

# ANNUAL STATEMENT

## For the Year Ended December 31, 2015

OF THE CONDITION AND AFFAIRS OF THE

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

NAIC Group Code **3548** **3548** NAIC Company Code **31194** Employer's ID Number **06-0907370**  
(Current Period) (Prior Period)

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

INCORPORATED/ORGANIZED, JULY 18, 1974 COMMENCED BUSINESS, JULY 24, 1974

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**  
**Annual.Statement.Contact@travelers.com (860) 277-7002**  
(E-Mail Address) (Fax Number)

### OFFICERS

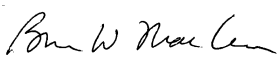
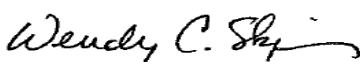
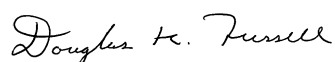
Name	Title	Name	Title
1. BRIAN WILLIAM MacLEAN	Chairman, President & Chief Executive Officer	MARIA OLIVO	Executive Vice President, Strategic Development & Treasurer
2. JAY STEVEN BENET	Vice Chairman & Chief Financial Officer	KENNETH FRANKLIN SPENCE, III	Executive Vice President & General Counsel
3. WILLIAM HERBERT HEYMAN	Vice Chairman & Chief Investment Officer	DOUGLAS KEITH BELL	Senior Vice President, Accounting Policy
4. # DOREEN SPADORCIA	Vice Chairman & Chief Executive Officer, Personal Insurance, Bond & Specialty Insurance	DOUGLAS KENNETH RUSSELL	Senior Vice President & Corporate Controller
5. ANDY FRANCIS BESSETTE	Executive Vice President & Chief Administrative Officer	SCOTT WILLIAM RYNDA	Senior Vice President, Corporate Tax
6. BRUCE RICHARD JONES	Executive Vice President & Chief Risk Officer	RENÉE HELOU DAVIS	Vice President & Chief Corporate Actuary
7. MADELYN JOSEPH LANKTON	Executive Vice President & Chief Information Officer	# WENDY CONSTANCE SKJERVEN	Vice President, Corporate Secretary & Associate Group General Counsel

### DIRECTORS

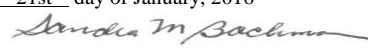
JAY STEVEN BENET	BRIAN WILLIAM MacLEAN	KENNETH FRANKLIN SPENCE, III
WILLIAM HERBERT HEYMAN	DOREEN SPADORCIA	GREGORY CHESHIRE TOCZYDLOWSKI

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.

		
_____ Brian W. MacLean	_____ Wendy C. Skjerven	_____ Douglas K. Russell
_____ President	_____ Secretary	_____ Controller

Subscribed and sworn to before me this

21st day of January, 2016  
  
Sandra M. Bachman Notary Public  
My Commission Expires September 30, 2017



a. Is this an original filing? Yes  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).....	3,500,572,638	0	3,500,572,638	3,411,436,937
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	0	0	0	0
2.2 Common stocks.....	245,901,111	0	245,901,111	326,931,879
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).....	0	0	0	0
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 (\$.....(16,539,462), Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$.....71,090,343, Schedule DA).....	54,550,881	0	54,550,881	127,187,283
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives (Schedule DB).....	0	0	0	0
8. Other invested assets (Schedule BA).....	3,995,466	414,491	3,580,975	4,019,416
9. Receivables for securities.....	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL).....	11,772,178	0	11,772,178	8,224,694
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	3,816,792,273	414,491	3,816,377,782	3,877,800,209
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	43,905,720	0	43,905,720	45,277,103
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	82,459,742	15,777,756	66,681,985	78,549,277
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....58,029,286 earned but unbilled premiums).....	141,374,060	7,065,132	134,308,928	131,433,627
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	22,532,968	0	22,532,968	17,397,751
16.2 Funds held by or deposited with reinsured companies.....	0	0	0	0
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	0
18.2 Net deferred tax asset.....	73,958,696	8,207,500	65,751,196	62,639,844
19. Guaranty funds receivable or on deposit.....	73,385	0	73,385	84,282
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	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.....	29,659,492	0	29,659,492	9,057,199
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	6,040,963	428,650	5,612,313	2,994,372
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	4,216,797,299	31,893,530	4,184,903,769	4,225,233,665
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. TOTALS (Lines 26 and 27).....	4,216,797,299	31,893,530	4,184,903,769	4,225,233,665

## DETAILS OF WRITE-INS

1101.....	0	0	0	0
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).....	0	0	0	0
2501. Other assets tri-party/tax credit bonds.....	5,026,297	0	5,026,297	2,686,794
2502. Other assets.....	242,157	0	242,157	177,663
2503. Suspense, undistributed payments.....	237,710	0	237,710	32,488
2598. Summary of remaining write-ins for Line 25 from overflow page.....	534,799	428,650	106,149	97,426
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	6,040,963	428,650	5,612,313	2,994,372

## TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

### LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	735,725,171	680,168,443
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	425,504	420,202
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	278,900,106	356,911,923
4. Commissions payable, contingent commissions and other similar charges.....	35,398,814	34,142,046
5. Other expenses (excluding taxes, licenses and fees).....	39,466,867	40,097,405
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	11,351,717	11,534,866
7.1 Current federal and foreign income taxes (including \$.....(504,440) on realized capital gains (losses)).....	15,158,620	24,133,560
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 \$.....294,537,618 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).....	862,633,464	855,349,712
10. Advance premium.....	1,572,635	1,327,118
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	9,080,181	7,376,699
12. Ceded reinsurance premiums payable (net of ceding commissions).....	26,036,328	28,084,142
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	0	0
14. Amounts withheld or retained by company for account of others.....	33,959,553	41,744,996
15. Remittances and items not allocated.....	4,995,722	11,062,682
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	3,834,904	3,416,505
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.....	0	0
20. Derivatives.....	0	0
21. Payable for securities.....	8,000,000	4,590,766
22. Payable for securities lending.....	11,772,178	8,224,694
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.....	2,996,217	1,990,431
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	2,081,307,981	2,110,576,190
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	2,081,307,981	2,110,576,190
29. Aggregate write-ins for special surplus funds.....	7,212,221	5,794,503
30. Common capital stock.....	6,480,000	6,480,000
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.....	433,803,760	433,803,760
35. Unassigned funds (surplus).....	1,656,099,807	1,668,579,213
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).....	2,103,595,788	2,114,657,475
38. TOTALS (Page 2, Line 28, Col. 3).....	4,184,903,769	4,225,233,665

#### DETAILS OF WRITE-INS

2501. Other liabilities tri-party/tax credit bonds.....	1,432,806	0
2502. Retroactive reinsurance reserve assumed.....	898,144	853,430
2503. Escheat liability.....	664,927	1,136,046
2598. Summary of remaining write-ins for Line 25 from overflow page.....	340	956
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	2,996,217	1,990,431
2901. Special surplus from retroactive reinsurance.....	7,212,221	5,794,503
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).....	7,212,221	5,794,503
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

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

## STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	1,370,523,648	1,361,647,918
DEDUCTIONS		
2. Losses incurred (Part 2, Line 35, Column 7).....	315,063,166	178,308,039
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	(28,764,311)	(56,436,228)
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	544,826,339	540,861,721
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	831,125,194	662,733,532
7. Net income of protected cells.....	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	539,398,453	698,914,386
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	135,886,314	142,920,183
10. Net realized capital gains (losses) less capital gains tax of \$.....3,679,250 (Exhibit of Capital Gains (Losses)).....	5,759,543	3,174,771
11. Net investment gain (loss) (Lines 9 + 10).....	141,645,857	146,094,954
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....786,533 amount charged off \$.....1,407,196).....	(620,662)	(526,625)
13. Finance and service charges not included in premiums.....	309,575	266,824
14. Aggregate write-ins for miscellaneous income.....	306,956	(619,397)
15. Total other income (Lines 12 through 14).....	(4,132)	(879,198)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	681,040,179	844,130,142
17. Dividends to policyholders.....	6,173,691	6,456,356
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).....	674,866,487	837,673,787
19. Federal and foreign income taxes incurred.....	204,853,488	271,899,197
20. Net income (Line 18 minus Line 19) (to Line 22).....	470,012,999	565,774,590
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	2,114,657,475	1,881,720,088
22. Net income (from Line 20).....	470,012,999	565,774,590
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(971,038).....	(82,834,125)	(99,398,737)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	3,767
26. Change in net deferred income tax.....	(420,676)	(36,871,623)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	2,598,513	202,875,412
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	(418,399)	553,978
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.....	(400,000,000)	(400,000,000)
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.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(11,061,687)	232,937,388
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	2,103,595,788	2,114,657,475
<b>DETAILS OF WRITE-INS</b>		
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. Retroactive reinsurance gain/loss.....	1,199,559	319,264
1402. Other assets tri-party/tax credit bond income.....	233,791	130,653
1403. Profit and loss, miscellaneous.....	(1,126,394)	(1,069,264)
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	(50)
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	306,956	(619,397)
3701. ....	0	0
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).....	0	0

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

## CASH FLOW

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	1,385,877,757	1,482,517,492
2. Net investment income.....	155,778,209	164,624,735
3. Miscellaneous income.....	(4,132)	(879,198)
4. Total (Lines 1 through 3).....	1,541,651,834	1,646,263,030
5. Benefit and loss related payments.....	264,636,353	313,716,771
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	593,450,867	585,112,190
8. Dividends paid to policyholders.....	4,470,209	5,542,170
9. Federal and foreign income taxes paid (recovered) net of \$.....3,070,777 tax on capital gains (losses).....	217,507,678	267,367,821
10. Total (Lines 5 through 9).....	1,080,065,107	1,171,738,951
11. Net cash from operations (Line 4 minus Line 10).....	461,586,726	474,524,078
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	784,711,113	739,931,675
12.2 Stocks.....	31,591	235,371
12.3 Mortgage loans.....	0	0
12.4 Real estate.....	0	0
12.5 Other invested assets.....	0	520,688,130
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(81)	0
12.7 Miscellaneous proceeds.....	3,409,234	4,590,766
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	788,151,857	1,265,445,943
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	885,426,384	713,668,030
13.2 Stocks.....	31,684	520,938,079
13.3 Mortgage loans.....	0	0
13.4 Real estate.....	0	0
13.5 Other invested assets.....	421,416	638,422
13.6 Miscellaneous applications.....	3,547,484	3,385,891
13.7 Total investments acquired (Lines 13.1 to 13.6).....	889,426,968	1,238,630,422
14. Net increase (decrease) in contract loans and premium notes.....	0	0
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(101,275,111)	26,815,521
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
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.....	400,000,000	400,000,000
16.6 Other cash provided (applied).....	(32,948,017)	(41,951,941)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(432,948,017)	(441,951,941)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(72,636,402)	59,387,659
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	127,187,283	67,799,624
19.2 End of year (Line 18 plus Line 19.1).....	54,550,881	127,187,283
Note: Supplemental disclosures of cash flow information for non-cash transactions:		
20.0001 Exchange of bonds.....	7,761,364	0
20.0002 Tax credits from certified capital company (CAPCO).....	182,626	0
20.0003 Transfer of subsidiary.....	0	520,688,130

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	0	0	0	0
2. Allied lines.....	0	0	0	0
3. Farmowners multiple peril.....	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0
5. Commercial multiple peril.....	0	0	0	0
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	0	0	0	0
9. Inland marine.....	0	0	0	0
10. Financial guaranty.....	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0
12. Earthquake.....	0	0	0	0
13. Group accident and health.....	0	0	0	0
14. Credit accident and health (group and individual).....	0	0	0	0
15. Other accident and health.....	0	0	0	0
16. Workers' compensation.....	0	(2)	(2)	0
17.1 Other liability - occurrence.....	0	.2	.2	0
17.2 Other liability - claims-made.....	463,541,459	222,069,696	230,949,483	454,661,672
17.3 Excess workers' compensation.....	0	0	0	0
18.1 Products liability - occurrence.....	0	0	0	0
18.2 Products liability - claims-made.....	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0
19.3, 19.4 Commercial auto liability.....	0	0	0	0
21. Auto physical damage.....	0	0	0	0
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	145,481,085	82,415,768	83,281,849	144,615,003
24. Surety.....	727,304,135	480,983,167	472,314,847	735,972,455
26. Burglary and theft.....	36,564,096	16,768,419	18,057,998	35,274,517
27. Boiler and machinery.....	0	0	0	0
28. Credit.....	0	0	0	0
29. International.....	0	0	0	0
30. Warranty.....	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	1,372,890,775	802,237,050	804,604,178	1,370,523,648

