

In establishing environmental reserves, the Company evaluates the exposure presented by each policyholder and the anticipated cost of resolution, if any. In the course of this analysis, the Company generally considers the probable liability, available coverage and relevant judicial interpretations. In addition, the Company considers the many variables presented, such as: the nature of the alleged activities of the policyholder at each site; the number of sites; the total number of potentially responsible parties at each site; the nature of the alleged environmental harm and the corresponding remedy at each site; the nature of government enforcement activities at each site; the ownership and general use of each site; the overall nature of the insurance relationship between the Company and the policyholder, including the role of any umbrella or excess insurance the Company has issued to the policyholder; the involvement of other insurers; the potential for other available coverage, including the number of years of coverage; the role, if any, of non-environmental claims or potential non-environmental claims in any resolution process; and the applicable law in each jurisdiction. The evaluation of the exposure presented by a policyholder can change as information concerning that policyholder and the many variables presented is developed. Conventional actuarial techniques are not used to estimate these reserves.

In its review of environmental reserves, the Company considers: past settlement payments; changing judicial and legislative trends; its reserves for the costs of litigating environmental coverage matters; the potential for policyholders with smaller exposures to be named in new clean-up actions for both on- and off-site waste disposal activities; the potential for adverse development; the potential for additional new claims beyond previous expectations; and the potential higher costs for new settlements.

The majority of the net environmental reserve is carried in a bulk reserve which includes unresolved environmental claims, incurred but not reported environmental claims and the anticipated cost of coverage litigation disputes relating to these claims. The bulk reserve the Company carries is established and adjusted based upon the aggregate volume of in-process environmental claims and the Company's experience in resolving those claims. The balance of the net environmental reserve consists of case reserves.

	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
1. <u>Direct Basis – Environmental:</u>					
a. Beginning reserves:	\$ 77,504,000	\$ 70,186,000	\$ 67,401,000	\$ 66,043,000	\$ 63,688,000
b. Incurred losses and LAE:	9,270,000	15,371,000	18,434,000	16,289,000	21,147,000
c. Calendar year payments for losses and LAE:	<u>16,588,000</u>	<u>18,156,000</u>	<u>19,792,000</u>	<u>18,644,000</u>	<u>20,854,000</u>
d. Ending reserves:	<u>\$ 70,186,000</u>	<u>\$ 67,401,000</u>	<u>\$ 66,043,000</u>	<u>\$ 63,688,000</u>	<u>\$ 63,981,000</u>
2. <u>Assumed Reinsurance Basis- Environmental:</u>					
a. Beginning reserves:	\$ 13,124,000	\$ 12,265,000	\$ 13,333,000	\$ 16,052,000	\$ 14,927,000
b. Incurred losses and LAE:	1,211,000	3,260,000	4,623,000	363,000	745,000
c. Calendar year payments for losses and LAE:	<u>2,070,000</u>	<u>2,192,000</u>	<u>1,904,000</u>	<u>1,488,000</u>	<u>1,307,000</u>
d. Ending reserves:	<u>\$ 12,265,000</u>	<u>\$ 13,333,000</u>	<u>\$ 16,052,000</u>	<u>\$ 14,927,000</u>	<u>\$ 14,365,000</u>

NOTES TO FINANCIAL STATEMENTS

3. <u>Net of Ceded Reinsurance Basis- Environmental:</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>
a. Beginning reserves:	\$ 91,558,000	\$ 81,637,000	\$ 79,500,000	\$ 80,918,000	\$ 76,638,000
b. Incurred losses and LAE:	8,152,000	17,700,000	20,961,000	15,069,000	20,262,000
c. Calendar year payments for losses and LAE:	<u>18,073,000</u>	<u>19,837,000</u>	<u>19,543,000</u>	<u>19,349,000</u>	<u>19,589,000</u>
d. Ending reserves:	<u>\$ 81,637,000</u>	<u>\$ 79,500,000</u>	<u>\$ 80,918,000</u>	<u>\$ 76,638,000</u>	<u>\$ 77,311,000</u>

E. Ending loss and LAE reserves for unreported claims included in Part D above:

1. Direct Basis:	\$ 63,025,000
2. Assumed Reinsurance Basis:	\$ 9,052,000
3. Net of Ceded Reinsurance Basis	\$ 71,798,000

F. Ending LAE reserves for reported and unreported claims included in Part D above:

1. Direct Basis:	\$ 11,016,000
2. Assumed Reinsurance Basis:	\$ 26,000
3. Net of Ceded Reinsurance Basis	\$ 10,886,000

As a result of the processes and procedures discussed above, management believes that the reserves carried for asbestos and environmental claims are appropriately established based upon known facts, current law and management's judgment. However, the uncertainties surrounding the final resolution of these claims continue, and it is difficult to determine the ultimate exposure for asbestos and environmental claims and related litigation. As a result, these reserves are subject to revision as new information becomes available and as claims develop. The continuing uncertainties include, without limitation, the risks and lack of predictability inherent in complex litigation, any impact from the bankruptcy protection sought by various asbestos producers and other asbestos defendants, a further increase or decrease in the cost to resolve, and/or the number of, asbestos and environmental claims beyond that which is anticipated, the emergence of a greater number of asbestos claims than anticipated as a result of extended life expectancies resulting from medical advances and lifestyle improvements, the role of any umbrella or excess policies the Company has issued, the resolution or adjudication of disputes pertaining to the amount of available coverage for asbestos and environmental claims in a manner inconsistent with the Company's previous assessment of these claims, the number and outcome of direct actions against the Company, future developments pertaining to the Company's ability to recover reinsurance for asbestos and environmental claims and the unavailability of other insurance sources potentially available to policyholders, whether through exhaustion of policy limits or through the insolvency of other participating insurers. In addition, uncertainties arise from the insolvency or bankruptcy of policyholders and other defendants. It is also not possible to predict changes in the legal, regulatory and legislative environment and their impact on the future development of asbestos and environmental claims. This environment could be affected by changes in applicable legislation and future court and regulatory decisions and interpretations, including the outcome of legal challenges to legislative and/or judicial reforms establishing medical criteria for the pursuit of asbestos claims. It is also difficult to predict the ultimate outcome of complex coverage disputes until settlement negotiations near completion and significant legal questions are resolved or, failing settlement, until the dispute is adjudicated. This is particularly the case with policyholders in bankruptcy where negotiations often involve a large number of claimants and other parties and require court approval to be effective. As part of its continuing analysis of asbestos and environmental reserves, the Company continues to study the implications of these and other developments.

Because of the uncertainties set forth above, additional liabilities may arise for amounts in excess of the Company's current reserves. In addition, the Company's estimate of claims and claim adjustment expenses may change. These additional liabilities or increases in estimates, or a range of either, cannot now be reasonably estimated and could result in income statement charges that could be material to the Company's operating results in future periods.

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

In prior years, the Company underwrote insurance guaranteeing the structured settlements of certain life insurers. The Company no longer writes such guarantees. At December 31, 2014 and 2013, the Company's aggregate net amount of guarantees of principal and interest for such structured settlements was approximately \$12.1 million and \$13.9 million, respectively.

Also in past years, the Company underwrote financial guarantee insurance representing the Company's participation in the Municipal Bond Insurance Association's (MBIA) guarantee of municipal bond obligations. The Company has no net exposure for the guarantee of principal and interest for such securities as the Company's participation in MBIA has been reinsured. The gross amount of such financial guarantees was \$5.6 million and \$8.8 million at December 31, 2014 and 2013, respectively.

NOTES TO FINANCIAL STATEMENTS

Attachment to the 2014 Annual Statement – Notes to Financial Statements, Note 9 – Part F:
Names of the companies included with TRV in the December 31, 2014, consolidated Federal income tax return filing