### DETAILS OF WRITE-INS

3401. ....	0	0	0	0
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).....	0	0	0	0

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1A - RECAPITULATION OF ALL PREMIUMS

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	.0	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0	.0
10. Financial guaranty.....	.0	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0	.0
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0	.0
15. Other accident and health.....	.0	.0	.0	.0	.0
16. Workers' compensation.....	.0	.0	(2)	.0	(2)
17.1 Other liability - occurrence.....	.0	.0	.2	.0	.2
17.2 Other liability - claims-made.....	197,354,545	33,594,938	.0	.0	230,949,483
17.3 Excess workers' compensation.....	.0	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0	.0
23. Fidelity.....	56,435,306	26,846,544	.0	.0	83,281,849
24. Surety.....	121,584,610	408,759,523	(58,029,286)	.0	472,314,847
26. Burglary and theft.....	15,676,300	2,381,698	.0	.0	18,057,998
27. Boiler and machinery.....	.0	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	.0	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	.0	.0	.0	.0	.0
33. Reinsurance - nonproportional assumed financial lines.....	.0	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0
35. TOTALS.....	391,050,761	471,582,703	(58,029,286)	.0	804,604,178
36. Accrued retrospective premiums based on experience.....					.0
37. Earned but unbilled premiums.....					58,029,286
38. Balance (sum of Lines 35 through 37).....					862,633,464

### DETAILS OF WRITE-INS

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

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

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1B - PREMIUMS WRITTEN

Line of Business	1	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
	Direct Business (a)	2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	.0	.0	.0	.0	.0	.0
2. Allied lines.....	.0	.0	.0	.0	.0	.0
3. Farmowners multiple peril.....	.0	.0	.0	.0	.0	.0
4. Homeowners multiple peril.....	.0	.0	.0	.0	.0	.0
5. Commercial multiple peril.....	.0	.0	.0	.0	.0	.0
6. Mortgage guaranty.....	.0	.0	.0	.0	.0	.0
8. Ocean marine.....	.0	.0	.0	.0	.0	.0
9. Inland marine.....	.0	.0	.0	.0	.0	.0
10. Financial guaranty.....	.0	.0	.0	.0	.0	.0
11.1 Medical professional liability - occurrence.....	.0	.0	.0	.0	.0	.0
11.2 Medical professional liability - claims-made.....	.0	.0	.0	.0	.0	.0
12. Earthquake.....	.0	.0	.0	.0	.0	.0
13. Group accident and health.....	.0	.0	.0	.0	.0	.0
14. Credit accident and health (group and individual).....	.0	.0	.0	.0	.0	.0
15. Other accident and health.....	.0	.0	.0	.0	.0	.0
16. Workers' compensation.....	.0	.0	.0	.0	.0	.0
17.1 Other liability - occurrence.....	586,276	.0	(3,807)	582,469	.0	.0
17.2 Other liability - claims-made.....	869,578,209	3,070,489	425	397,102,730	12,004,933	463,541,459
17.3 Excess workers' compensation.....	.0	.0	.0	.0	.0	.0
18.1 Products liability - occurrence.....	.0	.0	.0	.0	.0	.0
18.2 Products liability - claims-made.....	.0	.0	.0	.0	.0	.0
19.1, 19.2 Private passenger auto liability.....	.0	.0	.0	.0	.0	.0
19.3, 19.4 Commercial auto liability.....	.0	.0	.0	.0	.0	.0
21. Auto physical damage.....	.0	.0	.0	.0	.0	.0
22. Aircraft (all perils).....	.0	.0	.0	.0	.0	.0
23. Fidelity.....	187,628,662	407,239	2,934	42,459,257	98,493	145,481,085
24. Surety.....	731,237,906	51,332,806	8,578,809	15,562,952	48,282,435	727,304,135
26. Burglary and theft.....	48,336,311	298,305	.0	11,123,674	946,846	36,564,096
27. Boiler and machinery.....	.0	.0	.0	.0	.0	.0
28. Credit.....	.0	.0	.0	.0	.0	.0
29. International.....	.0	.0	.0	.0	.0	.0
30. Warranty.....	.0	.0	.0	.0	.0	.0
31. Reinsurance - nonproportional assumed property.....	XXX	.0	.0	.0	.0	.0
32. Reinsurance - nonproportional assumed liability.....	XXX	.0	.0	.0	.0	.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	.0	.0	.0	.0	.0
34. Aggregate write-ins for other lines of business.....	.0	.0	.0	.0	.0	.0
35. TOTALS.....	1,837,367,364	55,108,839	8,578,361	466,831,082	61,332,706	1,372,890,775

### DETAILS OF WRITE-INS

3401. ....	.0	.0	.0	.0	.0	.0
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	.0	.0	.0	.0	.0

(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.....	0	0	0	0	0	0	0	0.0
2. Allied lines.....	0	0	0	0	0	0	0	0.0
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0.0
4. Homeowners multiple peril.....	0	0	0	0	0	0	0	0.0
5. Commercial multiple peril.....	(1,004)	0	(1,004)	0	0	0	0	0.0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0.0
8. Ocean marine.....	0	0	0	0	0	0	0	0.0
9. Inland marine.....	0	0	0	0	0	0	0	0.0
10. Financial guaranty.....	0	0	0	0	0	0	0	0.0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0.0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0	0	0.0
12. Earthquake.....	0	0	0	0	0	0	0	0.0
13. Group accident and health.....	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0.0
15. Other accident and health.....	0	0	0	0	0	0	0	0.0
16. Workers' compensation.....	298,766	0	298,766	0	(2)	2	(4)	0.0
17.1 Other liability - occurrence.....	269,151	0	269,151	0	0	0	0	0.0
17.2 Other liability - claims-made.....	323,496,765	577,891	122,027,512	202,047,144	395,646,689	365,029,772	232,664,061	51.2
17.3 Excess workers' compensation.....	0	0	0	0	0	0	0	0.0
18.1 Products liability - occurrence.....	300,000	0	300,000	0	0	0	0	0.0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0	0	0.0
19.3, 19.4 Commercial auto liability.....	12,501	0	12,501	0	0	0	0	0.0
21. Auto physical damage.....	(72)	0	(72)	0	0	0	0	0.0
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0.0
23. Fidelity.....	46,497,168	(118,795)	8,800,246	37,578,128	34,058,941	24,439,204	47,197,865	32.6
24. Surety.....	7,371,950	433,735	63,831	7,741,855	295,486,729	269,274,838	33,953,746	4.6
26. Burglary and theft.....	14,339,422	7,923	2,208,033	12,139,312	10,532,814	21,424,627	1,247,499	3.5
27. Boiler and machinery.....	0	0	0	0	0	0	0	0.0
28. Credit.....	0	0	0	0	0	0	0	0.0
29. International.....	0	0	0	0	0	0	0	0.0
30. Warranty.....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX	301,009	301,009	0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	392,584,647	1,201,764	134,279,973	259,506,438	735,725,171	680,168,443	315,063,166	23.0

**DETAILS OF WRITE-INS**

3401. ....	0	0	0	0	0	0	0	0.0
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	0	0	0	0	0	0	0.0

**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.....	0	0	0	0	0	0	0	0	0
2. Allied lines.....	0	0	0	0	148	0	148	0	0
3. Farmowners multiple peril.....	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril.....	0	0	0	0	0	0	0	0	0
5. Commercial multiple peril.....	191,810	0	191,810	0	1,542,083	0	1,542,083	0	0
6. Mortgage guaranty.....	0	0	0	0	0	0	0	0	0
8. Ocean marine.....	0	0	0	0	0	0	0	0	0
9. Inland marine.....	0	0	0	0	0	0	0	0	0
10. Financial guaranty.....	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence.....	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made.....	0	0	0	0	0	0	0	0	0
12. Earthquake.....	0	0	0	0	0	0	0	0	0
13. Group accident and health.....	0	0	0	0	0	0	0	(a)	0
14. Credit accident and health (group and individual).....	0	0	0	0	0	0	0	0	0
15. Other accident and health.....	0	0	0	0	0	0	0	(a)	0
16. Workers' compensation.....	5,577,349	(2)	5,577,349	(2)	5,290,264	0	5,290,264	(2)	(4)
17.1 Other liability - occurrence.....	120,642	0	120,642	0	9,170,960	0	9,170,960	0	0
17.2 Other liability - claims-made.....	387,860,954	645,465	220,995,816	167,510,603	659,577,175	2,435,030	433,876,119	395,646,689	135,179,978
17.3 Excess workers' compensation.....	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence.....	104,534	0	104,534	0	2,790,427	0	2,790,427	0	0
18.2 Products liability - claims-made.....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	0	0	0	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability.....	66,609	0	66,609	0	15,626	0	15,626	0	0
21. Auto physical damage.....	0	0	0	0	6	0	6	0	0
22. Aircraft (all perils).....	0	0	0	0	0	0	0	0	0
23. Fidelity.....	11,465,355	1	4,623,803	6,841,553	48,193,891	162,227	21,138,730	34,058,941	13,857,754
24. Surety.....	74,392,599	35,607,459	1,567,997	108,432,061	164,062,833	22,679,143	(312,692)	295,486,729	122,694,615
26. Burglary and theft.....	517,504	0	7,464	510,040	14,512,772	49,772	4,539,770	10,532,814	7,167,763
27. Boiler and machinery.....	0	0	0	0	0	0	0	0	0
28. Credit.....	0	0	0	0	0	0	0	0	0
29. International.....	0	0	0	0	0	0	0	0	0
30. Warranty.....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property.....	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability.....	XXX	2,545,435	2,545,435	0	XXX	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines.....	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0	0
35. TOTALS.....	480,297,356	38,798,359	235,801,459	283,294,256	905,156,186	25,326,171	478,051,442	735,725,171	278,900,106
<b>DETAILS OF WRITE-INS</b>									
3401. ....	0	0	0	0	0	0	0	0	0
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	0	0	0	0	0	0	0	0

10

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

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

## UNDERWRITING AND INVESTMENT EXHIBIT

### PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	(70,023,987)	0	0	(70,023,987)
1.2 Reinsurance assumed.....	(2,374,389)	0	0	(2,374,389)
1.3 Reinsurance ceded.....	3,955,408	0	0	3,955,408
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	(76,353,784)	0	0	(76,353,784)
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....	0	315,072,424	0	315,072,424
2.2 Reinsurance assumed, excluding contingent.....	0	11,858,972	0	11,858,972
2.3 Reinsurance ceded, excluding contingent.....	0	63,901,910	0	63,901,910
2.4 Contingent - direct.....	0	3,651,256	0	3,651,256
2.5 Contingent - reinsurance assumed.....	0	198,294	0	198,294
2.6 Contingent - reinsurance ceded.....	0	579,502	0	579,502
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	266,299,534	0	266,299,534
3. Allowances to manager and agents.....	0	1,190	0	1,190
4. Advertising.....	743	2,519,920	197	2,520,860
5. Boards, bureaus and associations.....	13,579	577,159	835	591,573
6. Surveys and underwriting reports.....	33	1,115,526	0	1,115,559
7. Audit of assureds' records.....	0	0	0	0
8. Salary and related items:				
8.1 Salaries.....	30,659,433	142,896,990	523,503	174,079,926
8.2 Payroll taxes.....	2,364,210	9,418,919	40,944	11,824,073
9. Employee relations and welfare.....	4,941,251	23,017,060	98,597	28,056,908
10. Insurance.....	6,553,245	1,190,692	346	7,744,283
11. Directors' fees.....	0	0	0	0
12. Travel and travel items.....	479,731	9,982,912	16,694	10,479,337
13. Rent and rent items.....	1,381,819	8,026,589	20,643	9,429,051
14. Equipment.....	150,955	2,074,341	7,647	2,232,943
15. Cost or depreciation of EDP equipment and software.....	51,799	14,661,808	11,430	14,725,037
16. Printing and stationery.....	31,106	557,434	2,729	591,269
17. Postage, telephone and telegraph, exchange and express.....	185,818	2,774,935	1,823	2,962,576
18. Legal and auditing.....	18,184	1,756,804	56,916	1,831,904
19. Totals (Lines 3 to 18).....	46,831,906	220,572,279	782,304	268,186,489
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....11,778.....	0	31,086,398	0	31,086,398
20.2 Insurance department licenses and fees.....	0	2,104,862	0	2,104,862
20.3 Gross guaranty association assessments.....	0	72,709	0	72,709
20.4 All other (excluding federal and foreign income and real estate).....	0	1,449,442	0	1,449,442
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	0	34,713,411	0	34,713,411
21. Real estate expenses.....	0	0	18	18
22. Real estate taxes.....	0	0	0	0
23. Reimbursements by uninsured plans.....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses.....	757,566	23,241,114	147,577	24,146,257
25. Total expenses incurred.....	(28,764,312)	544,826,338	929,899	(a).....516,991,925
26. Less unpaid expenses - current year.....	278,900,106	86,199,337	18,061	365,117,504
27. Add unpaid expenses - prior year.....	356,911,923	85,769,883	4,434	442,686,240
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).....	49,247,505	544,396,884	916,272	594,560,661