The Travelers Companies, Inc. (TRV) & Subsidiaries

<u>Company Name</u>	<u>FEIN</u>	<u>Company Name</u>	<u>FEIN</u>
AMERICAN EQUITY INSURANCE COMPANY	86-0703220	THE PREMIER INSURANCE COMPANY OF MASSACHUSETTS	04-3175569
AMERICAN EQUITY SPECIALTY INSURANCE COMPANY	86-0868106	THE STANDARD FIRE INSURANCE COMPANY	06-6033509
BMR SPORTS PROPERTIES, INC.	52-1852190	THE TRAVELERS CASUALTY COMPANY	41-1435765
CAMPERDOWN CORPORATION	41-1762781	THE TRAVELERS HOME AND MARINE INSURANCE COMPANY	35-1838079
CASTLE PINES FIDELITY REALTY, INC.	52-1735211	THE TRAVELERS INDEMNITY COMPANY	06-0566050
COMMERCIAL GUARANTY INSURANCE COMPANY	75-1679830	THE TRAVELERS INDEMNITY COMPANY OF AMERICA	58-6020487
CONSTITUTION PLAZA INC	06-0566030	THE TRAVELERS INDEMNITY COMPANY OF CONNECTICUT	06-0336212
DISCOVER PROPERTY & CASUALTY INSURANCE COMPANY	36-2999370	THE TRAVELERS LLOYDS INSURANCE COMPANY	76-0002592
DISCOVER SPECIALTY INSURANCE COMPANY	52-1925132	TINDY FOREIGN, INC.	20-4403403
ENGLISH TURN FIDELITY REALTY, INC.	52-1466734	TPC INVESTMENTS, INC.	06-1534005
ENGLISH TURN REALTY MANAGEMENT, INC.	52-1715225	TRAVCO INSURANCE COMPANY	35-1838077
FARMINGTON CASUALTY COMPANY	06-1067463	TRAVELERS (BERMUDA) LTD.	98-0190863
FIDELITY AND GUARANTY INSURANCE COMPANY	42-1091525	TRAVELERS CASUALTY AND SURETY COMPANY	06-6033504
FIDELITY AND GUARANTY INSURANCE UNDERWRITERS, INC.	52-0616768	TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA	06-0907370
FIRST FLORIDIAN AUTO AND HOME INSURANCE COMPANY	59-3372141	TRAVELERS CASUALTY COMPANY OF CONNECTICUT	06-1286266
GULF UNDERWRITERS INSURANCE COMPANY	56-1371361	TRAVELERS CASUALTY INSURANCE COMPANY OF AMERICA	06-0876835
JUPITER HOLDINGS, INC.	41-1769846	TRAVELERS COMMERCIAL CASUALTY COMPANY	95-3634110
LAUREL VILLAGE FIDELITY REALTY, INC.	52-1551225	TRAVELERS COMMERCIAL INSURANCE COMPANY	06-1286268
NORTHBROOK HOLDINGS, INC.	51-0375653	TRAVELERS CONSTITUTION STATE INSURANCE COMPANY	41-1435766
NORTHFIELD INSURANCE COMPANY	41-0983992	TRAVELERS DISTRIBUTION ALLIANCE, INC.	62-1657094
NORTHLAND CASUALTY COMPANY	94-6051964	TRAVELERS EXCESS AND SURPLUS LINES COMPANY	06-1203698
NORTHLAND INSURANCE COMPANY	41-6009967	TRAVELERS GLOBAL, INC.	47-2215437
SELECT INSURANCE COMPANY	75-6013697	TRAVELERS INSURANCE GROUP HOLDINGS INC.	06-1445591
SPC INSURANCE AGENCY, INC.	41-1888760	TRAVELERS LLOYDS OF TEXAS INSURANCE COMPANY	75-1732040
ST. PAUL FIRE & CASUALTY INSURANCE COMPANY	41-1419276	TRAVELERS LLOYDS MANAGEMENT COMPANY	20-4312440
ST. PAUL FIRE & MARINE INSURANCE COMPANY	41-0406690	TRAVELERS MGA, INC.	75-2676034
ST. PAUL GUARDIAN INSURANCE COMPANY	41-0963301	TRAVELERS PERSONAL INSURANCE COMPANY	36-3703200
ST. PAUL LONDON PROPERTIES, INC.	41-1880024	TRAVELERS PERSONAL SECURITY INSURANCE COMPANY	06-1286264
ST. PAUL MERCURY INSURANCE COMPANY	41-0881659	TRAVELERS PROPERTY CASUALTY COMPANY OF AMERICA	36-2719165
ST. PAUL PROTECTIVE INSURANCE COMPANY	36-2542404	TRAVELERS PROPERTY CASUALTY CORP.	06-1008174
ST. PAUL SURPLUS LINES INSURANCE COMPANY	41-1230819	TRAVELERS PROPERTY CASUALTY INSURANCE COMPANY	06-1286274
TCI GLOBAL SERVICES, INC.	52-1965525	TRAVELERS TEXAS MGA, INC.	27-4469564
THE AUTOMOBILE INSURANCE COMPANY OF HARTFORD, CT	06-0848755	UNITED STATES FIDELITY & GUARANTY COMPANY	52-0515280
THE CHARTER OAK FIRE INSURANCE COMPANY	06-0291290	USF&G RETAIL ASSOCIATES GP, INC.	52-1704255
THE PHOENIX INSURANCE COMPANY	06-0303275	YONKERS FINANCING CORPORATION	20-3033027

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes No
 If yes, complete Schedule Y, Parts 1, 1A and 2.
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes No N/A
- 1.3 State regulating? Connecticut
- 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
- 2.2 If yes, date of change: _____
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2009
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 03/14/2011
- 3.4 By what department or departments?
Connecticut
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes No N/A
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes No N/A
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes No
- 4.12 renewals? Yes No
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes No
- 4.22 renewals? Yes No
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes No
- 5.2 If yes, provide the name of the 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 Co. Code	3 State of Domicile

- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes No
- 6.2 If yes, give full information: _____

- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes No
- 7.2 If yes,
- 7.21 State the percentage of foreign control0.000 %
- 7.22 State the nationality(ies) of the foreign person(s) or entity(ies); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(ies) (e.g., individual, corporation, government, manager or attorney-in-fact)

1 Nationality	2 Type of Entity

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes No
- 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
- 8.4 If response to 8.3 is yes, please provide the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
KPMG LLP, One Financial Plaza, 755 Main St., Hartford, CT 06103
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes No
- 10.2 If the response to 10.1 is yes, provide information related to this exemption: _____
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes No
- 10.4 If the response to 10.3 is yes, provide information related to this exemption: _____

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes No N/A
- 10.6 If the answer to 10.5 is no or n/a, please explain.
-
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Renée H. Davis, FCAS & MAAA (Vice President and Chief Corporate Actuary), The Travelers Companies, Inc., One Tower Square, Hartford, CT 06183
-
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes No
- 12.11 Name of real estate holding company
-
- 12.12 Number of parcels involved0
- 12.13 Total book/adjusted carrying value \$.....0
- 12.2 If yes, provide explanation.
-
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?
-
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes No
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes No
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes No N/A
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
- a. Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - b. Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - c. Compliance with applicable governmental laws, rules and regulations;
 - d. The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - e. Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
-
- 14.2 Has the code of ethics for senior managers been amended? Yes No
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
-
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
-

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List?

Yes [X] No []

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

1 American Bankers Association (ABA) Routing Number	2 Issuing or Confirming Bank Name	3 Circumstances That Can Trigger the Letter of Credit	4 Amount
011002343	Boston Private Bank & Trust Company	Failure to comply with contract.	565,000
011201458	Camden National Bank	Failure to comply with contract.	26,000
011304478	Rockland Trust Company	Failure to comply with contract.	50,000
021303618	NBT Bank, National Association	Failure to comply with contract.	877,000
021305386	Community Bank, National Association	Failure to comply with contract.	1,941,000
026002794	Bank Leumi USA	Failure to comply with contract.	5,433,000
026007443	Woori America Bank	Failure to comply with contract.	545,000
031302971	Customers Bank	Failure to comply with contract.	300,000
041212637	Old Fort Banking Company	Failure to comply with contract.	50,000
042108397	Forcht Bank, National Association	Failure to comply with contract.	50,000
043400036	WesBanco Bank, Inc.	Failure to comply with contract.	50,000
051502599	Clear Mountain Bank	Failure to comply with contract.	1,150,000
051904524	City National Bank of West Virginia	Failure to comply with contract.	10,000
053906041	First Citizens Bank and Trust Company, Inc	Failure to comply with contract.	1
055003298	EagleBank	Failure to comply with contract.	96,935
061202371	PeoplesSouth Bank	Failure to comply with contract.	20,000
064008637	Pinnacle Bank	Failure to comply with contract.	1,126,800
064108443	Legends Bank	Failure to comply with contract.	131,000
065203431	MidSouth Bank	Failure to comply with contract.	300,000
065300211	Citizens National Bank of Meridian	Failure to comply with contract.	600,000
065500752	Peoples Bank, Biloxi, Mississippi	Failure to comply with contract.	100,000
071102076	First Mid-Illinois Bank & Trust, National Ass	Failure to comply with contract.	75,000
071119289	Bank of Rantoul	Failure to comply with contract.	400,000
071123204	Morton Community Bank	Failure to comply with contract.	100,000
071212128	1st Source Bank	Failure to comply with contract.	5,389,200
071902878	Centier Bank	Failure to comply with contract.	57,000
071925444	North Shore Community Bank & Trust Com	Failure to comply with contract.	600,000
074911578	First Farmers Bank & Trust	Failure to comply with contract.	165,500
075900766	National Exchange Bank and Trust	Failure to comply with contract.	1,385,000
081000605	Cass Commercial Bank	Failure to comply with contract.	552,000
081000676	Midwest BankCentre	Failure to comply with contract.	1,000,000
081303920	Peoples Trust & Savings Bank	Failure to comply with contract.	565,000
081514748	Mid America Bank	Failure to comply with contract.	695,000
082900432	Simmons First National Bank	Failure to comply with contract.	293,000
082900872	Arvest Bank	Failure to comply with contract.	10,000
082907273	Bank of the Ozarks	Failure to comply with contract.	794,000
084008426	Independent Bank (TN)	Failure to comply with contract.	375,000
084304243	First State Bank	Failure to comply with contract.	5,000
086300012	Old National Bank	Failure to comply with contract.	1,912,935
091017196	Venture Bank	Failure to comply with contract.	100,000
091914464	Bremer Bank, National Association	Failure to comply with contract.	1,000,000
101000925	Security Bank of Kansas City	Failure to comply with contract.	81,000
101005483	Metcalf Bank	Failure to comply with contract.	3,058,615
101101536	Kansas State Bank of Manhattan	Failure to comply with contract.	1,850,000
103000800	Prosperity Bank	Failure to comply with contract.	250,000
103100616	American Heritage Bank	Failure to comply with contract.	550,000
103101107	First National Bank and Trust Company of	Failure to comply with contract.	152,000
104000016	First National Bank of Omaha	Failure to comply with contract.	1,491,000
104000854	American National Bank	Failure to comply with contract.	1,195,000
104002894	Mutual of Omaha Bank	Failure to comply with contract.	3,200,000
104910795	Union Bank and Trust Company	Failure to comply with contract.	1,725,000
111001040	Inwood National Bank	Failure to comply with contract.	50,000
111300958	Amarillo National Bank	Failure to comply with contract.	2,160,000
111308057	FirstBank Southwest	Failure to comply with contract.	580,000
111322994	PlainsCapital Bank	Failure to comply with contract.	550,000
111903245	First National Bank of Central Texas	Failure to comply with contract.	175,000
111907199	Central National Bank	Failure to comply with contract.	50,000
112206297	Bank of the Southwest	Failure to comply with contract.	92,500
113122655	Prosperity Bank	Failure to comply with contract.	2,500,000
121045106	First Republic Bank	Failure to comply with contract.	1,160,000
121101037	Bank of Stockton	Failure to comply with contract.	791,000
121108441	Farmers & Merchants Bank of Central Calif	Failure to comply with contract.	985,000
121142287	Heritage Bank of Commerce	Failure to comply with contract.	1,028,000
122043301	Pacific Commerce Bank	Failure to comply with contract.	150,000
122203471	Community Bank	Failure to comply with contract.	26,000
122238200	Pacific Western Bank	Failure to comply with contract.	105,000
122243295	Bank of Manhattan, N.A.	Failure to comply with contract.	100,000
122243813	Bank of Santa Clarita	Failure to comply with contract.	30,000
122243884	California United Bank	Failure to comply with contract.	1,206,000
122244016	Security Bank of California	Failure to comply with contract.	400,000
122244498	Americas United Bank	Failure to comply with contract.	130,000
124301025	Bank of American Fork	Failure to comply with contract.	90,000
125100089	Washington Trust Bank	Failure to comply with contract.	1,045,000
125108272	Columbia State Bank	Failure to comply with contract.	1,025,000
211170318	United Bank	Failure to comply with contract.	123,902
211672683	Northfield Savings Bank	Failure to comply with contract.	1,035,000
221371709	Adirondack Bank	Failure to comply with contract.	825,000
236073801	Firsttrust Savings Bank	Failure to comply with contract.	370,000
243074385	Dollar Bank, Federal Savings Bank	Failure to comply with contract.	965,000
243374218	Northwest Savings Bank	Failure to comply with contract.	62,560
265270413	IBERIABANK	Failure to comply with contract.	3,188,000
291070001	TCF National Bank	Failure to comply with contract.	650,000
322070381	East West Bank	Failure to comply with contract.	8,639,000
322270288	OneWest Bank, National Association	Failure to comply with contract.	1,820,000