#### DETAILS OF WRITE-INS

2401. Miscellaneous expenses.....	763,019	26,193,475	155,095	27,111,589
2402. Cost of computer software developed for internal use.....	(5,453)	(2,952,361)	(7,518)	(2,965,332)
2403. ....	0	0	0	0
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).....	757,566	23,241,114	147,577	24,146,257

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

## TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....3,386,127	.....3,011,565
1.1 Bonds exempt from U.S. tax.....	(a).....83,277,473	.....82,305,452
1.2 Other bonds (unaffiliated).....	(a).....50,790,490	.....50,718,901
1.3 Bonds of affiliates.....	(a).....0	.....0
2.1 Preferred stocks (unaffiliated).....	(b).....0	.....0
2.11 Preferred stocks of affiliates.....	(b).....0	.....0
2.2 Common stocks (unaffiliated).....	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0
3. Mortgage loans.....	(c).....0	.....0
4. Real estate.....	(d).....0	.....0
5. Contract loans.....	.....0	.....0
6. Cash, cash equivalents and short-term investments.....	(e).....444,957	.....444,957
7. Derivative instruments.....	(f).....0	.....0
8. Other invested assets.....	.....243,835	.....290,624
9. Aggregate write-ins for investment income.....	.....44,713	.....44,713
10. Total gross investment income.....	.....138,187,595	.....136,816,212
11. Investment expenses.....		(g).....929,898
12. Investment taxes, licenses and fees, excluding federal income taxes.....		(g).....0
13. Interest expense.....		(h).....0
14. Depreciation on real estate and other invested assets.....		(i).....0
15. Aggregate write-ins for deductions from investment income.....		.....0
16. Total deductions (Lines 11 through 15).....		.....929,898
17. Net investment income (Line 10 minus Line 16).....		.....135,886,314

### DETAILS OF WRITE-INS

0901. Securities lending income.....	.....44,712	.....44,712
0902. Miscellaneous income.....	.....2	.....2
0903. ....	.....0	.....0
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).....	.....44,713	.....44,713
1501. ....		.....0
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).....		.....0

- (a) Includes \$.....1,451,814 accrual of discount less \$.....19,513,108 amortization of premium and less \$.....1,091,044 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....81 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 \$.....0 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.....	.....1,646,239	.....0	.....1,646,239	.....0	.....0
1.1 Bonds exempt from U.S. tax.....	.....2,897,885	.....0	.....2,897,885	.....0	.....0
1.2 Other bonds (unaffiliated).....	.....4,895,514	.....(894)	.....4,894,620	.....(2,774,394)	.....0
1.3 Bonds of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.1 Preferred stocks (unaffiliated).....	.....0	.....0	.....0	.....0	.....0
2.11 Preferred stocks of affiliates.....	.....0	.....0	.....0	.....0	.....0
2.2 Common stocks (unaffiliated).....	.....(191)	.....97	.....(93)	.....0	.....0
2.21 Common stocks of affiliates.....	.....0	.....0	.....0	.....(81,030,768)	.....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.....	.....(81)	.....0	.....(81)	.....0	.....0
7. Derivative instruments.....	.....0	.....0	.....0	.....0	.....0
8. Other invested assets.....	.....0	.....0	.....0	.....0	.....0
9. Aggregate write-ins for capital gains (losses).....	.....0	.....224	.....224	.....0	.....0
10. Total capital gains (losses).....	.....9,439,367	.....(573)	.....9,438,794	.....(83,805,163)	.....0

### DETAILS OF WRITE-INS

0901. Foreign exchange.....	.....0	.....224	.....224	.....0	.....0
0902. ....	.....0	.....0	.....0	.....0	.....0
0903. ....	.....0	.....0	.....0	.....0	.....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	.....224	.....224	.....0	.....0

**EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	0	0	0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	0	0	0
2.2 Common stocks.....	0	0	0
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.....	0	0	0
7. Derivatives (Schedule DB).....	0	0	0
8. Other invested assets (Schedule BA).....	414,491	0	(414,491)
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).....	414,491	0	(414,491)
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.....	15,777,756	16,701,483	923,727
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	7,065,132	7,022,070	(43,063)
15.3 Accrued retrospective premiums and contracts subject to redetermination.....	0	0	0
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.....	8,207,500	10,768,490	2,560,990
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.....	0	0	0
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.....	428,650	0	(428,650)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	31,893,530	34,492,043	2,598,513
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. TOTALS (Lines 26 and 27).....	31,893,530	34,492,043	2,598,513

**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.....	428,650	0	(428,650)
2502.....	0	0	0
2503.....	0	0	0
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).....	428,650	0	(428,650)

**NOTES TO FINANCIAL STATEMENTS**

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

## A. Accounting Practices:

Travelers Casualty and Surety Company of America (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>2015</u>	<u>2014</u>
1. Travelers Casualty and Surety Company of America state basis	CT	\$ 470,012,999	\$ 565,774,590
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>\$ 470,012,999</u>	<u>\$ 565,774,590</u>
<u>Surplus</u>	<u>State of Domicile</u>	<u>2015</u>	<u>2014</u>
5. Travelers Casualty and Surety Company of America state basis	CT	\$ 2,103,595,788	\$ 2,114,657,475
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>\$ 2,103,595,788</u>	<u>\$ 2,114,657,475</u>

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

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. Accounting Policy:

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 based on fair values received from the Securities Valuation Office (SVO).

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.

Common stock 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'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 earned 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 changed. Such changes in estimates could occur in a future period and may be material to the Company's net income in such period. As described in Note 33, the Company has no net exposure to asbestos and environmental claims.

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 2015.

## 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:

- 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 prepayments, 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 SVO are 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.

- The following table provides aggregated information on structured securities classified on the basis used for the recognized 2015 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, 2015)			
Present value of cash flows is less than amortized cost	\$ 1,280,581	\$ 894	\$ 1,275,182
(OTTI recognized in the quarter ending June 30, 2015)			
Present value of cash flows is less than amortized cost	\$ -	\$ -	\$ -
(OTTI recognized in the quarter ending September 30, 2015)			
Present value of cash flows is less than amortized cost	\$ -	\$ -	\$ -
(OTTI recognized in the quarter ending December 31, 2015)			
Present value of cash flows is less than amortized cost	\$ -	\$ -	\$ -
Annual Aggregate Total:		<u>\$ 894</u>	

- Loan-backed and structured securities with other-than-temporary impairments recognized in 2015 are as follows:

CUSIP	Amortized cost basis before other-than- temporary impairment	Present value of projected cash flows	Other-than- temporary impairment recognized in loss	Amortized cost basis after other- than-temporary impairment	Fair Value	Impairment Quarter
05949APN4	\$ 1,280,581	\$ 1,279,687	\$ 894	\$ 1,279,687	\$ 1,275,182	Q1 - 2015
Total:			<u>\$ 894</u>			

- 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	\$	37,155
2. 12 Months or Longer	\$	110,103
b. The aggregate related fair value of securities with unrealized losses:		
1. Less than 12 Months	\$	8,558,822
2. 12 Months or Longer	\$	4,544,928

## NOTES TO FINANCIAL STATEMENTS

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 capital 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	\$ 11,772,178	\$ 11,772,178

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 federally sponsored LIHTC property investments primarily generate federal tax credits which allow the Company to offset federal taxes and are projected to be available through 2025. 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. As of December 31, 2015, there were no unfunded commitments related to these LIHTC investments.

During the years ended December 31, 2015 and 2014, \$689,220 and \$555,202, respectively, of tax benefits related to LIHTC were recognized. The balance of the investments in LIHTC at December 31, 2015 and 2014 was \$3,580,975 and \$4,019,416, respectively.

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							8 Total Current Year Admitted Restricted	Percentage	
	Current Year					6 Total From Prior Year	7 Increase / (Decrease) (5 minus 6)		9 Gross Restricted to Total Assets	10 Admitted Restricted to Total Admitted Assets
	1 Total General Account (G/A)	2 G/A Supporting Protected Cell Account Activity (a)	3 Total Protected Cell Account Restricted Assets	4 Protected Cell Account Assets Supporting G/A Activity (b)	5 Total (1 plus 3)					
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%	0.0%
b. Collateral held under security lending agreements	11,772,178	-	-	-	11,772,178	8,224,694	3,547,484	11,772,178	0.3%	0.3%
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	0.0%	0.0%
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	0.0%	0.0%
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	0.0%	0.0%
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	0.0%	0.0%
g. Placed under option contracts	-	-	-	-	-	-	-	-	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	7,695,539	-	-	-	7,695,539	8,170,696	(475,157)	7,695,539	0.2%	0.2%
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	0.0%	0.0%



## NOTES TO FINANCIAL STATEMENTS

Restricted Asset Category	Gross Restricted							8	Percentage	
	Current Year					6	7		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 Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
l. Pledged as collateral to FHLB (including assets backing funding agreements)	-	-	-	-	-	-	-	-	0.0%	0.0%
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	0.0%	0.0%
n. Other restricted assets	-	-	-	-	-	-	-	-	0.0%	0.0%
<b>o. Total Restricted Assets</b>	<b>\$ 19,467,717</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,467,717</b>	<b>\$ 16,395,390</b>	<b>\$ 3,072,327</b>	<b>\$ 19,467,717</b>	<b>0.5%</b>	<b>0.5%</b>

(a) Subset of column 1  
(b) Subset of column 3

2. Not applicable.

3. Not applicable.

I. Working Capital Finance 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

Not applicable.

7. INVESTMENT INCOME

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

B. At December 31, 2015, 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:

				<u>December 31, 2015</u>		
				<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
1. a.	Gross deferred tax assets		\$ 84,711,962	\$ 1,186,595	\$ 85,898,557	
b.	Statutory valuation allowance adjustment		-	-	-	
c.	Adjusted gross deferred tax assets		84,711,962	1,186,595	85,898,557	
d.	Deferred tax assets nonadmitted		8,207,500	-	8,207,500	
e.	Subtotal net admitted deferred tax assets		76,504,462	1,186,595	77,691,057	
f.	Deferred tax liabilities		323,431	11,616,430	11,939,861	
g.	Net admitted deferred tax asset/(liability)		<u>\$ 76,181,031</u>	<u>\$ (10,429,835)</u>	<u>\$ 65,751,196</u>	

				<u>December 31, 2014</u>		
				<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a.	Gross deferred tax assets		\$ 84,995,072	\$ 180,075	\$ 85,175,147	
b.	Statutory valuation allowance adjustment		-	-	-	
c.	Adjusted gross deferred tax assets		84,995,072	180,075	85,175,147	
d.	Deferred tax assets nonadmitted		10,768,490	-	10,768,490	
e.	Subtotal net admitted deferred tax assets		74,226,582	180,075	74,406,657	
f.	Deferred tax liabilities		150,383	11,616,430	11,766,813	
g.	Net admitted deferred tax asset/(liability)		<u>\$ 74,076,199</u>	<u>\$ (11,436,355)</u>	<u>\$ 62,639,844</u>	

				<u>Change</u>		
				<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a.	Gross deferred tax assets		\$ (283,110)	\$ 1,006,520	\$ 723,410	
b.	Statutory valuation allowance adjustment		-	-	-	
c.	Adjusted gross deferred tax assets		(283,110)	1,006,520	723,410	
d.	Deferred tax assets nonadmitted		(2,560,990)	-	(2,560,990)	
e.	Subtotal net admitted deferred tax assets		2,277,880	1,006,520	3,284,400	
f.	Deferred tax liabilities		173,048	-	173,048	
g.	Net admitted deferred tax asset/(liability)		<u>\$ 2,104,832</u>	<u>\$ 1,006,520</u>	<u>\$ 3,111,352</u>	

## NOTES TO FINANCIAL STATEMENTS

## 2. Admission Calculation Components SSAP No. 101:

	<u>December 31, 2015</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	\$ 52,237,103	\$ 593,297	\$ 52,830,400
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)	12,920,796	-	12,920,796
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	12,920,796	-	12,920,796
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	305,676,689
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.	11,346,563	593,298	11,939,861
d. Deferred tax assets admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b)+ 2(c))	<u>76,504,462</u>	<u>1,186,595</u>	<u>77,691,057</u>
Deferred tax liabilities netted against deferred tax assets	323,431	11,616,430	11,939,861
Total	<u>\$ 76,181,031</u>	<u>\$ (10,429,835)</u>	<u>\$ 65,751,196</u>
	<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.	\$ 52,486,798	\$ 95,440	\$ 52,582,238
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).	10,057,606	-	10,057,606
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	10,057,606	-	10,057,606
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	307,802,645
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.	11,682,178	84,635	11,766,813
d. Deferred tax assets admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b)+ 2(c))	<u>74,226,582</u>	<u>180,075</u>	<u>74,406,657</u>
Deferred tax liabilities netted against deferred tax assets	150,383	11,616,430	11,766,813
Total	<u>\$ 74,076,199</u>	<u>\$ (11,436,355)</u>	<u>\$ 62,639,844</u>
	<u>Change</u>		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
a. Federal income taxes paid in prior years recoverable through loss carrybacks.	\$ (249,695)	\$ 497,857	\$ 248,162
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).	2,863,190	-	2,863,190
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date.	2,863,190	-	2,863,190
2. Adjusted gross deferred tax assets allowed per limitation threshold.	xxxx	xxxx	(2,125,956)
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.	(335,615)	508,663	173,048
d. Deferred tax assets admitted as the result of application of SSAP No. 101.			
Total (2(a) + 2(b)+ 2(c))	<u>2,277,880</u>	<u>1,006,520</u>	<u>3,284,400</u>
Deferred tax liabilities netted against deferred tax assets	173,048	-	173,048
Total	<u>\$ 2,104,832</u>	<u>\$ 1,006,520</u>	<u>\$ 3,111,352</u>
	<u>2015</u>	<u>2014</u>	
3. a. Ratio percentage used to determine recovery period and threshold limitation amount.	1,767%	1,765%	
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above.	2,037,844,593	2,052,017,631	

**NOTES TO FINANCIAL STATEMENTS**

## 4. Impact of Tax Planning Strategies:

	<u>December 31, 2015</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)	84,711,962	1,186,595
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)	76,504,462	1,186,595
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	13%	50%

	<u>December 31, 2014</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)	84,995,072	180,075
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)	74,226,582	180,075
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	14%	47%

	<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)	(283,110)	1,006,520
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)	2,277,880	1,006,520
4. Percentage of net admitted adjusted gross deferred tax assets by tax character attributable to the impact of tax planning strategies.	-1%	3%

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

## B. Deferred tax liabilities not recognized for the following amounts:

Not applicable.

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

	<u>December 31, 2015</u>	<u>December 31, 2014</u>	<u>Change</u>
1. Current Income Tax:			
Federal	\$ 204,765,326	\$ 271,708,268	\$ (66,942,942)
Foreign	<u>88,162</u>	<u>190,929</u>	<u>(102,767)</u>
Subtotal	204,853,488	271,899,197	(67,045,709)
Federal income taxes on net capital gains	<u>3,679,250</u>	<u>1,214,776</u>	<u>2,464,474</u>
Federal and foreign income taxes incurred	<u>\$ 208,532,738</u>	<u>\$ 273,113,973</u>	<u>\$ (64,581,235)</u>

## 2. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets are as follows:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>	<u>Change</u>
<u>Ordinary:</u>			
Discounting of unpaid losses	\$ 14,669,565	\$ 16,126,267	\$ (1,456,702)
Unearned premium reserve	60,494,427	59,967,378	527,049
Nonadmitted assets	8,290,111	8,303,243	(13,132)
Other	<u>1,257,859</u>	<u>598,184</u>	<u>659,675</u>
Total ordinary deferred tax assets	<u>\$ 84,711,962</u>	<u>\$ 84,995,072</u>	<u>\$ (283,110)</u>
Statutory valuation allowance adjustment	-	-	-
Nonadmitted deferred tax assets	<u>8,207,500</u>	<u>10,768,490</u>	<u>(2,560,990)</u>
Admitted ordinary deferred tax assets	<u>\$ 76,504,462</u>	<u>\$ 74,226,582</u>	<u>\$ 2,277,880</u>

**NOTES TO FINANCIAL STATEMENTS**

<u>Capital:</u>			
Investments	\$ 1,186,595	\$ 180,075	\$ 1,006,520
Total capital deferred tax assets	\$ 1,186,595	\$ 180,075	\$ 1,006,520
Statutory valuation allowance adjustment	-	-	-
Nonadmitted deferred tax assets	-	-	-
Admitted capital deferred tax assets	\$ 1,186,595	\$ 180,075	\$ 1,006,520
Total admitted deferred tax assets:	\$ 77,691,057	\$ 74,406,657	\$ 3,284,400

3. The tax effects of temporary differences that give rise to significant portions of the deferred tax liabilities are as follows:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>	<u>Change</u>
<u>Ordinary:</u>			
Investments	\$ 212,056	\$ 14,742	\$ 197,314
Advance premium expenses	90,824	81,554	9,270
Guaranty fund assessments	20,318	53,739	(33,421)
Other	233	348	(115)
Total ordinary deferred tax liabilities	\$ 323,431	\$ 150,383	\$ 173,048
<u>Capital:</u>			
Investments	\$ 11,616,430	\$ 11,616,430	\$ -
Total capital deferred tax liabilities	\$ 11,616,430	\$ 11,616,430	\$ -
Total deferred tax liabilities:	\$ 11,939,861	\$ 11,766,813	\$ 173,048

4. Net admitted deferred tax asset/(liability) \$ 65,751,196 \$ 62,639,844 \$ 3,111,352

5. Deferred income taxes do not include any benefit from investment tax credits.
6. Deferred income taxes do not include a benefit from net operating losses.
7. There are no adjustments to a deferred tax asset or deferred tax liability for enacted changes in tax laws or rates or a change in the tax status of the Company.
8. There are no adjustments to gross deferred tax assets because of a change in circumstances that causes a change in judgment about the realizability of the related deferred tax asset.
9. The change in net deferred income taxes is comprised of the following:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>	<u>Change</u>
Total deferred tax assets	\$ 85,898,557	\$ 85,175,147	\$ 723,410
Total deferred tax liabilities	11,939,861	11,766,813	173,048
Net deferred tax asset/(liability)	\$ 73,958,696	\$ 73,408,334	550,362
Tax effect of unrealized gains (losses)			(971,038)
Change in net deferred income tax			\$ (420,676)

- D. 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:	
	<u>December 31, 2015</u>
Pretax net income (loss)	\$ 678,545,737
Taxes at statutory rate	237,491,008
Increase (decrease) attributable to:	
Nontaxable investment income	(24,557,698)
Other	(3,979,896)
	<u>\$ 208,953,414</u>
Federal and foreign taxes incurred	\$ 208,532,738
Change in net deferred taxes	420,676
Total statutory income tax	<u>\$ 208,953,414</u>
Effective tax rate	30.8%

- E. 1. The Company has no net operating loss carryforward available for tax purposes.
2. The Company has \$212,123,242, \$266,642,018, and \$605,655 of federal income tax from the current and prior tax years respectively, available for recoupment in the event of future losses.
3. The reporting entity has no protective tax deposits with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.
- F. 1. 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.
2. 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.

- G. 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) Through December 31, 2015, the Company sold \$203.9 million of securities to the Travelers Money Market Liquidity Pool (TRVMMLP) as follows:

(in millions)	<u>Proceeds</u>
May 18, 2015	\$ 56.3
June 19, 2015	20.0
August 24, 2015	31.1
November 12, 2015	96.5

- (2) In December 2015, the Company sold \$100.0 million of securities to its affiliate, St. Paul Fire and Marine Insurance Company (Fire and Marine).
- (3) In December 2014, the Company sold \$149.8 million of securities to its affiliate, Fire and Marine.
- (4) Effective September 29, 2014, the Company formed Travelers Global, Inc., (Travelers Global), a Delaware Corporation. In accordance with the authority granted in its certificate of incorporation, Travelers Global issued 100 shares of common stock, no par value. The Company owns 100% of the outstanding shares of Travelers Global.

On November 1, 2014, the Company contributed 100% of the outstanding common interests of Travelers Brazil Holding LLC to Travelers Global. As a result of this transaction, Travelers Brazil Holding LLC and its direct subsidiary, Travelers Brazil Acquisition LLC are indirectly owned by the Company.

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 provided 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:

- (1) 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 Travelers Indemnity Company (Indemnity). Settlements between the companies are made at least monthly.
- (2) TRV maintains a private short-term investment pool, known as the TRVMMLP, in which affiliated companies may participate. This pool is managed by Indemnity. 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, 2015 and 2014, the TRVMMLP totaled \$4.75 billion and \$4.48 billion, respectively.
- D. (1) At December 31, 2015 and 2014, the Company had \$29,659,492 and \$9,057,199 receivable from affiliates, respectively. Substantially all of the accounts between and among the Company and its affiliates are settled at least monthly through the TRVMMLP or in cash.
- (2) The Company participates in intercompany reinsurance agreements as described in Note 23. The following represents the unsettled balances resulting from affiliated reinsurance that are reported in the respective balance sheet accounts:

	<u>December 31, 2015</u>	<u>December 31, 2014</u>
Amounts recoverable from reinsurers	\$ 22,412,193	\$ 17,603,326
Reinsurance payable on paid losses and LAE	425,504	255,957
Ceded reinsurance premiums payable	22,554,406	21,395,612

These balances were settled net through the intercompany settlement process during January 2016 and January 2015, respectively.

- E. The Company has not provided any guarantees for the benefit of an affiliate which would result in a material contingent exposure for the Company or any affiliated insurer's assets or liabilities.
- F. Material management or service contracts and cost sharing arrangements, involving the Company or any affiliate, other than cost allocation arrangements:

<u>TYPE OF CONTRACT AND DESCRIPTION</u>	<u>SERVICING COMPANY</u>	<u>OTHER PARTY</u>
Expense Allocation	The Travelers Indemnity Company	Travelers P&C <sup>1</sup>
Reinsurance Allocation	The Travelers Indemnity Company	Travelers P&C <sup>1</sup>

<sup>1</sup> "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 Casualty and Surety Company (TCS), an insurance company domiciled in Connecticut. The Company is an indirect subsidiary of TRV, the organization of which is shown in Schedule Y - Part 1.
- H. Not applicable.
- I. Not applicable.
- J. Not applicable.
- K. Not applicable.
- L. Not applicable.

**NOTES TO FINANCIAL STATEMENTS**

M. The table below provides information on subsidiary, controlled and affiliated (SCA) investments, excluding investments in U.S. insurance SCA entities.

Common Stock:

Investment	12/31/2014	12/31/2014	12/31/2014	Date of Filing to NAIC	Type of NAIC Filing	NAIC	NAIC	Valuation Method
	Gross Amount	Nonadmitted Amount	Admitted Asset Amount			Response Received (yes/no)	Valuation (Amount)	Disallowed, Resubmission Required (yes/no)
Travelers Global, Inc.	\$ 326,931,879	\$ -	\$ 326,931,879	*	*	*	*	*
Total:	\$ 326,931,879	\$ -	\$ 326,931,879	XXX	XXX	XXX	*	XXX

\* The audit of the financial statements of Travelers Global, Inc. is still in process. The audit is expected to be filed in the second quarter of 2016.