GENERAL INTERROGATORIES**PART 1 - COMMON INTERROGATORIES - GENERAL**

325070980	Washington Federal National Association	Failure to comply with contract.	663,000
0	Banco Bilbao Vizcaya Argentaria, SA	Failure to comply with contract.	11,812,500
0	Farm Credit of Maine ACA	Failure to comply with contract.	200,000
0	Federal Home Loan Bank of Atlanta	Failure to comply with contract.	4,800,000
0	Federal Home Loan Bank of Seattle	Failure to comply with contract.	128,000
0	ING Bank NV	Failure to comply with contract.	50,000
0	Intesa Sanpaolo SpA	Failure to comply with contract.	51,656,638
0	Unicredit SpA	Failure to comply with contract.	33,386,362

PART 1 - COMMON INTERROGATORIES - BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes No
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes No
18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes No

PART 1 - COMMON INTERROGATORIES - FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes No
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$.....0
- 20.12 To stockholders not officers \$.....0
- 20.13 Trustees, supreme or grand (Fraternal only) \$.....0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$.....0
- 20.22 To stockholders not officers \$.....0
- 20.23 Trustees, supreme or grand (Fraternal only) \$.....0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes No
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$.....0
- 21.22 Borrowed from others \$.....0
- 21.23 Leased from others \$.....0
- 21.24 Other \$.....0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes No
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$.....0
- 22.22 Amount paid as expenses \$.....0
- 22.23 Other amounts paid \$.....0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount. \$.....0

PART 1 - COMMON INTERROGATORIES - INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes No
- 24.02 If no, give full and complete information relating thereto.
-
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).
This company is a party to a security lending agreement. See Note 17.
-
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes No N/A
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$.....63,378,059
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$.....0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes No N/A
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes No N/A
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes No N/A
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$.....63,378,059
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. \$.....63,378,059
- 24.103 Total payable for securities lending reported on the liability page. \$.....63,378,059
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03) Yes No
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$.....0
- 25.22 Subject to reverse repurchase agreements \$.....0
- 25.23 Subject to dollar repurchase agreements \$.....0
- 25.24 Subject to reverse dollar repurchase agreements \$.....0
- 25.25 Placed under option agreements \$.....0
- 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock \$.....0
- 25.27 FHLB Capital Stock \$.....0
- 25.28 On deposit with states \$.....1,146,385,804
- 25.29 On deposit with other regulatory bodies \$.....16,253,128
- 25.30 Pledged as collateral - excluding collateral pledged to an FHLB \$.....14,212,811
- 25.31 Pledged as collateral to FHLB - including assets backing funding agreements \$.....0
- 25.32 Other \$.....0

PART 1 - COMMON INTERROGATORIES - INVESTMENT

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		0

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

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

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

27.2 If yes, state the amount thereof at December 31 of the current year: \$.....0

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

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

1 Name of Custodian(s)	2 Custodian's Address
JPMorgan Chase	270 Park Avenue, New York, NY 10017-2070

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Citigroup Inc.	388 Greenwich Street, New York, NY 10013	Brokerage account

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

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

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
N/A		

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

29.2 If yes, complete the following schedule:

1 CUSIP #	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
		0
29.2999. TOTAL		0

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

1 Name of Mutual Fund (from the above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to Holding	4 Date of Valuation
		0	

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

	1 Statement (Admitted) Value	2 Fair Value	3 Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds.....	12,674,099,340	13,275,922,719	601,823,378
30.2 Preferred stocks.....	44,187,904	49,283,527	5,095,623
30.3 Totals.....	12,718,287,244	13,325,206,246	606,919,001

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

Fair values of bonds and preferred stocks are based on prices published in the NAIC Valuations of Securities. If this unit price is not available, the fair value is based upon quoted market prices or dealer quotes, or if prices are unavailable, based on valuation determined, in good faith, by The Travelers Companies, Inc.

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

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

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

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

32.2 If no, list exceptions:

PART 1 - COMMON INTERROGATORIES - INVESTMENT

PART 1 - COMMON INTERROGATORIES - OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$.....11,650,570

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

1 Name	2 Amount Paid
INSURANCE SERVICES OFFICE, INC	5,343,850

34.1 Amount of payments for legal expenses, if any? \$.....21,283,734

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
	0

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$.....155,455

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

1 Name	2 Amount Paid
	0

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [] No [X]
 1.2 If yes, indicate premium earned on U.S. business only. \$.....0
 1.3 What portion of item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$.....0
 1.31 Reason for excluding:

- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$.....0
 1.5 Indicate total incurred claims on all Medicare Supplement insurance. \$.....0

- 1.6 Individual policies:
 Most current three years:
 1.61 Total premium earned \$.....0
 1.62 Total incurred claims \$.....0
 1.63 Number of covered lives0
 All years prior to most current three years:
 1.64 Total premium earned \$.....0
 1.65 Total incurred claims \$.....0
 1.66 Number of covered lives0

- 1.7 Group policies:
 Most current three years:
 1.71 Total premium earned \$.....0
 1.72 Total incurred claims \$.....0
 1.73 Number of covered lives0
 All years prior to most current three years:
 1.74 Total premium earned \$.....0
 1.75 Total incurred claims \$.....0
 1.76 Number of covered lives0

2. Health test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator.....	\$.....0	.....0
2.2 Premium Denominator.....	\$.....4,655,473,796	.....4,633,572,774
2.3 Premium Ratio (2.1/2.2).....	.....0.0	.....0.0
2.4 Reserve Numerator.....	\$.....10,261,377	.....13,979,617
2.5 Reserve Denominator.....	\$.....11,699,732,158	.....11,607,766,825
2.6 Reserve Ratio (2.4/2.5).....	.....0.1	.....0.1

- 3.1 Does the reporting entity issue both participating and non-participating policies? Yes [X] No []
 3.2 If yes, state the amount of calendar year premiums written on:
 3.21 Participating policies \$.....74,740,610
 3.22 Non-participating policies \$.....4,629,471,628

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

- 4.1 Does the reporting entity issue assessable policies? Yes [] No []
 4.2 Does the reporting entity issue non-assessable policies? Yes [] No []
 4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders?0.0 %
 4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. \$.....0

5. FOR RECIPROCAL EXCHANGES ONLY:

- 5.1 Does the exchange appoint local agents? Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation Yes [] No [] N/A []
 5.22 As a direct expense of the exchange Yes [] No [] N/A []
 5.3 What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?

- 5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred? Yes [] No []
 5.5 If yes, give full information:

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?
The Company's risk management practices include active monitoring of insured employee local-based concentrations. Although the Company currently has no significant workers' compensation treaty reinsurance, the Company reviews available treaty reinsurance coverages periodically and makes purchase decisions as it deems appropriate. Facultative reinsurance purchases are also made as deemed appropriate.
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
The Company uses various analyses and methods, including proprietary and third party computer modeling processes, to analyze catastrophic events and the associated risks to arrive at loss estimates. The Company uses these analyses and methods to make underwriting and reinsurance decisions designed to manage its exposure to catastrophic events. The Company's hurricane loss estimates for U.S. exposures include property exposures, property residual market exposures and an adjustment for certain non-property exposures. The Company's loss estimates are based on the Company's catastrophe risk model estimates and include loss from the hurricane hazards of wind and storm surge. The Company's loss estimates for earthquakes reflect U.S. exposures and include property exposures and workers' compensation exposures. The Company's loss estimates for terrorism reflect U.S. exposures and include property exposures. The Company also develops conventional attack loss estimates for combined property and workers' compensation exposures for comparison and adherence with aggregate enterprise guidelines. To best assess risk, the Company conducts site engineering analyses on buildings with large exposures. Property exposures are analyzed to determine locations of concentration. Spanning the U.S., this includes California, Florida, New Madrid, the Northeast, the Gulf States and the Mid-Atlantic States.
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?
The Company purchases both excess of loss and proportional reinsurance to protect itself from an excessive catastrophe loss.
- 6.4 Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence? Yes No
- 6.5 If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:

- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)? Yes No
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.15
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? Yes No
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? Yes No
- 8.2 If yes, give full information:
The Company's general excess of loss reinsurance contract effective 7/1/2014 through 6/30/2015 was terminated 12/31/2014. Effective 1/1/2015, the Company replaced this contract with its corporate catastrophe excess of loss reinsurance treaty.
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:
 (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;
 (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;
 (c) Aggregate stop loss reinsurance coverage;
 (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;
 (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or
 (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity? Yes No
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract? Yes No
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP? Yes No
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or Yes No
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or Yes No
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement. Yes No

GENERAL INTERROGATORIES

PART 2 - PROPERTY AND CASUALTY INTERROGATORIES

10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurance a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done? Yes] No] N/A]
- 11.1 Has this reporting entity guaranteed policies issued by any other reporting entity and now in force? Yes] No]
- 11.2 If yes, give full information:
-
- 12.1 If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:
- 12.11 Unpaid losses \$.....15,475,481
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) \$.....2,730,967
- 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds: \$.....12,862,365
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? Yes] No] N/A]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From0.0 %
- 12.42 To0.0 %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? Yes] No]
- 12.6 If yes, state the amount thereof at December 31 of current year:
- 12.61 Letters of credit \$.....1,445,117,802
- 12.62 Collateral and other funds \$.....423,213,004
- 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$.....9,921,844
- 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes] No]
- 13.3 State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic facilities or facultative obligatory contracts) considered in the calculation of the amount.3
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? Yes] No]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
- Per the Company's Reinsurance Allocation Agreement and Pooling Agreement.
-
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes] No]
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes] No]
- 14.5 If the answer to 14.4 is no, please explain:
-
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes] No]
- 15.2 If yes, give full information:
-
- 16.1 Does the reporting entity write any warranty business? Yes] No]
- If yes, disclose the following information for each of the following types of warranty coverage:
- | | 1
Direct Losses
Incurred | 2
Direct Losses
Unpaid | 3
Direct Written
Premium | 4
Direct Premium
Unearned | 5
Direct Premium
Earned |
|-----------------------|--------------------------------|------------------------------|--------------------------------|---------------------------------|-------------------------------|
| 16.11 Home..... |0 |0 |0 |0 |0 |
| 16.12 Products..... |0 |0 |0 |0 |0 |
| 16.13 Automobile..... |0 |0 |0 |0 |0 |
| 16.14 Other*..... |0 |0 |0 |0 |0 |
- * Disclose type of coverage:
- 17.1 Does the reporting entity include amounts recoverable on unauthorized reinsurance in Schedule F-Part 3 that it excludes from Schedule F-Part 5? Yes] No]
- Incurred but not reported losses on contracts in force prior to July 1, 1984, and not subsequently renewed are exempt from inclusion in Schedule F-Part 5.
- Provide the following information for this exemption:
- 17.11 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5 \$.....0
- 17.12 Unfunded portion of Interrogatory 17.11 \$.....0
- 17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11 \$.....0
- 17.14 Case reserves portion of Interrogatory 17.11 \$.....0
- 17.15 Incurred but not reported portion of Interrogatory 17.11 \$.....0
- 17.16 Unearned premium portion of Interrogatory 17.11 \$.....0
- 17.17 Contingent commission portion of Interrogatory 17.11 \$.....0
- Provide the following information for all other amounts included in Schedule F-Part 3 and excluded from Schedule F-Part 5, not included above:
- 17.18 Gross amount of unauthorized reinsurance in Schedule F-Part 3 excluded from Schedule F-Part 5 \$.....0
- 17.19 Unfunded portion of Interrogatory 17.18 \$.....0
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$.....0
- 17.21 Case reserves portion of Interrogatory 17.18 \$.....0
- 17.22 Incurred but not reported portion of Interrogatory 17.18 \$.....0
- 17.23 Unearned premium portion of Interrogatory 17.18 \$.....0
- 17.24 Contingent commission portion of Interrogatory 17.18 \$.....0
- 18.1 Do you act as a custodian for health savings account? Yes] No]
- 18.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$.....0
- 18.3 Do you act as an administrator for health savings accounts? Yes] No]
- 18.4 If yes, please provide the balance of the funds administered as of the reporting date. \$.....0

FIVE-YEAR HISTORICAL DATA

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

	1 2014	2 2013	3 2012	4 2011	5 2010
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	10,637,304,953	10,407,237,901	10,210,640,999	9,466,890,255	9,041,848,750
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	3,786,972,513	3,952,338,943	3,943,050,908	3,876,496,565	3,901,883,394
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	7,107,994,849	7,159,659,512	7,264,929,526	7,099,361,843	6,832,622,202
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	66,441,951	72,580,933	90,654,986	91,283,661	84,566,979
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	65,107,412	62,055,637	58,447,116	53,282,671	24,157,316
6. Total (Line 35).....	21,663,821,677	21,653,872,927	21,567,723,535	20,587,314,996	19,885,078,641
Net Premiums Written (Page 8, Part 1B, Col. 6)					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	2,283,615,363	2,179,296,101	2,342,915,930	2,073,913,125	1,978,689,927
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	812,114,020	772,374,348	846,706,116	773,901,247	783,793,752
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	1,584,285,822	1,548,706,653	1,699,376,431	1,578,948,679	1,516,906,269
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	9,692,507	17,725,574	20,094,557	23,981,903	25,387,849
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	14,504,525	13,462,004	12,310,614	11,429,926	4,536,857
12. Total (Line 35).....	4,704,212,238	4,531,564,678	4,921,403,648	4,462,174,881	4,309,314,654
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	426,858,901	394,643,996	16,381,140	(378,538,419)	246,219,259
14. Net investment gain (loss) (Line 11).....	766,320,225	819,555,946	799,312,356	799,686,574	1,283,161,482
15. Total other income (Line 15).....	35,842,230	81,174,330	40,398,280	32,546,361	35,509,742
16. Dividends to policyholders (Line 17).....	7,328,336	6,777,433	9,372,460	8,116,326	5,585,258
17. Federal and foreign income taxes incurred (Line 19).....	279,508,777	222,932,588	139,895,993	41,416,922	182,818,975
18. Net income (Line 20).....	942,184,243	1,065,664,252	706,823,323	404,161,268	1,376,486,250
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	20,724,465,599	20,662,613,986	21,834,599,963	20,948,653,374	21,109,473,033
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	320,498,835	354,064,992	274,729,915	334,818,671	667,727,677
20.2 Deferred and not yet due (Line 15.2).....	961,010,163	933,467,795	1,001,110,209	887,206,397	854,436,010
20.3 Accrued retrospective premiums (Line 15.3).....	19,532,263	22,161,051	26,602,856	43,360,947	45,517,349
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	14,091,059,403	13,956,488,515	14,715,313,888	13,973,387,175	14,040,025,251
22. Losses (Page 3, Line 1).....	6,803,744,952	6,927,362,737	7,238,699,796	6,941,647,410	6,758,380,729
23. Loss adjustment expenses (Page 3, Line 3).....	1,658,228,404	1,525,340,357	1,579,690,631	1,558,083,496	1,566,509,255
24. Unearned premiums (Page 3, Line 9).....	2,125,708,319	2,077,407,720	2,187,183,806	1,985,991,936	1,925,992,064
25. Capital paid up (Page 3, Lines 30 & 31).....	10,790,700	10,790,700	10,790,700	10,790,700	10,790,700
26. Surplus as regards policyholders (Page 3, Line 37).....	6,633,406,196	6,706,125,470	7,119,286,075	6,975,266,199	7,069,447,782
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	1,111,608,723	528,685,591	1,142,043,520	1,081,802,342	1,322,258,106
Risk-Based Capital Analysis					
28. Total adjusted capital.....	6,633,406,196	6,706,125,470	7,119,286,075	6,975,266,199	7,069,447,782
29. Authorized control level risk-based capital.....	1,166,217,225	1,147,046,627	1,230,290,368	1,235,776,140	1,260,657,916
Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	68.2	74.1	76.2	77.4	73.9
31. Stocks (Lines 2.1 & 2.2).....	21.6	20.8	18.7	20.4	20.1
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.2	0.2
33. Real estate (Lines 4.1, 4.2 & 4.3).....	1.4	1.3	1.1	1.2	1.1
34. Cash, cash equivalents and short-term investments (Line 5).....	4.0	0.0	(0.2)	(3.1)	0.8
35. Contract loans (Line 6).....	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7).....	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8).....	4.4	3.5	3.3	3.7	3.5
38. Receivable for securities (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.4	0.3	1.0	0.3	0.4
40. Aggregate write-ins for invested assets (Line 11).....	(0.0)	(0.0)	(0.0)	(0.0)	0.0
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	3,642,514,272	3,471,091,800	3,213,060,000	3,335,277,833	3,300,562,419
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....	0	0	0	0	0
46. Affiliated mortgage loans on real estate.....	0	0	0	0	0
47. All other affiliated.....	420,534,315	372,275,324	301,149,986	185,653,883	120,931,472
48. Total of above lines 42 to 47.....	4,063,048,587	3,843,367,124	3,514,209,986	3,520,931,716	3,421,493,891
49. Total investment in parent included in Lines 42 to 47 above.....	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	61.3	57.3	49.4	50.5	48.4

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2014	2013	2012	2011	2010
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....	204,790,254	235,642,281	133,656,410	24,444,755	(166,490,976)
52. Dividends to stockholders (Line 35).....	(1,242,000,000)	(1,701,000,000)	(684,000,000)	(505,000,000)	(2,340,000,000)
53. Change in surplus as regards policyholders for the year (Line 38).....	(72,719,274)	(413,160,605)	144,019,876	(94,181,582)	(1,303,191,094)
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	5,608,129,362	5,782,415,991	5,867,106,822	5,511,922,148	5,477,449,790
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	1,886,003,844	2,938,172,907	2,392,528,366	2,346,203,478	2,022,993,284
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	3,003,547,347	3,374,833,170	4,006,447,818	4,762,340,203	3,311,941,632
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	136,697,456	9,513,611	68,710,065	83,815,759	71,250,267
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	142,626,173	112,117,399	115,463,519	120,439,449	166,227,207
59. Total (Line 35).....	10,777,004,181	12,217,053,079	12,450,256,590	12,824,721,036	11,049,862,179
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4).....	1,143,691,557	1,357,149,850	1,303,410,150	1,083,178,399	1,073,696,267
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	406,150,308	400,804,614	508,754,615	487,932,738	410,019,612
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	677,458,464	795,556,753	953,489,576	1,081,694,664	745,053,838
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	16,372,082	2,849,629	15,614,702	16,994,253	15,767,294
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	28,225,648	19,123,247	9,000,492	14,483,285	26,112,550
65. Total (Line 35).....	2,271,898,059	2,575,484,092	2,790,269,535	2,684,283,339	2,270,649,561
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	46.1	48.9	57.3	64.8	50.4
68. Loss expenses incurred (Line 3).....	14.3	12.0	11.1	12.0	11.6
69. Other underwriting expenses incurred (Line 4).....	30.4	30.6	31.3	31.7	32.1
70. Net underwriting gain (loss) (Line 8).....	9.2	8.5	0.3	(8.6)	5.8
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0).....	29.3	29.5	30.2	30.7	30.8
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	60.5	60.9	68.4	76.8	62.1
73. Net premiums written to policyholders' surplus (Page 8, Part 1B, Col. 6, Line 35, divided by Page 3, Line 37, Col. 1 x 100.0).....	70.9	67.6	69.1	64.0	61.0
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(262,011)	(113,859)	(166,132)	(74,881)	(217,139)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(3.9)	(1.6)	(2.3)	(1.1)	(2.6)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(359,548)	(253,141)	(301,632)	(384,393)	(453,649)
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(5.1)	(3.6)	(4.3)	(4.6)	(5.7)

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

Yes [] No []