The gross amount as of December 31, 2014 represents the value for the filing to be made with the SVO during 2016 as referenced. For the year ended December 31, 2015, applicable Sub I and Sub II SCA investment filings will be made with the SVO subsequent to the Company's Annual Statement filing date. Balances above represent values as of the prior year end. For December 31, 2015 carrying values, see the accompanying investment schedules.

During 2015, the Company did not make any Other Invested Assets (Schedule BA) SCA investment Sub I or Sub II filings with the SVO.

N. Not applicable.

## 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 TRV. In addition the Company participates in nonqualified defined benefit pension plans sponsored by TRV which cover certain highly-compensated employees of TRV. 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 \$8,408,303 and \$6,055,041 for 2015 and 2014, respectively.

## 2. Postretirement Benefit Plan:

The Company participates in a postretirement health and life insurance benefit plan sponsored by TRV for employees of TRV 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 \$351,163 and \$202,443 for 2015 and 2014, respectively.

## 3. 401(k) Savings Plan:

The Company participates in a 401(k) savings plan sponsored by TRV for substantially all employees of TRV. 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 \$6,124,933 and \$5,536,969 for 2015 and 2014, 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 10,000 shares of common capital stock authorized and 5,400 shares issued and outstanding with a par value of \$1,200 per share.

The Company paid ordinary dividends of \$400 million to its parent company, TCS, in both 2015 and 2014.

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 the Company to shareholders without prior approval of the Insurance Commissioner of the State of Connecticut is subject to restrictions relating to statutory surplus or net income. The maximum amount of dividends to shareholders that can be made during 2016 without prior approval is \$470,012,000.

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.

**NOTES TO FINANCIAL STATEMENTS**

The change in the balance of special surplus from retroactive reinsurance is a result of ongoing activity occurring in 2015. See Note 23F for additional detail.

Unassigned funds have been decreased by cumulative net unrealized losses of \$276,698,205.

**14. LIABILITIES, CONTINGENCIES AND ASSESSMENTS****A. Contingent Commitments:**

At December 31, 2015, the Company had commitments to fund investments of \$79 thousand.

**B. Assessments:**

1. The Company does not have any net accrued liabilities for guaranty fund and other insurance-related assessments due to its cross business reinsurance agreement with certain affiliates. At December 31, 2015, the Company reported \$73,385 in accrued premium tax offsets on a direct basis.

2. a. Assets recognized from paid and accrued premium tax offsets December 31, 2014 \$ 84,282

b. Decreases current year:  
 Premium tax offset charged off -  
 Premium tax offset applied 11,778  
 Premium tax offset refunded -

c. Increases current year:  
 Premium tax offset accrued 881

d. Assets recognized from paid and accrued premium tax offsets December 31, 2015 \$ 73,385

**C. Gain Contingencies:**

Not applicable.

**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 (ECO) or bad faith claims stemming from lawsuits:

	Direct
Claims related ECO and bad faith losses paid during the reporting period	\$ 900,000

Number of claims where amounts were paid to settle claims related ECO 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 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, 2015, 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.

**15. LEASES**

Not applicable.

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

The Company has unfunded commitments to private equity limited partnerships and real estate partnerships in which it invests. The off-balance-sheet risk of these financial instruments was \$79 thousand at December 31, 2015.

**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

## NOTES TO FINANCIAL STATEMENTS

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 PREMIUM 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.

A. 1. Securities measured and reported at fair value as of December 31, 2015:

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Bonds				
Industrial and miscellaneous	\$ -	\$13,197,190	\$ -	\$13,197,190
Total securities at fair value	\$ -	\$13,197,190	\$ -	\$13,197,190

At December 31, 2015, the Company also holds Level 3 industrial and miscellaneous bonds and Level 3 industrial and miscellaneous common stock, both measured and reported at their fair value of \$0.

There were no significant transfers between Level 1 and Level 2 during the year.

2. Not applicable.

3. Not applicable.

4. Bonds are carried at fair value in accordance with NAIC guidelines. These securities are generally priced by the SVO or by a third party organization.

The Company holds common stock where the fair value estimate is determined by an internal fund manager based on recent filings, operating results, balance sheet stability, growth and other business and market sector fundamentals. Due to the significant unobservable inputs in these valuations, the Company includes the total fair value estimate for all of these investments in Level 3.

5. Not applicable.

B. Not applicable.

C. The following tables provide 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.

<u>(At December 31, 2015)</u> <u>Description</u>	<u>Aggregate</u> <u>Fair Value</u>	<u>Admitted</u> <u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not</u> <u>Practicable</u> <u>(Carrying</u> <u>Value)</u>
Short term bonds	\$ 71,090,343	\$ 71,090,343	\$ 24,703,973	\$ 46,386,370	\$ -	\$ -
Long term bonds	3,651,263,047	3,500,572,638	110,414,871	3,534,755,539	6,092,637	-
Common stock	-	-	-	-	-	-
<u>(At December 31, 2014)</u> <u>Description</u>	<u>Aggregate</u> <u>Fair Value</u>	<u>Admitted</u> <u>Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not</u> <u>Practicable</u> <u>(Carrying</u> <u>Value)</u>
Short term bonds	\$ 144,565,042	\$ 144,565,042	\$ 39,394,891	\$ 105,035,018	\$ 135,133	\$ -
Long term bonds	3,622,207,563	3,411,436,937	87,178,530	3,533,147,718	1,881,315	-
Common stock	-	-	-	-	-	-

D. Not applicable.



## NOTES TO FINANCIAL STATEMENTS

### 21. OTHER ITEMS

#### A. Unusual or Infrequent Items:

Not applicable.

#### B. Troubled Debt Restructuring -- Debtors:

Not applicable.

#### C. Other Disclosures:

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

2015 Schedule P:

The 2005 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>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001 &amp; Prior</u>
Part 1A	\$ -	\$ -	\$ -	\$ -	\$ -
Part 1B	-	-	-	-	-
Part 1C	-	-	-	-	-
Part 1D	-	-	-	-	-
Part 1E	-	-	-	-	-
Part 1F - Section 1	-	-	-	-	-
Part 1F - Section 2	-	-	-	-	-
Part 1G	-	-	-	-	-
Part 1H - Section 1	-	-	-	-	-
Part 1H - Section 2	1,821	348	19	-	5
Part 1M	-	-	-	-	-
Part 1N	-	-	-	-	-
Part 1O	-	-	-	-	-
Part 1P	-	-	-	-	-
Part 1R - Section 1	-	-	-	-	-
Part 1R - Section 2	-	-	-	-	-

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

<u>Accident Year</u>	<u>Fidelity/Surety</u>
2013 & Prior	\$ 898

#### 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>
Investmaryland	MD	\$ 276,411	\$ 274,029
Advantage Capital 2013 State TC Series E	NE	418,716	347,247
Heartland Arkansas Equity Fund I LLC	AR	402,284	393,887
Petros Connecticut Fund I LLC	CT	937,663	935,000
Innovatepa	PA	1,727,294	1,719,368
Petros Wyoming Fund Series 2014	WY	396,401	386,009
Petros – Pacesetter Arkansas Fund I	AR	867,529	850,865

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	\$ 5,026,298	\$ -
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

**NOTES TO FINANCIAL STATEMENTS**

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.

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	\$ 3,709,500	\$ 3,613,254	\$ 3,939,006	\$ 556,145

G. Insurance-Linked Securities:

Not applicable.

22. EVENTS SUBSEQUENT

The Company had no material subsequent events through February 15, 2016.

23. REINSURANCE

A. Unsecured Reinsurance Recoverables:

1. Affiliated Company Recoverables:

The Company had \$1,181,945,550 of unsecured aggregate recoverables for ceded losses, LAE and unearned premiums that exceeded 3% of its surplus as regards policyholders recoverable from Indemnity at December 31, 2015.

2. Unaffiliated Company Recoverables:

The unsecured aggregate recoverables for ceded losses, LAE and unearned premiums recoverable from any unaffiliated reinsurer at December 31, 2015, that exceeded 3% of the Company's surplus as regards policyholders were as follows:

NONE

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

B. Reinsurance Recoverable in Dispute:

Not applicable.

C. Reinsurance Assumed and Ceded:

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
Affiliates	\$ 67,705,192	\$ 9,241,460	\$ 261,864,712	\$ 35,743,378	\$ (194,159,520)	\$ (26,501,918)
All Other	<u>5,407,177</u>	<u>738,056</u>	<u>32,672,906</u>	<u>4,459,707</u>	<u>(27,265,729)</u>	<u>(3,721,651)</u>
Total	<u>\$ 73,112,369</u>	<u>\$ 9,979,516</u>	<u>\$ 294,537,618</u>	<u>\$ 40,203,085</u>	<u>\$ (221,425,249)</u>	<u>\$ (30,223,569)</u>

Direct Unearned Premium Reserve \$ 1,084,058,712

2. Accruals for contingent, sliding scale adjustment and other profit sharing commissions, net of reinsurance assumed and ceded, amounted to \$4,997,306 at December 31, 2015:

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$ 4,789,512	\$ 231,392	\$ 23,598	\$ 4,997,306
b. Sliding Scale Adjustments	-	-	-	-
c. Other Profit Commission Arrangements	-	-	-	-
d. Total	<u>\$ 4,789,512</u>	<u>\$ 231,392</u>	<u>\$ 23,598</u>	<u>\$ 4,997,306</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 \$(2,860), which is reflected as:

a. Losses incurred	\$ (2,860)
b. Loss adjustment expenses incurred	-
c. Premiums earned	-
d. Other	-
e.	
<u>Company</u>	<u>Amount</u>
Folksam International Insurance Co. (UK) Ltd.	\$ (1,050)
Reliance Insurance Company	(1,810)
Total	<u>\$ (2,860)</u>

E. Commutation of Ceded Reinsurance:

Not applicable.

**NOTES TO FINANCIAL STATEMENTS**

## F. Retroactive Reinsurance:

	<u>Assumed</u>	<u>Ceded</u>
a. Reserves Transferred:		
(1) Initial Reserves	\$ 71,584,000	\$ -
(2) Adjustments - Prior Year(s)	(39,915,502)	-
(3) Adjustments - Current Year	<u>(1,417,718)</u>	<u>-</u>
(4) Current Total	<u>\$ 30,250,780</u>	<u>\$ -</u>
b. Consideration Paid or Received:		
(1) Initial Consideration	\$ 71,584,000	\$ -
(2) Adjustments - Prior Year(s)	10,879,000	-
(3) Adjustments - Current Year	<u>-</u>	<u>-</u>
(4) Current Total	<u>\$ 82,463,000</u>	<u>\$ -</u>
c. Paid Losses Reimbursed or Recovered:		
(1) Prior Year(s)	\$ 30,815,067	\$ -
(2) Current Year	<u>(1,462,432)</u>	<u>-</u>
(3) Current Total	<u>\$ 29,352,635</u>	<u>\$ -</u>
d. Special Surplus From Retroactive Reinsurance:		
(1) Initial Surplus Gain or Loss	\$ -	\$ -
(2) Adjustments - Prior Year(s)	50,794,502	-
(3) Adjustments - Current Year	<u>1,417,718</u>	<u>-</u>
(4) Current Year Restricted Surplus	<u>7,212,220</u>	<u>-</u>
(5) Cumulative Total Transferred to Unassigned Funds	<u>\$ 45,000,000</u>	<u>\$ -</u>
e. List the other insurers included in the above transactions:		
<u>Company</u>	<u>Assumed</u>	<u>Ceded</u>
Reliance Insurance Company (24457)	\$ 30,250,780	\$ -
f. Paid Loss/LAE Recoverable:		
Not applicable.		

## G. Reinsurance Accounted for as a Deposit:

Not applicable.

## 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.

## J. Reinsurance Agreements Qualifying for Reinsurer Aggregation:

Not applicable.

## 24. RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

Not applicable.