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported-Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	XXX	XXX	XXX	235,158	86,088	81,965	24,389	28,012	609	8,047	234,050	XXX
2. 2005.....	4,761,152	707,246	4,053,906	2,390,679	630,595	199,923	29,675	170,505	10,816	86,337	2,090,021	XXX
3. 2006.....	4,678,592	595,966	4,082,626	1,825,550	228,172	177,051	18,457	190,478	5,937	91,994	1,940,513	XXX
4. 2007.....	5,124,809	861,197	4,263,612	1,925,380	186,104	184,774	14,212	205,140	4,489	106,692	2,110,488	XXX
5. 2008.....	4,768,007	474,749	4,293,257	2,394,004	245,307	198,295	14,625	239,850	3,523	110,934	2,568,693	XXX
6. 2009.....	4,700,388	378,884	4,321,504	2,117,857	132,886	181,775	10,132	233,662	2,720	99,449	2,387,555	XXX
7. 2010.....	4,671,770	343,666	4,328,104	2,301,204	127,477	190,810	9,043	238,327	2,142	116,301	2,591,679	XXX
8. 2011.....	4,843,587	336,512	4,507,076	2,728,341	181,138	181,753	9,790	246,088	2,265	123,707	2,962,989	XXX
9. 2012.....	4,973,160	369,141	4,604,019	2,448,457	398,664	146,739	18,152	250,461	3,946	114,420	2,424,895	XXX
10. 2013.....	5,164,888	531,315	4,633,573	1,529,916	84,569	90,429	3,945	223,552	5,688	89,321	1,749,696	XXX
11. 2014.....	5,031,619	376,146	4,655,474	1,022,203	48,013	41,661	1,691	181,377	4,431	48,812	1,191,106	XXX
12. Totals.....	XXX	XXX	XXX	20,918,750	2,349,014	1,675,175	154,111	2,207,452	46,567	996,013	22,251,685	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	1,550,536	469,047	1,186,161	208,989	143,273	19,594	233,519	13,862	286,359	(1,463)	7,347	2,689,819	XXX
2. 2005.....	71,838	22,752	82,084	20,121	6,515	3,209	16,244	2,285	3,881	(57)	2,353	132,251	XXX
3. 2006.....	78,729	21,260	112,642	18,369	6,768	650	17,814	1,112	5,101	(86)	2,290	179,749	XXX
4. 2007.....	85,805	16,770	110,833	16,597	9,305	470	20,401	1,422	4,623	(62)	3,158	195,770	XXX
5. 2008.....	105,511	12,950	122,069	16,932	11,035	569	29,312	2,332	8,616	(88)	6,115	243,848	XXX
6. 2009.....	138,401	26,313	153,039	21,873	13,605	779	28,661	2,473	8,105	35	7,616	290,339	XXX
7. 2010.....	184,796	15,134	174,424	17,964	20,694	748	38,511	2,940	11,679	37	13,222	393,282	XXX
8. 2011.....	268,678	16,778	258,043	18,843	32,039	1,291	54,927	3,198	20,042	(41)	24,883	593,659	XXX
9. 2012.....	369,857	30,651	375,687	29,093	44,204	1,210	85,529	3,243	30,478	(15)	34,197	841,573	XXX
10. 2013.....	465,280	45,406	565,918	43,911	45,702	1,413	131,983	5,079	49,066	(508)	41,124	1,162,648	XXX
11. 2014.....	569,397	62,059	1,006,320	80,492	47,289	2,383	192,543	6,291	75,793	1,080	78,892	1,739,035	XXX
12. Totals.....	3,888,827	739,119	4,147,221	493,183	380,428	32,316	849,443	44,237	503,743	(1,168)	221,197	8,461,973	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	2,058,660	631,158
2. 2005.	2,941,669	719,397	2,222,272	61.8	101.7	54.8	0	0	23.29	111,048	21,203
3. 2006.	2,414,132	293,871	2,120,261	51.6	49.3	51.9	0	0	23.29	151,743	28,006
4. 2007.	2,546,259	240,001	2,306,258	49.7	27.9	54.1	0	0	23.29	163,271	32,499
5. 2008.	3,108,692	296,151	2,812,541	65.2	62.4	65.5	0	0	23.29	197,699	46,149
6. 2009.	2,875,106	197,212	2,677,894	61.2	52.1	62.0	0	0	23.29	243,255	47,084
7. 2010.	3,160,446	175,484	2,984,962	67.6	51.1	69.0	0	0	23.29	326,123	67,159
8. 2011.	3,789,909	233,262	3,556,648	78.2	69.3	78.9	0	0	23.29	491,099	102,559
9. 2012.	3,751,413	484,944	3,266,469	75.4	131.4	70.9	0	0	23.29	685,800	155,773
10. 2013.	3,101,847	189,502	2,912,344	60.1	35.7	62.9	0	0	23.29	941,882	220,767
11. 2014.	3,136,582	206,441	2,930,141	62.3	54.9	62.9	0	0	23.29	1,433,166	305,870
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	6,803,745	1,658,228

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	One Year	Two Year
1. Prior.....	7,041,704	7,139,830	7,155,774	7,177,702	7,073,934	6,966,889	6,962,276	6,925,143	6,911,562	6,793,664	(117,898)	(131,478)
2. 2005.....	2,713,494	2,495,039	2,410,971	2,249,709	2,183,685	2,133,648	2,110,532	2,088,437	2,066,927	2,064,247	(2,680)	(24,190)
3. 2006.....	XXX	2,280,042	2,202,657	2,084,331	2,041,705	2,008,930	1,983,311	1,964,676	1,950,589	1,938,172	(12,416)	(26,503)
4. 2007.....	XXX	XXX	2,348,067	2,290,871	2,230,382	2,228,753	2,173,979	2,137,137	2,118,392	2,108,129	(10,263)	(29,008)
5. 2008.....	XXX	XXX	XXX	2,689,474	2,714,723	2,700,268	2,640,155	2,610,979	2,602,021	2,575,415	(26,606)	(35,565)
6. 2009.....	XXX	XXX	XXX	XXX	2,523,310	2,506,858	2,500,021	2,480,066	2,457,657	2,447,209	(10,447)	(32,857)
7. 2010.....	XXX	XXX	XXX	XXX	XXX	2,692,121	2,782,726	2,772,168	2,754,974	2,746,251	(8,723)	(25,917)
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	3,287,349	3,319,236	3,325,087	3,303,444	(21,643)	(15,792)
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	3,038,874	3,035,647	3,000,635	(35,012)	(38,238)
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,673,248	2,656,926	(16,322)	XXX
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,691,411	XXX	XXX
12. Totals.....											(262,011)	(359,548)

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014		
1. Prior.....	.000	1,134,619	1,979,044	2,679,056	3,068,245	3,399,242	3,650,782	3,863,319	4,048,675	4,255,322	XXX	XXX
2. 2005.....	763,453	1,319,274	1,538,234	1,693,148	1,790,887	1,857,565	1,888,258	1,907,755	1,923,345	1,930,332	XXX	XXX
3. 2006.....	XXX	733,145	1,134,430	1,352,313	1,507,651	1,624,404	1,677,994	1,717,272	1,742,071	1,755,972	XXX	XXX
4. 2007.....	XXX	XXX	800,552	1,249,156	1,498,162	1,672,325	1,786,979	1,850,833	1,889,059	1,909,837	XXX	XXX
5. 2008.....	XXX	XXX	XXX	1,038,516	1,582,148	1,875,800	2,070,933	2,206,230	2,287,898	2,332,367	XXX	XXX
6. 2009.....	XXX	XXX	XXX	XXX	973,917	1,502,790	1,776,387	1,962,656	2,088,323	2,156,614	XXX	XXX
7. 2010.....	XXX	XXX	XXX	XXX	XXX	1,096,517	1,689,838	1,997,253	2,213,265	2,355,494	XXX	XXX
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	1,510,481	2,180,133	2,503,037	2,719,166	XXX	XXX
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,245,643	1,890,109	2,178,380	XXX	XXX
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,008,818	1,531,832	XXX	XXX
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,014,160	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
1. Prior.....	3,676,621	3,137,416	2,779,365	2,462,240	2,196,198	1,922,839	1,737,504	1,587,300	1,489,488	1,263,251
2. 2005.....	1,245,349	773,592	581,719	348,491	250,165	174,229	146,610	114,123	88,077	79,345
3. 2006.....	XXX	1,068,831	701,138	452,541	324,746	240,688	187,263	153,491	129,327	115,368
4. 2007.....	XXX	XXX	1,028,467	642,488	439,549	337,987	242,933	180,214	142,315	118,669
5. 2008.....	XXX	XXX	XXX	1,078,625	665,343	472,757	309,573	229,216	185,956	137,456
6. 2009.....	XXX	XXX	XXX	XXX	1,021,689	593,023	421,074	292,556	211,198	163,717
7. 2010.....	XXX	XXX	XXX	XXX	XXX	990,800	624,846	408,847	278,293	198,597
8. 2011.....	XXX	XXX	XXX	XXX	XXX	XXX	1,086,685	639,351	441,604	299,875
9. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,120,786	671,043	438,381
10. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,062,045	658,385
11. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,123,640

THE TRAVELERS INDEMNITY COMPANY

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	L	26,849,356	25,513,558	9,799	13,956,963	6,002,157	49,202,408	31,591	0
2. Alaska.....AK	L	2,853,015	2,603,972	0	284,298	1,755,391	4,587,834	314	0
3. Arizona.....AZ	L	51,364,056	51,747,758	2,516	31,249,741	44,479,252	82,910,572	42,824	0
4. Arkansas.....AR	L	20,539,215	20,571,114	19,413	8,227,840	4,568,800	71,832,138	18,730	0
5. California.....CA	Q	658,919	829,198	0	5,944,574	5,228,138	74,511,802	844	0
6. Colorado.....CO	L	43,063,315	40,970,554	12,752	22,424,963	36,790,886	94,633,595	51,559	0
7. Connecticut.....CT	L	34,789,822	33,312,816	27,736	27,948,211	33,708,819	133,935,497	53,381	0
8. Delaware.....DE	L	6,686,434	6,345,333	(21)	6,285,356	3,224,449	26,473,518	12,129	0
9. District of Columbia.....DC	L	12,711,066	13,069,530	32,783	7,549,297	6,508,891	41,246,012	9,299	0
10. Florida.....FL	L	44,548,523	42,157,965	2,597	28,196,231	16,210,664	198,894,338	34,568	0
11. Georgia.....GA	L	34,382,427	33,845,015	47,001	22,050,373	21,013,836	70,799,590	77,150	0
12. Hawaii.....HI	L	6,289,732	5,545,499	0	5,178,221	3,551,750	20,456,283	774	0
13. Idaho.....ID	L	7,647,691	7,542,535	229	4,059,437	4,354,564	10,746,066	12,805	0
14. Illinois.....IL	L	90,436,078	84,206,087	189,624	46,837,263	42,539,882	203,329,489	76,314	0
15. Indiana.....IN	L	43,442,071	41,925,599	1,783	13,737,770	13,872,328	44,819,519	22,391	0
16. Iowa.....IA	L	16,202,179	15,377,064	1,902	19,125,745	30,332,835	59,215,628	7,456	0
17. Kansas.....KS	L	24,656,952	25,012,022	64,011	10,384,388	5,029,674	70,268,716	18,966	0
18. Kentucky.....KY	L	17,408,174	18,378,197	703	7,537,856	2,242,034	75,228,969	12,922	0
19. Louisiana.....LA	L	26,403,957	26,186,444	22,919	14,282,071	16,179,648	84,211,442	18,216	0
20. Maine.....ME	L	4,992,214	5,140,743	0	1,112,317	147,883	15,910,101	6,401	0
21. Maryland.....MD	L	49,545,291	48,471,700	699	37,132,840	40,731,654	82,418,448	105,918	0
22. Massachusetts.....MA	L	104,096,498	106,521,368	67,456	47,712,632	58,230,533	271,207,968	439,496	0
23. Michigan.....MI	L	61,479,619	54,740,818	0	29,511,307	32,902,927	123,793,792	45,028	0
24. Minnesota.....MN	L	37,024,295	34,222,613	39,764	16,805,042	14,503,574	74,465,688	23,400	0
25. Mississippi.....MS	L	28,145,368	28,825,284	28,637	11,070,600	12,780,778	69,694,308	28,117	0
26. Missouri.....MO	L	34,167,542	31,709,832	2,542	18,193,537	3,531,727	83,711,396	37,120	0
27. Montana.....MT	L	9,786,304	9,312,130	10,051	7,130,121	7,934,979	10,053,389	14,800	0
28. Nebraska.....NE	L	43,006,448	40,061,652	71,690	25,678,377	40,303,233	75,238,754	25,856	0
29. Nevada.....NV	L	19,297,087	18,934,235	35	18,835,876	17,042,121	23,709,216	22,493	0
30. New Hampshire.....NH	L	9,552,613	8,824,671	916	3,387,961	1,950,785	37,979,193	13,808	0
31. New Jersey.....NJ	L	74,881,022	71,324,190	2,897,031	44,033,473	34,086,924	342,507,991	104,265	0
32. New Mexico.....NM	L	16,106,672	16,178,067	9,264	4,820,115	5,546,325	21,015,208	15,683	0
33. New York.....NY	L	207,370,964	190,582,796	56,091	81,688,692	93,555,825	528,112,076	356,864	3,112
34. North Carolina.....NC	L	46,575,167	44,681,429	30,442	22,448,377	19,680,246	94,885,649	162,650	0
35. North Dakota.....ND	L	5,257,700	5,163,881	2,576	1,001,630	797,029	2,303,193	1,328	1,511
36. Ohio.....OH	L	34,112,351	34,565,284	1,190	14,513,797	4,770,008	64,047,483	20,934	0
37. Oklahoma.....OK	L	25,675,897	30,674,333	51,438	8,602,046	14,589,832	40,168,124	1,072	0
38. Oregon.....OR	L	14,079,401	13,367,461	2,567	6,706,233	3,096,373	19,668,729	18,063	0
39. Pennsylvania.....PA	L	96,816,472	95,062,185	65,624	39,631,115	43,031,383	278,044,612	401,861	0
40. Rhode Island.....RI	L	5,538,398	5,359,328	53	2,295,608	264,392	13,486,496	10,388	0
41. South Carolina.....SC	L	18,615,053	16,520,876	3,706	4,926,567	3,086,966	33,161,459	22,064	0
42. South Dakota.....SD	L	6,268,401	5,752,250	10,866	2,853,767	10,926,775	21,089,810	5,572	536
43. Tennessee.....TN	L	53,575,638	53,121,977	8,409	20,199,659	32,533,027	162,811,272	46,515	(19)
44. Texas.....TX	L	113,402,279	106,490,637	102,586	26,475,820	33,515,113	344,722,059	136,885	0
45. Utah.....UT	L	11,291,281	9,654,556	0	1,441,125	(517,907)	10,811,174	19,256	0
46. Vermont.....VT	L	4,684,844	4,223,096	26,673	2,988,010	902,708	19,386,370	6,211	0
47. Virginia.....VA	L	42,362,702	42,869,490	14,668	15,949,105	27,981,118	123,723,560	61,617	0
48. Washington.....WA	L	28,749,206	28,367,637	852	15,056,645	15,164,825	37,514,359	51,543	0
49. West Virginia.....WV	L	12,864,709	13,272,173	2,712	8,025,471	7,727,115	53,521,960	6,006	0
50. Wisconsin.....WI	L	26,132,453	22,592,145	2,493	5,778,074	2,120,112	50,957,881	6,764	0
51. Wyoming.....WY	L	4,828,192	4,327,821	3,985	3,123,908	2,880,687	3,085,057	4,001	0
52. American Samoa.....AS	N	0	0	0	0	0	0	0	0
53. Guam.....GU	L	84,299	73,386	0	17,283	15,546	221	9	0
54. Puerto Rico.....PR	L	484,343	511,648	0	246,852	365,981	173,047	3	0
55. US Virgin Islands.....VI	L	5,177	4,489	0	0	0	144,313	0	0
56. Northern Mariana Islands.....MP	N	0	0	0	0	0	0	0	0
57. Canada.....CAN	N	0	0	0	0	0	0	0	0
58. Aggregate Other Alien.....OT	XXX	3,881,903	3,787,714	0	316,453	70,912	937,992	0	0
59. Totals.....(a) 53		1,765,670,785	1,700,434,153	3,950,762	844,971,032	883,845,506	4,551,765,764	2,724,223	5,140

DETAILS OF WRITE-INS

58001. MEX Mexico.....XXX		712,928	703,689	0	0	200,000	200,000	0	0
58002. GBR United Kingdom.....XXX		695,343	490,196	0	68,954	(119,349)	0	0	0
58003. DEU Germany.....XXX		473,296	422,964	0	0	(30,123)	0	0	0
58998. Summary of remaining write-ins for Line 58 from overflow page									
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	2,000,336	2,170,865	0	247,499	20,384	737,992	0	0
		3,881,903	3,787,714	0	316,453	70,912	937,992	0	0

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer; (E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

Location of property: 1 Fire, 2 Allied lines, 3 Farmowners, 4 Homeowners, 5 CMP, 12 Earthquake, 25 Glass, 26 Burglary and theft, 27 Boiler and machinery, 28 credit;

Location of risk: 11 Medical malpractice, 14 Group A&H, 17 Other liability, 18 Products Liability; Location of garage: 19 Auto liability, 21 Auto physical damage, 8 Ocean marine -

Where policy is negotiated and placed; 9 Inland marine - Where located; 10 Financial guaranty - Location of principal; 15 Other A&H - Insured's residence; 16 Workers'

compensation - Location of employee's workplace; 23 Fidelity - Location of insured's principal office; 22 Aircraft - Location of airport from which insured's aircraft operates;