## 25. CHANGES IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

During the period from January 1, 2015 to December 31, 2015, the prior year-end total loss and LAE reserves developed favorably by \$183,974,000, resulting primarily from better than expected loss and defense and cost containment development in the fidelity & surety line for accident years 2007 through 2014 and in the other liability – claims-made line for accident years 2008 through 2012. The remaining changes are generally the result of ongoing analyses of recent loss data and trends. There are no material additional premiums or return premiums as a result of these prior year effects.

## 26. INTERCOMPANY POOLING ARRANGEMENTS

Not applicable.

## 27. STRUCTURED SETTLEMENTS

The Company has purchased annuities from life insurance companies, under which the claimant is the payee and the Company is contingently liable as 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 the purchased annuities are not covered by state guaranty associations.

The following data represents structured settlement annuities purchased by the Company:

A.	<u>Loss Reserves</u>	<u>Unrecorded Loss</u>
	<u>Eliminated by Annuities</u>	<u>Contingencies</u>
	\$ 77,506	\$ 77,506

B. Not applicable.

## 28. HEALTH CARE RECEIVABLES

Not applicable.

## **NOTES TO FINANCIAL STATEMENTS**

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, 2015	
3. Was anticipated investment income utilized in the calculation?		Yes

31. HIGH DEDUCTIBLES

Not applicable.

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

Not applicable.

33. ASBESTOS/ENVIRONMENTAL RESERVES

The Company has minimal potential exposure to asbestos and environmental claims on a direct basis, primarily arising from the sale of general liability insurance. There is no net exposure for the Company since 100% of this business is ceded to participants in the Travelers Reinsurance Pool.

34. SUBSCRIBER SAVINGS ACCOUNTS

Not applicable.

35. MULTIPLE PERIL CROP INSURANCE

Not applicable.

36. FINANCIAL GUARANTY INSURANCE

Not applicable.

**NOTES TO FINANCIAL STATEMENTS**

Attachment to the 2015 Annual Statement – Notes to Financial Statements, Note 9 – Part F:  
Names of the companies included with TRV in the December 31, 2015, 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 MANAGEMENT COMPANY	20-4312440
ST. PAUL FIRE AND CASUALTY INSURANCE COMPANY	41-1419276	TRAVELERS LLOYDS OF TEXAS INSURANCE COMPANY	75-1732040
ST. PAUL FIRE AND 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, CONNECTICUT	06-0848755	UNITED STATES FIDELITY AND 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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1<br>Name of Entity | 2<br>NAIC<br>Company<br>Code | 3<br>State of<br>Domicile |
|---------------------|------------------------------|---------------------------|
|                     | 0                            |                           |
- 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 control 0.000%
- 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<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
|                  |                     |
- 8.1 Is the company a subsidiary of a bank holding company regulated with 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 the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.
- | 1<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>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 other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes  No
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes  No  N/A
- 10.6 If the response to 10.5 is no or n/a, please explain:

## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
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 [X]
- 12.11 Name of real estate holding company \_\_\_\_\_
- 12.12 Number of parcels involved \_\_\_\_\_ 0
- 12.13 Total book/adjusted carrying value \_\_\_\_\_ \$ 0
- 12.2 If yes, provide explanation
13. **FOR UNITED STATES BRANCES 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 [X] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [X]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [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
0	Allied Irish Banks, Plc	Failure to comply with contract.	176,095
0	Banco de Sabadell, SA	Failure to comply with contract.	20,000,000
0	Banco do Brasil S.A.	Failure to comply with contract.	2,088,600
0	Danske Bank A/S	Failure to comply with contract.	2,000,000
0	Intesa Sanpaolo SpA	Failure to comply with contract.	3,125,000
0	National Rural Utilities Cooperative Finance Corporation	Failure to comply with contract.	12,000,000
0	UniCredit SpA	Failure to comply with contract.	7,166,554
011302742	Enterprise Bank and Trust Company	Failure to comply with contract.	291,537
011304300	National Grand Bank of Marblehead	Failure to comply with contract.	20,000
021303618	NBT Bank, National Association	Failure to comply with contract.	32,500
021305386	Community Bank, National Association	Failure to comply with contract.	50,060
021307711	National Union Bank of Kinderhook	Failure to comply with contract.	10,000
021308642	Tioga State Bank	Failure to comply with contract.	5,000
021406667	Bridgehampton National Bank	Failure to comply with contract.	20,000
026006237	Interaudi Bank	Failure to comply with contract.	100,000
031301066	AmeriServ Financial Bank	Failure to comply with contract.	400,000
031308807	Mid Penn Bank	Failure to comply with contract.	14,693
043307524	NexTier Bank, National Association	Failure to comply with contract.	25,000
043400036	WesBanco Bank, Inc.	Failure to comply with contract.	75,000
051401153	Grundy National Bank	Failure to comply with contract.	200,000
051408897	New Peoples Bank, Inc.	Failure to comply with contract.	89,000
051500601	First Century Bank, Inc.	Failure to comply with contract.	413,100
053174048	Little Bank, Inc.	Failure to comply with contract.	50,000
055003298	EagleBank	Failure to comply with contract.	75,000
061102400	Fidelity Bank	Failure to comply with contract.	100,000
062104290	Sweet Water State Bank	Failure to comply with contract.	25,000
062206295	Cadence Bank, N.A.	Failure to comply with contract.	281,600
062206651	First Partners Bank	Failure to comply with contract.	100,000
063116083	Seaside National Bank & Trust	Failure to comply with contract.	2,000,000
064008637	Pinnacle Bank	Failure to comply with contract.	546,314
065203431	MidSouth Bank	Failure to comply with contract.	75,000

## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

071901604	First Midwest Bank	Failure to comply with contract.	37,500
071922609	First Bank of Highland Park	Failure to comply with contract.	42,000
072410013	Chemical Bank	Failure to comply with contract.	1,000,000
073900522	American Trust & Savings Bank	Failure to comply with contract.	1,250,000
073901233	MidWestOne Bank	Failure to comply with contract.	500,000
073903244	Farmers & Merchants Savings Bank	Failure to comply with contract.	660,000
075901561	WoodTrust Bank	Failure to comply with contract.	75,000
081006162	Enterprise Bank & Trust	Failure to comply with contract.	750,000
081015218	Citizens National Bank of Greater St. Louis	Failure to comply with contract.	200,000
081501227	First Midwest Bank of Poplar Bluff	Failure to comply with contract.	150,000
083000564	Stock Yards Bank & Trust Company	Failure to comply with contract.	150,000
083001314	Republic Bank & Trust Company	Failure to comply with contract.	235,000
083002177	Commonwealth Bank and Trust Company	Failure to comply with contract.	4,725
084307033	FirstBank	Failure to comply with contract.	147,000
086300012	Old National Bank	Failure to comply with contract.	700,000
091300515	American State Bank & Trust Company of Williston	Failure to comply with contract.	20,000
091305044	First State Bank of North Dakota	Failure to comply with contract.	75,000
091310615	American Bank Center	Failure to comply with contract.	230,941
091400172	Dacotah Bank	Failure to comply with contract.	500,000
091916161	Security Bank & Trust	Failure to comply with contract.	465,729
096010415	Bremer Bank, National Association	Failure to comply with contract.	50,000
101101536	KS StateBank	Failure to comply with contract.	500,000
101110404	Silver Lake Bank	Failure to comply with contract.	75,000
102105997	Collegiate Peaks Bank	Failure to comply with contract.	50,000
103003467	Republic Bank & Trust	Failure to comply with contract.	600,000
103102892	AVB Bank	Failure to comply with contract.	35,000
103104641	First National Bank in Hominy	Failure to comply with contract.	50,000
104000016	First National Bank of Omaha	Failure to comply with contract.	1,013,000
104001497	First Westroads Bank, Inc.	Failure to comply with contract.	100,000
104100783	McCook National Bank	Failure to comply with contract.	161,500
104113819	Security First Bank	Failure to comply with contract.	100,000
104913912	Pinnacle Bank	Failure to comply with contract.	97,500
107002008	Community 1st Bank Las Vegas	Failure to comply with contract.	100,000
107005047	FirstBank	Failure to comply with contract.	150,000
111300958	Amarillo National Bank	Failure to comply with contract.	50,000
111301122	First Financial Bank, National Association	Failure to comply with contract.	300,000
111323922	American Bank of Commerce	Failure to comply with contract.	500,000
111925508	Meridian Bank Texas	Failure to comply with contract.	120,000
121301578	Central Pacific Bank	Failure to comply with contract.	25,000
121301772	Hawaii National Bank	Failure to comply with contract.	981,749
122105320	National Bank of Arizona	Failure to comply with contract.	100,000
124085011	Ally Bank	Failure to comply with contract.	1,500,000
124100417	Bank of Commerce	Failure to comply with contract.	98,345
125104603	Cashmere Valley Bank	Failure to comply with contract.	50,000
125107037	AmericanWest Bank	Failure to comply with contract.	10,647
211174330	Jewett City Savings Bank	Failure to comply with contract.	30,000
211574833	Admirals Bank	Failure to comply with contract.	50,000
221172270	Fairfield County Bank	Failure to comply with contract.	75,000
226071004	New York Community Bank	Failure to comply with contract.	20,000
242272227	National Cooperative Bank, N.A.	Failure to comply with contract.	500,000
303087995	MidFirst Bank	Failure to comply with contract.	78,069

## BOARD OF DIRECTORS

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

## FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |    |   |
|---|----|---|
| 20.11 To directors or other officers              | \$ | 0 |
| 20.12 To stockholders not officers                | \$ | 0 |
| 20.13 Trustees, supreme or grand (Fraternal only) | \$ | 0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- |                                      |    |   |
|--------------------------------------|----|---|
| 20.21 To directors or other officers | \$ | 0 |
|--------------------------------------|----|---|



## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

20.22	To stockholders not officers	\$	0
20.23	Trustees, supreme or grand (Fraternal only)	\$	0
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement?		Yes [ ] No [ X ]
21.2	If yes, state the amount thereof at December 31 of the current year:		
21.21	Rented from others	\$	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 <i>Annual Statement Instructions</i> other than guaranty fund or guaranty association assessments?		Yes [ ] No [ X ]
22.2	If answer is yes:		
22.21	Amount paid as losses or risk adjustment	\$	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 [ X ] No [ ]
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:	\$	0

## INVESTMENT

24.01	Were all of 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 [ X ] No [ ]					
24.02	If no, give full and complete information, relating thereto:							
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off balance sheet (an alternative is to reference Note 17 where this information is also provided). <u>This company is a party to a security lending agreement. See Note 17.</u>							
24.04	Does the company's security lending program meet the requirements for a conforming program as outlined in the <i>Risk-Based Capital Instructions</i> ?	Yes [ X ]	No [ ] N/A [ ]					
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$	11,772,178					
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 [ X ] No [ ] N/A [ ]					
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?		Yes [ X ] 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 [ X ] 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:	\$	11,772,178					
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2:	\$	11,772,178					
24.103	Total payable for securities lending reported on the liability page:	\$	11,772,178					
25.1	Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.)		Yes [ X ] No [ ]					
25.2	If yes, state the amount thereof at December of the current year:							
25.21	Subject to repurchase agreements	\$	0					
25.22	Subject to reverse repurchase agreements	\$	0					
25.23	Subject to dollar repurchase agreements	\$	0					
25.24	Subject to reverse dollar repurchase agreements	\$	0					
25.25	Placed under option agreements	\$	0					
25.26	Letter stock or securities restricted as sale – excluding FHLB Capital Stock	\$	0					
25.27	FHLB Capital Stock	\$	0					
25.28	On deposit with states	\$	7,695,539					
25.29	On deposit with other regulatory bodies	\$	0					
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	\$	0					
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	\$	0					
25.32	Other	\$	0					
25.3	For category (25.26) provide the following:							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">1 Nature of Restriction</th> <th style="width: 33%;">2 Description</th> <th style="width: 33%;">3 Amount</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td style="text-align: right;">\$ 0</td> </tr> </tbody> </table>	1 Nature of Restriction	2 Description	3 Amount			\$ 0	
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? If no, attach a description with this statement.		Yes [ ] No [ ] N/A [ X ]					
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 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 <i>Financial Condition Examiners Handbook</i> ?		Yes [ X ] No [ ]					
28.01	For all agreements that comply with the requirements of the NAIC <i>Financial Condition Examiners Handbook</i> , complete the following:							
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">1</th> <th style="width: 50%;">2</th> </tr> </thead> <tbody> <tr> <td style="height: 20px;"></td> <td></td> </tr> </tbody> </table>	1	2					
1	2							

## GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

Name of Custodian(s)	Custodian 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)
N/A		

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, broker/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	2 Name(s)	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 above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holdings	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	3,571,662,980	3,722,353,390	150,690,411
30.2	Preferred Stocks	0	0	0
30.3	Totals	3,571,662,980	3,722,353,390	150,690,411

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

Fair values of bonds 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 reliance pricing source for purposes of disclosure of fair value for Schedule D:

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

32.2 If no, list exceptions:

## OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 392,458

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
THE SURETY & FIDELITY ASSOCIATION OF AMERICA	\$ 289,084

34.1 Amount of payments for legal expenses, if any? \$ 572,227

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
NORONHA ADVOGADOS	\$ 469,033

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 9,389

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
THE SURETY & FIDELITY ASSOCIATION OF AMERICA	\$ 9,389

## GENERAL INTERROGATORIES

## PART 2 – PROPERTY &amp; CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?			Yes [ ]	No [ X ]
1.2	If yes, indicate premium earned on U.S. business only.		\$		0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		\$		0
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		\$		0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.		\$		0
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned		\$		0
1.62	Total incurred claims		\$		0
1.63	Number of covered lives				0
	All years prior to most current three years:				
1.64	Total premium earned		\$		0
1.65	Total incurred claims		\$		0
1.66	Number of covered lives				0
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned		\$		0
1.72	Total incurred claims		\$		0
1.73	Number of covered lives				0
	All years prior to most current three years:				
1.74	Total premium earned		\$		0
1.75	Total incurred claims		\$		0
1.76	Number of covered lives				0
2.	Health Test:				
		1		2	
		Current Year		Prior Year	
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	1,370,523,648	\$	1,361,647,918
2.3	Premium Ratio (2.1/2.2)		0.000		0.000
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	1,877,684,245	\$	1,892,850,280
2.6	Reserve Ratio (2.4/2.5)		0.000		0.000
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		\$		33,455,124
3.22	Non-participating policies		\$		1,339,435,651
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?				0.000%
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 [ ]
5.22	As a direct expense of the exchange			Yes [ ]	No [ ]
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 fulfillments of certain conditions, been deferred?			Yes [ ]	No [ ]
5.5	If yes, give full information:				
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? <u>The Company has no workers compensation loss exposures.</u>				
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: <u>The Company has no property loss exposures.</u>				
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? <u>The Company has no property loss exposures.</u>				
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 [ X ]
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: <u>The Company has no property loss exposures.</u>				
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 [ X ]	No [ ]

## GENERAL INTERROGATORIES

## PART 2 – PROPERTY &amp; CASUALTY INTERROGATORIES

7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	4
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 <input checked="" type="checkbox"/> No <input type="checkbox"/>
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 <input type="checkbox"/> No <input checked="" type="checkbox"/>
8.2	If yes, give full information	
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
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 <input type="checkbox"/> No <input checked="" type="checkbox"/>
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 (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 (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 <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
11.2	If yes, give full information	
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for:	
12.11	Unpaid losses	\$ 0
12.12	Unpaid underwriting expenses (including loss adjustment expenses)	\$ 0
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$ 0
12.3	If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement:	
12.41	From	0.000%
12.42	To	0.000%
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 <input type="checkbox"/> No <input checked="" type="checkbox"/>
12.6	If yes, state the amount thereof at December 31 of current year:	
12.61	Letters of Credit	\$ 0
12.62	Collateral and other funds	\$ 0
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$ 211,466,000
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 <input type="checkbox"/> No <input checked="" type="checkbox"/>
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.	2

## GENERAL INTERROGATORIES

## PART 2 – PROPERTY &amp; CASUALTY INTERROGATORIES

- 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.
- 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	2	3	4	5
		Direct Losses	Direct Losses	Direct Written	Direct Premium	Direct Premium
		Incurred	Unpaid	Premium	Unearned	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 accounts? 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 2015	2 2014	3 2013	4 2012	5 2011
<b>Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 &amp; 3)</b>					
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).....	873,231,592	834,084,324	807,774,444	707,127,099	624,449,402
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	48,634,616	44,439,912	43,366,672	40,609,624	37,676,531
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	979,188,356	994,934,625	960,744,780	905,175,587	969,020,249
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
6. Total (Line 35).....	1,901,054,564	1,873,458,861	1,811,885,897	1,652,912,310	1,631,146,182
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
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).....	463,541,459	447,344,343	410,819,619	371,886,803	342,481,228
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	36,564,096	34,517,022	32,366,413	30,243,429	27,898,394
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	872,785,219	926,418,594	850,737,485	820,881,982	874,897,967
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
12. Total (Line 35).....	1,372,890,775	1,408,279,959	1,293,923,518	1,223,012,214	1,245,277,589
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	539,398,453	698,914,386	590,971,765	427,843,175	431,891,668
14. Net investment gain (loss) (Line 11).....	141,645,857	146,094,954	150,656,651	163,994,400	168,724,550
15. Total other income (Line 15).....	(4,132)	(879,198)	327,637	(441,911)	(1,508,647)
16. Dividends to policyholders (Line 17).....	6,173,691	6,456,356	5,695,240	5,787,078	9,348,538
17. Federal and foreign income taxes incurred (Line 19).....	204,853,488	271,899,197	235,757,038	168,613,989	173,559,501
18. Net income (Line 20).....	470,012,999	565,774,590	500,503,776	416,994,597	416,199,532
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	4,184,903,769	4,225,233,665	4,147,460,454	4,339,558,778	4,256,447,550
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	66,681,985	78,549,277	70,002,922	69,997,780	132,660,023
20.2 Deferred and not yet due (Line 15.2).....	134,308,928	131,433,627	120,833,540	114,944,728	106,616,639
20.3 Accrued retrospective premiums (Line 15.3).....	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	2,081,307,981	2,110,576,190	2,265,740,367	2,559,106,957	2,604,372,282
22. Losses (Page 3, Line 1).....	735,725,171	680,168,443	809,863,176	901,058,710	937,681,730
23. Loss adjustment expenses (Page 3, Line 3).....	278,900,106	356,911,923	460,670,453	534,370,660	525,055,953
24. Unearned premiums (Page 3, Line 9).....	862,633,464	855,349,712	808,717,671	783,409,692	813,328,906
25. Capital paid up (Page 3, Lines 30 & 31).....	6,480,000	6,480,000	6,480,000	6,480,000	6,480,000
26. Surplus as regards policyholders (Page 3, Line 37).....	2,103,595,788	2,114,657,475	1,881,720,088	1,780,451,821	1,652,075,268
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	461,586,726	474,524,078	290,769,676	439,784,644	489,022,290
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	2,103,595,788	2,114,657,475	1,881,720,088	1,780,451,821	1,652,075,268
29. Authorized control level risk-based capital.....	115,299,707	116,265,437	137,425,737	154,199,262	156,249,958
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	91.7	88.0	91.1	92.4	90.7
31. Stocks (Lines 2.1 & 2.2).....	6.4	8.4	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3).....	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5).....	1.4	3.3	1.8	0.4	2.7
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).....	0.1	0.1	7.0	7.0	6.4
38. Receivable for securities (Line 9).....	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10).....	0.3	0.2	0.1	0.2	0.2
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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
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).....	245,901,111	326,931,879	0	0	0
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.....	0	0	365,079,943	427,787,125	365,704,421
48. Total of above lines 42 to 47.....	245,901,111	326,931,879	365,079,943	427,787,125	365,704,421
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).....	11.7	15.5	19.4	24.0	22.1

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

## FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2015	2014	2013	2012	2011
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	(82,834,125)	(99,398,737)	(40,715,139)	(25,999,237)	(27,364,942)
52. Dividends to stockholders (Line 35).....	(400,000,000)	(400,000,000)	(416,000,000)	(200,000,000)	(385,000,000)
53. Change in surplus as regards policyholders for the year (Line 38).....	(11,061,687)	232,937,388	101,268,266	128,376,553	(150,149,244)
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
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).....	324,955,074	283,721,920	277,745,219	247,874,607	210,413,227
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	14,347,273	4,933,053	2,969,035	1,713,817	1,777,521
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	(1,004)	53,070	23,015	38,081	423,146
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	54,184,059	132,087,627	103,616,701	132,042,054	59,108,861
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	301,009	690,514	398,308	737,918	1,994,385
59. Total (Line 35).....	393,786,412	421,486,184	384,752,278	382,406,477	273,717,140
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
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).....	202,047,144	192,323,928	192,208,385	168,884,785	155,362,459
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	12,139,312	2,905,544	2,064,568	1,961,440	1,516,760
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	0	0	0	0	0
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	45,319,983	112,773,300	99,372,383	135,428,065	63,906,812
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	0	0	0	0	0
65. Total (Line 35).....	259,506,438	308,002,772	293,645,336	306,274,290	220,786,031
<b>Operating Percentages</b> (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).....	23.0	13.1	15.9	21.5	19.1
68. Loss expenses incurred (Line 3).....	(2.1)	(4.1)	(2.0)	4.9	8.0
69. Other underwriting expenses incurred (Line 4).....	39.8	39.7	39.8	39.5	38.2
70. Net underwriting gain (loss) (Line 8).....	39.4	51.3	46.3	34.1	34.7
<b>Other Percentages</b>					
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).....	39.7	38.5	39.2	40.5	38.3
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	20.9	9.0	13.9	26.4	27.2
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).....	65.3	66.6	68.8	68.7	75.4
<b>One Year Loss Development (000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11).....	(194,774)	(343,905)	(242,055)	(132,423)	(112,087)
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).....	(9.2)	(18.3)	(13.6)	(8.0)	(6.2)
<b>Two Year Loss Development (000 omitted)</b>					
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).....	(542,703)	(593,479)	(391,278)	(266,292)	(176,599)
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).....	(28.8)	(33.3)	(23.7)	(14.8)	(9.6)

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	1,690	725	725	423	1,133	98	1,648	2,303	XXX
2. 2006.....	1,311,246	176,899	1,134,347	233,701	33,339	11,283	386	26,943	1,288	14,266	236,913	XXX
3. 2007.....	1,424,370	152,966	1,271,405	240,538	24,488	19,026	1,207	30,117	3,270	31,489	260,716	XXX
4. 2008.....	1,453,276	123,271	1,330,005	212,158	5,044	14,080	3	33,879	7,943	22,237	247,127	XXX
5. 2009.....	1,477,479	204,754	1,272,726	377,234	42,094	31,683	4,560	47,144	15,647	34,720	393,759	XXX
6. 2010.....	1,529,145	257,380	1,271,764	334,018	85,453	16,783	7,542	48,819	18,318	11,371	288,306	XXX
7. 2011.....	1,570,859	325,856	1,245,003	385,845	104,129	27,694	9,472	47,389	15,730	19,085	331,597	XXX
8. 2012.....	1,659,024	406,092	1,252,931	351,901	84,760	14,034	7,252	44,040	15,350	13,900	302,613	XXX
9. 2013.....	1,747,246	471,422	1,275,824	318,834	75,352	18,505	7,790	41,960	14,954	6,025	281,203	XXX
10. 2014.....	1,826,816	465,168	1,361,648	230,122	48,295	10,535	5,966	37,094	11,243	7,713	212,247	XXX
11. 2015.....	1,879,820	509,296	1,370,524	67,156	15,160	3,438	1,181	20,067	5,656	897	68,666	XXX
12. Totals.....	XXX	XXX	XXX	2,753,196	518,838	167,786	45,782	378,586	109,497	163,349	2,625,451	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.....	27,074	11,215	21,455	11,531	4,009	1,146	5,590	3,764	3,726	1,570	2,167	32,629	XXX
2. 2006.....	3,441	701	754	5	116	0	604	17	227	99	731	4,320	XXX
3. 2007.....	5,433	1,619	2,341	92	186	3	1,071	20	836	99	2,609	8,033	XXX
4. 2008.....	4,165	0	3,008	809	199	0	2,157	223	752	99	2,592	9,150	XXX
5. 2009.....	12,864	2,060	9,639	2,169	1,409	289	4,752	1,561	1,330	191	5,971	23,724	XXX
6. 2010.....	13,171	7,463	8,522	2,850	754	189	10,483	3,565	2,676	802	2,397	20,737	XXX
7. 2011.....	38,987	20,225	22,197	13,111	3,334	665	21,602	11,531	3,418	1,186	6,905	42,823	XXX
8. 2012.....	89,923	54,403	62,335	35,623	3,259	2,018	54,729	29,590	4,644	2,095	9,343	91,161	XXX
9. 2013.....	118,637	80,998	128,387	86,139	4,873	2,807	77,075	35,803	8,030	3,257	14,399	127,998	XXX
10. 2014.....	92,219	30,646	238,788	139,462	6,486	3,694	119,525	41,592	15,802	4,981	15,223	252,444	XXX
11. 2015.....	113,183	26,472	433,055	186,260	6,264	3,394	71,459	28,604	38,288	15,910	31,624	401,607	XXX
12. Totals.....	519,096	235,801	930,482	478,051	30,889	14,205	369,047	156,270	79,729	30,290	93,961	1,014,625	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	25,783	6,846
2. 2006.	277,068	35,835	241,233	21.1	20.3	21.3	0	0	0.00	3,490	830
3. 2007.	299,548	30,799	268,749	21.0	20.1	21.1	0	0	0.00	6,062	1,970
4. 2008.	270,398	14,121	256,276	18.6	11.5	19.3	0	0	0.00	6,364	2,785
5. 2009.	486,055	68,572	417,483	32.9	33.5	32.8	0	0	0.00	18,274	5,450
6. 2010.	435,226	126,182	309,044	28.5	49.0	24.3	0	0	0.00	11,380	9,357
7. 2011.	550,468	176,048	374,420	35.0	54.0	30.1	0	0	0.00	27,849	14,974
8. 2012.	624,865	231,091	393,774	37.7	56.9	31.4	0	0	0.00	62,232	28,929
9. 2013.	716,301	307,100	409,201	41.0	65.1	32.1	0	0	0.00	79,887	48,111
10. 2014.	750,570	285,879	464,691	41.1	61.5	34.1	0	0	0.00	160,899	91,545
11. 2015.	752,911	282,638	470,273	40.1	55.5	34.3	0	0	0.00	333,506	68,102
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	735,725	278,900