24 Surety - Contract: Location of Project; All Other: Location of Obligee

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

PART 1 - ORGANIZATIONAL CHART

The Travelers Companies, Inc.	Minnesota	41-0518860	... .. Symmetry Growth Capital II, LLC	Minnesota	76-0753165
... St. Paul Fire and Marine Insurance Company (24767) *	Connecticut	41-0406690	... .. Upper Lake Growth Capital, LLC (99.1%)	Minnesota	41-1927945
... .. St. Paul Mercury Insurance Company (24791) *	Connecticut	41-0881659	... .. Vesbridge Partners, LP (88.4%)	Minnesota	20-1222630
... .. St. Paul Guardian Insurance Company (24775) *	Connecticut	41-0963301	... .. Windamere II, LLC (98.9%)	Minnesota	41-1963936
... .. St. Paul Fire and Casualty Insurance Company (40967) *	Wisconsin	41-1419276	... .. Windamere III, LLC (99%)	Minnesota	41-2007089
... .. St. Paul Surplus Lines Insurance Company (30481) *	Delaware	41-1230819	... .. Windamere, LLC (90.2%)	Minnesota	41-1926305
... .. The Travelers Casualty Company (41769) *	Connecticut	41-1435765	... Camperdown Corporation	Delaware	41-1762781
... .. Travelers Constitution State Insurance Company (41750) *	Connecticut	41-1435766	... SPC Insurance Agency, Inc.	Minnesota	41-1888760
... .. Northbrook Holdings, Inc.	Delaware	51-0375653	... Aprilgrange Limited	United Kingdom	
... .. Discover Property & Casualty Insurance Company (36463) *	Connecticut	36-2999370	... F&G U.K. Underwriters Limited	United Kingdom	
... .. St. Paul Protective Insurance Company (19224) *	Connecticut	36-2542404	... Travelers Underwriting Agency Limited	United Kingdom	
... .. Discover Specialty Insurance Company (10213) *	Connecticut	52-1925132	... Travelers Syndicate Management Limited	United Kingdom	
... .. United States Fidelity and Guaranty Company (25887) *	Connecticut	52-0515280	... .. Travelers Asia Pte. Ltd.	Singapore	
... .. Fidelity and Guaranty Insurance Underwriters, Inc. (25879) *	Wisconsin	52-0616768	... St. Paul Surety Europe Limited	United Kingdom	
... .. Fidelity and Guaranty Insurance Company (35386) *	Iowa	42-1091525	... Travelers Corporate Trustee Ltd.	United Kingdom	
... .. Laurel Village Fidelity Realty, Inc.	Maryland	52-1551225	... Travelers London Limited	United Kingdom	
... .. Laurel Village Joint Venture Partnership (50%)	Minnesota	41-1616702	... St. Paul London Properties, Inc.	Minnesota	41-1880024
... .. Laurel Village I Limited Partnership (99%)	Minnesota	41-1542260	... TCI Global Services, Inc.	Delaware	52-1965525
... .. Laurel Village II Limited Partnership (99%)	Minnesota	41-1542261	... Travelers Management Limited	United Kingdom	
... .. Laurel Village III Limited Partnership (99%)	Minnesota	41-1542263	... Travelers Insurance Company Limited *	United Kingdom	AA-1121375
... .. Laurel Village IV Limited Partnership (99%)	Minnesota	41-1542264	... .. Travelers Professional Risks Limited	United Kingdom	
... .. Laurel Village Tower A Limited Partnership (99%)	Minnesota	41-1542266	... Travelers Property Casualty Corp.	Connecticut	06-1008174
... .. Laurel Village Tower B Limited Partnership (99%)	Minnesota	41-1593312	... .. Constitution Plaza, Inc.	Connecticut	06-0566030
... .. Laurel Village Tower C Limited Partnership (99%)	Minnesota	41-1542267	... .. Travelers Insurance Group Holdings Inc.	Delaware	06-1445591
... .. Laurel Village Swinford Limited Partnership (99%)	Minnesota	41-1542255	... .. The Standard Fire Insurance Company (19070) *	Connecticut	06-6033509
... .. USF&G Retail Associates GP, Inc.	Maryland	52-1704255	... .. Standard Fire Properties, LLC	Delaware	06-6033509
... .. USF&G/Fidelity Retail Associates Limited Partnership (1%)	Maryland	52-1704256	... .. Bayhill Restaurant II Associates (50%)	California	94-3097171
... .. USF&G/Fidelity Retail Associates Limited Partnership (83.95%)	Maryland	52-1704256	... .. Standard Fire UK Investments, LLC	Delaware	06-6033509
... .. BMR Sports Properties, Inc.	Maryland	52-1852190	... .. The Automobile Insurance Company of Hartford, Connecticut (19062) *	Connecticut	06-0848755
... .. Black Mountain Ranch Limited Partnership (1%)	Maryland	52-1573778	... .. Auto Hartford Investments, LLC	Delaware	06-0848755
... .. Black Mountain Ranch Limited Partnership (85%)	Maryland	52-1573778	... .. Travelers Personal Security Insurance Company (36145) *	Connecticut	06-1286264
... .. MMI Capital Trust I	Delaware	52-2073764	... .. Travelers Property Casualty Insurance Company (36161) *	Connecticut	06-1286274
... .. Promenade Partners, LLC	Delaware	41-0406690	... .. Travelers Personal Insurance Company (38130) *	Connecticut	36-3703200
... .. USF&G Capital I	Delaware	52-1953822	... .. Travelers Texas MGA, Inc.	Texas	27-4469564
... .. USF&G Capital III	Delaware	52-2044075	... .. Oregon Evergreen Investor I, LLC	Delaware	06-6033509
... .. 350 Market Street, LLC	Delaware	41-0406690	... .. Lone Rock Timber Investments I, LLC (75%)	Delaware	61-1639956
... .. Travelers Special Services Limited	United Kingdom		... .. Lone Rock Timber Investments II, LLC (90%)	Delaware	32-0447309
... .. Yonkers Financing Corp.	Delaware	20-3033027	... .. Travelers (Bermuda) Limited *	Bermuda	98-0190863
... .. Castle Pines Fidelity Realty, Inc.	Maryland	52-1735211	... .. Travelers Lloyds Management Company	Texas	20-4312440
... .. English Turn Fidelity Realty, Inc.	Minnesota	52-1466734	... .. TPC Investments Inc.	Connecticut	06-1534005
... .. English Turn LLC (99%)	Minnesota	59-2635727	... .. Travelers Casualty and Surety Company (19038) *	Connecticut	06-6033504
... .. Fidelity English Turn Club LLC (99%)	Minnesota	59-2709441	... .. Farmington Casualty Company (41483) *	Connecticut	06-1067463
... .. English Turn LLC (1%)	Minnesota	59-2635727	... .. 8527512 Canada Inc. (77.52%)	Canada	
... .. English Turn Realty Management, Inc.	Minnesota	52-1715225	... .. The Dominion of Canada General Insurance Company *	Canada	
... .. Fidelity English Turn Club LLC (1%)	Minnesota	59-2709441	... .. Travelers Insurance Company of Canada *	Canada	
... .. 8527512 Canada Inc. (22.48%)	Canada		... .. Travelers Casualty and Surety Company of America (31194) *	Connecticut	06-0907370
... .. The Dominion of Canada General Insurance Company *	Canada		... .. Travelers Global, Inc.	Delaware	47-2215437
... .. Fog City Fund, LLC (99%)	Minnesota	41-1985480	... .. Travelers Brazil Holding, LLC	Delaware	06-0907370

Notes:

* Denotes affiliated insurer

Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

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

...	Travelers Brazil Acquisition LLC	Delaware	06-0907370	...	Travelers Commercial Casualty Company (40282) *	Connecticut	95-3634110
...	J. Malucelli Participações em Seguros e Resseguros S.A. ("Holdco") (49.5%)	Brazil		...	Travelers Distribution Alliance, Inc.	Delaware	62-1657094
...	J. Malucelli Resseguradora S.A. *	Brazil		...	Travelers TLD, LLC	Delaware	06-0566050
...	J. Malucelli Controle de Riscos Ltda. (0.01%)	Brazil		...	Tiercel, LLC	Delaware	06-0566050
...	J. Malucelli Seguradora S.A. *	Brazil		...	Redstart, LLC	Delaware	06-0566050
...	J. Malucelli Controle de Riscos Ltda. (99.99%)	Brazil		...	The Travelers Home and Marine Insurance Company (27998) *	Connecticut	35-1838079
...	J. Malucelli Seguros S.A. *	Brazil		...	The Travelers Lloyds Insurance Company (41262) *	Texas	76-0002592
...	JM Latam (49.5%)	Brazil		...	Travelers Marine, LLC	Delaware	06-0566050
...	Travelers Casualty Insurance Company of America (19046) *	Connecticut	06-0876835				
...	Travelers Casualty Company of Connecticut (36170) *	Connecticut	06-1286266				
...	Travelers Casualty UK Investments LLC	Delaware	06-6033504				
...	Travelers Commercial Insurance Company (36137) *	Connecticut	06-1286268				
...	Travelers Excess and Surplus Lines Company (29696) *	Connecticut	06-1203698				
...	Travelers Lloyds of Texas Insurance Company (41564) *	Texas	75-1732040				
...	Travelers MGA, Inc.	Texas	75-2676034				
...	The Travelers Indemnity Company (25658) *	Connecticut	06-0566050				
...	Arch Street North LLC	Delaware	06-0566050				
...	The Charter Oak Fire Insurance Company (25615) *	Connecticut	06-0291290				
...	Travelers Real Estate, LLC	Delaware	06-0566050				
...	First Floridian Auto and Home Insurance Company (10647) *	Florida	59-3372141				
...	Gulf Underwriters Insurance Company (42811) *	Connecticut	56-1371361				
...	Select Insurance Company (22233) *	Texas	75-6013697				
...	Travelers Casualty and Surety Company of Europe, Limited *	United Kingdom					
...	Commercial Guaranty Insurance Company (38385) *	Delaware	75-1679830				
...	Crystal Brook, LLC	Delaware	06-0566050				
...	Durham Holding, LLC	Delaware	06-0566050				
...	Sutton Holdco, LLC	Delaware	06-0566050				
...	Cadet Limited, LLC	Delaware	06-0566050				
...	Arrowhead Company, LLC	Delaware	06-0566050				
...	Eastern Asset, LLC	Delaware	06-0566050				
...	Jupiter Holdings, Inc.	Minnesota	41-1769846				
...	American Equity Insurance Company (43117) *	Arizona	86-0703220				
...	American Equity Specialty Insurance Company (10819) *	Connecticut	86-0868106				
...	Northland Insurance Company (24015) *	Connecticut	41-6009967				
...	Northfield Insurance Company (27987) *	Iowa	41-0983992				
...	Northland Casualty Company (24031) *	Connecticut	94-6051964				
...	Travelers Indemnity U.K. Investments LLC	Connecticut	06-0566050				
...	TPC U.K. Investments LLC	Delaware	06-0566050				
...	The Phoenix Insurance Company (25623) *	Connecticut	06-0303275				
...	The Travelers Indemnity Company of America (25666) *	Connecticut	58-6020487				
...	The Travelers Indemnity Company of Connecticut (25682) *	Connecticut	06-0336212				
...	Travelers Property Casualty Company of America (25674) *	Connecticut	36-2719165				
...	American Marine Management Services, Inc. (47.5%)	New York	13-2743602				
...	American Marine Claims & Adjusting Services, Inc.	New York	30-0510298				
...	Constitution State Services, LLC	Delaware	06-1501229				
...	Phoenix UK Investments LLC	Delaware	06-0303275				
...	The Premier Insurance Company of Massachusetts (12850) *	Connecticut	04-3175569				
...	TravCo Insurance Company (28188) *	Connecticut	35-1838077				
...	TINDY Foreign, Inc	Delaware	20-4403403				

Notes:

* Denotes affiliated insurer

Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

2014 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

Assets	2	Schedule P-Part 2G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	58
Cash Flow	5	Schedule P-Part 2H-Section 1-Other Liability-Occurrence	58
Exhibit of Capital Gains (Losses)	12	Schedule P-Part 2H-Section 2-Other Liability-Claims-Made	58
Exhibit of Net Investment Income	12	Schedule P-Part 2I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	59
Exhibit of Nonadmitted Assets	13	Schedule P-Part 2J-Auto Physical Damage	59
Exhibit of Premiums and Losses (State Page)	19	Schedule P-Part 2K-Fidelity, Surety	59
Five-Year Historical Data	17	Schedule P-Part 2L-Other (Including Credit, Accident and Health)	59
General Interrogatories	15	Schedule P-Part 2M-International	59
Jurat Page	1	Schedule P-Part 2N-Reinsurance - Nonproportional Assumed Property	60
Liabilities, Surplus and Other Funds	3	Schedule P-Part 2O-Reinsurance - Nonproportional Assumed Liability	60
Notes To Financial Statements	14	Schedule P-Part 2P-Reinsurance - Nonproportional Assumed Financial Lines	60
Overflow Page For Write-ins	100	Schedule P-Part 2R-Section 1-Products Liability-Occurrence	61
Schedule A-Part 1	E01	Schedule P-Part 2R-Section 2-Products Liability-Claims-Made	61
Schedule A-Part 2	E02	Schedule P-Part 2S-Financial Guaranty/Mortgage Guaranty	61
Schedule A-Part 3	E03	Schedule P-Part 2T-Warranty	61
Schedule A-Verification Between Years	SI02	Schedule P-Part 3A-Homeowners/Farmowners	62
Schedule B-Part 1	E04	Schedule P-Part 3B-Private Passenger Auto Liability/Medical	62
Schedule B-Part 2	E05	Schedule P-Part 3C-Commercial Auto/Truck Liability/Medical	62
Schedule B-Part 3	E06	Schedule P-Part 3D-Workers' Compensation (Excluding Excess Workers Compensation)	62
Schedule B-Verification Between Years	SI02	Schedule P-Part 3E-Commercial Multiple Peril	62
Schedule BA-Part 1	E07	Schedule P-Part 3F-Section 1-Medical Professional Liability-Occurrence	63
Schedule BA-Part 2	E08	Schedule P-Part 3F-Section 2-Medical Professional Liability-Claims-Made	63
Schedule BA-Part 3	E09	Schedule P-Part 3G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	63
Schedule BA-Verification Between Years	SI03	Schedule P-Part 3H-Section 1-Other Liability-Occurrence	63
Schedule D-Part 1	E10	Schedule P-Part 3H-Section 2-Other Liability-Claims-Made	63
Schedule D-Part 1A-Section 1	SI05	Schedule P-Part 3I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary, Theft)	64
Schedule D-Part 1A-Section 2	SI08	Schedule P-Part 3J-Auto Physical Damage	64
Schedule D-Part 2-Section 1	E11	Schedule P-Part 3K-Fidelity/Surety	64
Schedule D-Part 2-Section 2	E12	Schedule P-Part 3L-Other (Including Credit, Accident and Health)	64
Schedule D-Part 3	E13	Schedule P-Part 3M-International	64
Schedule D-Part 4	E14	Schedule P-Part 3N-Reinsurance - Nonproportional Assumed Property	65
Schedule D-Part 5	E15	Schedule P-Part 3O-Reinsurance - Nonproportional Assumed Liability	65
Schedule D-Part 6-Section 1	E16	Schedule P-Part 3P-Reinsurance - Nonproportional Assumed Financial Lines	65
Schedule D-Part 6-Section 2	E16	Schedule P-Part 3R-Section 1-Products Liability-Occurrence	66
Schedule D-Summary By Country	SI04	Schedule P-Part 3R-Section 2-Products Liability-Claims-Made	66
Schedule D-Verification Between Years	SI03	Schedule P-Part 3S-Financial Guaranty/Mortgage Guaranty	66
Schedule DA-Part 1	E17	Schedule P-Part 3T-Warranty	66
Schedule DA-Verification Between Years	SI10	Schedule P-Part 4A-Homeowners/Farmowners	67
Schedule DB-Part A-Section 1	E18	Schedule P-Part 4B-Private Passenger Auto Liability/Medical	67
Schedule DB-Part A-Section 2	E19	Schedule P-Part 4C-Commercial Auto/Truck Liability/Medical	67
Schedule DB-Part A-Verification Between Years	SI11	Schedule P-Part 4D-Workers' Compensation (Excluding Excess Workers Compensation)	67
Schedule DB-Part B-Section 1	E20	Schedule P-Part 4E-Commercial Multiple Peril	67
Schedule DB-Part B-Section 2	E21	Schedule P-Part 4F-Section 1-Medical Professional Liability-Occurrence	68
Schedule DB-Part B-Verification Between Years	SI11	Schedule P-Part 4F-Section 2-Medical Professional Liability-Claims-Made	68
Schedule DB-Part C-Section 1	SI12	Schedule P-Part 4G-Special Liability (Ocean Marine, Aircraft (All Perils), Boiler & Machinery)	68
Schedule DB-Part C-Section 2	SI13	Schedule P-Part 4H-Section 1-Other Liability-Occurrence	68
Schedule DB-Part D-Section 1	E22	Schedule P-Part 4H-Section 2-Other Liability-Claims-Made	68
Schedule DB-Part D-Section 2	E23	Schedule P-Part 4I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	69
Schedule DB-Verification	SI14	Schedule P-Part 4J-Auto Physical Damage	69
Schedule DL-Part 1	E24	Schedule P-Part 4K-Fidelity/Surety	69
Schedule DL-Part 2	E25	Schedule P-Part 4L-Other (Including Credit, Accident and Health)	69
Schedule E-Part 1-Cash	E26	Schedule P-Part 4M-International	69
Schedule E-Part 2-Cash Equivalents	E27	Schedule P-Part 4N-Reinsurance - Nonproportional Assumed Property	70
Schedule E-Part 3-Special Deposits	E28	Schedule P-Part 4O-Reinsurance - Nonproportional Assumed Liability	70
Schedule E-Verification Between Years	SI15	Schedule P-Part 4P-Reinsurance - Nonproportional Assumed Financial Lines	70
Schedule F-Part 1	20	Schedule P-Part 4R-Section 1-Products Liability-Occurrence	71
Schedule F-Part 2	21	Schedule P-Part 4R-Section 2-Products Liability-Claims-Made	71
Schedule F-Part 3	22	Schedule P-Part 4S-Financial Guaranty/Mortgage Guaranty	71
Schedule F-Part 4	23	Schedule P-Part 4T-Warranty	71
Schedule F-Part 5	24	Schedule P-Part 5A-Homeowners/Farmowners	72
Schedule F-Part 6-Section 1	25	Schedule P-Part 5B-Private Passenger Auto Liability/Medical	73
Schedule F-Part 6-Section 2	26	Schedule P-Part 5C-Commercial Auto/Truck Liability/Medical	74
Schedule F-Part 7	27	Schedule P-Part 5D-Workers' Compensation (Excluding Excess Workers Compensation)	75
Schedule F-Part 8	28	Schedule P-Part 5E-Commercial Multiple Peril	76
Schedule F-Part 9	29	Schedule P-Part 5F-Medical Professional Liability-Claims-Made	78
Schedule H-Accident and Health Exhibit-Part 1	30	Schedule P-Part 5F-Medical Professional Liability-Occurrence	77
Schedule H-Part 2, Part 3 and Part 4	31	Schedule P-Part 5H-Other Liability-Claims-Made	80
Schedule H-Part 5-Health Claims	32	Schedule P-Part 5H-Other Liability-Occurrence	79
Schedule P-Part 1-Summary	33	Schedule P-Part 5R-Products Liability-Claims-Made	82
Schedule P-Part 1A-Homeowners/Farmowners	35	Schedule P-Part 5R-Products Liability-Occurrence	81
Schedule P-Part 1B-Private Passenger Auto Liability/Medical	36	Schedule P-Part 5T-Warranty	83
Schedule P-Part 1C-Commercial Auto/Truck Liability/Medical	37	Schedule P-Part 6C-Commercial Auto/Truck Liability/Medical	84
Schedule P-Part 1D-Workers' Compensation (Excluding Excess Workers Compensation)	38	Schedule P-Part 6D-Workers' Compensation (Excluding Excess Workers Compensation)	84
Schedule P-Part 1E-Commercial Multiple Peril	39	Schedule P-Part 6E-Commercial Multiple Peril	85
Schedule P-Part 1F-Section 1-Medical Professional Liability-Occurrence	40	Schedule P-Part 6H-Other Liability-Claims-Made	86
Schedule P-Part 1F-Section 2-Medical Professional Liability-Claims-Made	41	Schedule P-Part 6H-Other Liability-Occurrence	85
Schedule P-Part 1G-Special Liability (Ocean, Marine, Aircraft (All Perils), Boiler & Machinery)	42	Schedule P-Part 6M-International	86
Schedule P-Part 1H-Section 1-Other Liability-Occurrence	43	Schedule P-Part 6N-Reinsurance - Nonproportional Assumed Property	87
Schedule P-Part 1H-Section 2-Other Liability-Claims-Made	44	Schedule P-Part 6O-Reinsurance - Nonproportional Assumed Liability	87
Schedule P-Part 1I-Spec. Prop. (Fire, Allied Lines, Inland Marine, Earthquake, Burglary & Theft)	45	Schedule P-Part 6R-Products Liability-Claims-Made	88
Schedule P-Part 1J-Auto Physical Damage	46	Schedule P-Part 6R-Products Liability-Occurrence	88
Schedule P-Part 1K-Fidelity/Surety	47	Schedule P-Part 7A-Primary Loss Sensitive Contracts	89
Schedule P-Part 1L-Other (Including Credit, Accident and Health)	48	Schedule P-Part 7B-Reinsurance Loss Sensitive Contracts	91
Schedule P-Part 1M-International	49	Schedule P Interrogatories	93
Schedule P-Part 1N-Reinsurance - Nonproportional Assumed Property	50	Schedule T-Exhibit of Premiums Written	94
Schedule P-Part 1O-Reinsurance - Nonproportional Assumed Liability	51	Schedule T-Part 2-Interstate Compact	95
Schedule P-Part 1P-Reinsurance - Nonproportional Assumed Financial Lines	52	Schedule Y-Information Concerning Activities of Insurer Members of a Holding Company Group	96
Schedule P-Part 1R-Section 1-Products Liability-Occurrence	53	Schedule Y-Detail of Insurance Holding Company System	97
Schedule P-Part 1R-Section 2-Products Liability-Claims-Made	54	Schedule Y-Part 2-Summary of Insurer's Transactions With Any Affiliates	98
Schedule P-Part 1S-Financial Guaranty/Mortgage Guaranty	55	Statement of Income	4
Schedule P-Part 1T-Warranty	56	Summary Investment Schedule	SI01
Schedule P-Part 2, Part 3 and Part 4 - Summary	34	Supplemental Exhibits and Schedules Interrogatories	99
Schedule P-Part 2A-Homeowners/Farmowners	57	Underwriting and Investment Exhibit Part 1	6
Schedule P-Part 2B-Private Passenger Auto Liability/Medical	57	Underwriting and Investment Exhibit Part 1A	7
Schedule P-Part 2C-Commercial Auto/Truck Liability/Medical	57	Underwriting and Investment Exhibit Part 1B	8
Schedule P-Part 2D-Workers' Compensation (Excluding Excess Workers Compensation)	57	Underwriting and Investment Exhibit Part 2	9
Schedule P-Part 2E-Commercial Multiple Peril	57	Underwriting and Investment Exhibit Part 2A	10
Schedule P-Part 2F-Section 1-Medical Professional Liability-Occurrence	58	Underwriting and Investment Exhibit Part 3	11
Schedule P-Part 2F-Section 2-Medical Professional Liability-Claims-Made	58		