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
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	One Year	Two Year
1. Prior.....	659,676	588,368	379,201	261,469	247,571	218,905	203,463	174,237	154,253	150,897	(3,357)	(23,340)
2. 2006.....	425,029	398,288	329,862	295,262	281,547	272,121	257,979	231,049	218,114	215,451	(2,663)	(15,598)
3. 2007.....	XXX	411,358	451,606	427,851	397,096	361,877	317,521	281,775	244,268	241,165	(3,103)	(40,610)
4. 2008.....	XXX	XXX	444,099	504,359	478,548	411,562	352,757	292,660	242,256	229,688	(12,568)	(62,972)
5. 2009.....	XXX	XXX	XXX	464,069	490,942	511,945	503,670	484,526	393,871	384,846	(9,024)	(99,679)
6. 2010.....	XXX	XXX	XXX	XXX	457,416	464,623	451,439	384,816	309,023	276,669	(32,354)	(108,147)
7. 2011.....	XXX	XXX	XXX	XXX	XXX	419,058	440,840	419,751	365,114	340,529	(24,585)	(79,223)
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	428,513	445,312	435,803	362,535	(73,268)	(82,777)
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	407,778	415,297	377,421	(37,875)	(30,357)
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	423,997	428,020	4,023	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	433,484	XXX	XXX
12. Totals.....											(194,774)	(542,703)

## 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
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
1. Prior.....	.000	93,416	107,876	103,282	113,938	122,467	128,320	119,356	119,156	120,424	XXX	XXX
2. 2006.....	41,665	138,579	177,402	191,302	201,785	207,785	209,385	209,075	210,271	211,258	XXX	XXX
3. 2007.....	XXX	52,657	146,244	194,770	224,890	223,330	227,556	229,702	230,524	233,869	XXX	XXX
4. 2008.....	XXX	XXX	38,306	136,483	185,319	195,178	207,676	215,381	221,694	221,191	XXX	XXX
5. 2009.....	XXX	XXX	XXX	74,026	238,937	293,740	331,409	359,127	361,088	362,262	XXX	XXX
6. 2010.....	XXX	XXX	XXX	XXX	44,153	140,427	191,623	237,292	250,595	257,806	XXX	XXX
7. 2011.....	XXX	XXX	XXX	XXX	XXX	68,005	219,253	262,772	288,122	299,938	XXX	XXX
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	57,925	197,094	260,227	273,923	XXX	XXX
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	53,348	183,168	254,197	XXX	XXX
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	79,013	186,396	XXX	XXX
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	54,254	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
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Prior.....	441,610	341,982	178,625	92,531	86,363	59,585	48,954	28,702	9,310	11,751
2. 2006.....	319,628	210,075	124,381	80,859	65,746	53,586	43,287	17,267	4,671	1,336
3. 2007.....	XXX	271,269	216,501	168,083	134,738	112,268	79,301	43,265	5,405	3,300
4. 2008.....	XXX	XXX	327,447	293,147	244,431	178,846	124,469	61,100	11,395	4,133
5. 2009.....	XXX	XXX	XXX	272,324	154,422	161,117	122,856	100,615	17,006	10,661
6. 2010.....	XXX	XXX	XXX	XXX	350,097	258,236	202,011	127,308	49,288	12,590
7. 2011.....	XXX	XXX	XXX	XXX	XXX	246,252	148,816	119,585	56,687	19,159
8. 2012.....	XXX	XXX	XXX	XXX	XXX	XXX	284,384	184,803	130,569	51,851
9. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	279,767	150,751	83,519
10. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	272,361	177,259
11. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	289,649

# TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA

## 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	19,982,845	18,790,614	0	2,177,908	(9,404,361)	14,991,712	21,033	0
2. Alaska.....AK	L	6,714,924	7,398,242	0	152,881	472,131	2,471,443	748	0
3. Arizona.....AZ	L	23,344,909	23,745,874	0	6,245,379	7,956,602	18,114,138	18,871	0
4. Arkansas.....AR	L	18,272,623	18,340,752	0	5,481,540	6,213,511	34,798,362	16,342	0
5. California.....CA	L	169,238,754	180,713,331	0	48,928,018	58,497,896	128,830,888	188,035	0
6. Colorado.....CO	L	47,884,300	45,028,371	0	18,175,523	20,606,664	35,512,419	53,068	0
7. Connecticut.....CT	L	39,301,647	38,961,727	0	6,448,221	11,256,792	30,057,170	53,449	0
8. Delaware.....DE	L	6,386,034	5,412,256	0	762,903	2,352,856	6,578,120	5,101	0
9. District of Columbia.....DC	L	23,984,045	27,380,134	0	1,705,122	2,881,017	12,367,028	19,208	0
10. Florida.....FL	L	105,126,638	97,799,423	0	19,241,656	20,141,851	56,917,887	68,872	0
11. Georgia.....GA	L	52,814,669	49,608,681	0	12,728,437	26,991,508	46,865,173	56,256	0
12. Hawaii.....HI	L	13,563,644	15,220,656	0	459,616	1,443,865	7,015,263	1,436	0
13. Idaho.....ID	L	6,458,721	6,756,444	0	861,853	989,600	4,802,227	9,197	14,895
14. Illinois.....IL	L	83,655,159	83,996,525	0	19,141,707	23,395,778	61,441,146	66,309	0
15. Indiana.....IN	L	28,737,075	29,095,915	0	8,104,685	12,439,847	19,931,560	13,169	0
16. Iowa.....IA	L	17,795,847	17,709,464	0	2,434,563	6,079,985	11,722,684	7,569	0
17. Kansas.....KS	L	22,379,724	17,223,980	0	1,624,122	3,689,052	11,475,499	14,704	0
18. Kentucky.....KY	L	21,424,277	22,449,932	0	(8,903,931)	2,756,614	34,152,329	15,023	0
19. Louisiana.....LA	L	33,086,254	33,034,730	0	9,737,591	18,074,864	26,184,829	21,314	0
20. Maine.....ME	L	8,092,059	7,797,139	0	1,066,046	1,737,663	4,806,498	9,215	0
21. Maryland.....MD	L	44,169,497	42,401,974	0	8,218,443	10,008,416	24,006,224	33,409	0
22. Massachusetts.....MA	L	58,260,450	59,125,388	0	12,484,557	17,833,745	47,051,206	186,447	0
23. Michigan.....MI	L	37,409,784	36,094,861	0	6,257,175	14,968,637	26,547,438	24,132	0
24. Minnesota.....MN	L	36,061,010	37,484,505	0	10,348,179	15,108,944	27,934,857	21,203	0
25. Mississippi.....MS	L	20,688,847	19,990,090	0	6,109,814	1,817,645	13,411,925	19,692	0
26. Missouri.....MO	L	35,903,928	34,893,964	0	7,430,252	7,942,966	26,628,679	36,239	0
27. Montana.....MT	L	12,958,670	12,361,600	0	18,838,507	(868,161)	12,277,837	17,285	0
28. Nebraska.....NE	L	11,647,450	12,057,886	0	2,167,140	5,598,839	10,859,242	6,872	0
29. Nevada.....NV	L	14,104,767	10,982,494	0	2,802,893	8,851,140	15,022,158	13,630	0
30. New Hampshire.....NH	L	7,856,097	7,726,740	0	406,268	1,077,098	3,902,233	10,122	0
31. New Jersey.....NJ	L	49,190,491	47,437,205	0	12,999,375	15,482,635	38,834,121	58,438	0
32. New Mexico.....NM	L	6,157,331	6,993,580	0	3,704,334	4,361,660	6,313,088	5,862	0
33. New York.....NY	L	117,595,190	120,499,183	0	22,760,595	26,028,470	88,668,759	143,822	0
34. North Carolina.....NC	L	52,012,429	48,777,358	0	4,767,157	13,005,900	34,617,987	48,429	60,955
35. North Dakota.....ND	L	10,701,933	9,307,945	0	566,319	1,795,286	4,173,107	2,755	0
36. Ohio.....OH	L	64,226,222	59,452,623	0	15,397,770	40,294,605	62,919,436	32,665	0
37. Oklahoma.....OK	L	19,945,828	18,874,521	0	3,016,521	6,012,245	12,909,282	847	0
38. Oregon.....OR	L	23,116,876	22,111,104	0	2,193,689	4,491,966	11,883,931	28,838	0
39. Pennsylvania.....PA	L	85,225,806	79,708,867	0	16,860,025	29,060,086	79,154,386	59,264	0
40. Rhode Island.....RI	L	7,723,222	7,002,008	0	823,888	2,505,295	5,892,121	11,970	0
41. South Carolina.....SC	L	27,806,758	26,374,137	0	10,274,296	6,762,489	16,941,383	30,624	0
42. South Dakota.....SD	L	4,916,410	4,845,600	0	241,891	809,144	3,034,528	3,992	0
43. Tennessee.....TN	L	37,440,838	33,714,241	0	5,661,789	7,239,659	21,461,589	30,107	0
44. Texas.....TX	L	123,849,829	119,798,982	4,470,209	23,239,965	44,239,413	99,420,790	113,888	35,995
45. Utah.....UT	L	16,069,577	16,205,598	0	4,391,288	4,228,997	10,576,145	24,988	0
46. Vermont.....VT	L	1,839,931	1,833,946	0	92,201	240,797	763,362	2,157	0
47. Virginia.....VA	L	53,590,869	51,263,327	0	9,778,914	11,111,782	40,334,405	62,521	0
48. Washington.....WA	L	54,343,337	54,984,498	0	13,390,078	15,484,644	31,167,201	89,189	27,871
49. West Virginia.....WV	L	10,959,181	11,129,277	0	3,617,846	5,019,762	9,242,727	4,417	0
50. Wisconsin.....WI	L	32,861,339	32,291,045	0	5,959,346	8,773,938	22,889,236	8,103	0
51. Wyoming.....WY	L	6,859,734	7,589,295	0	1,218,090	964,719	6,905,447	5,806	0
52. American Samoa.....AS	N	388	685	0	0	0	0	0	0
53. Guam.....GU	L	267,647	137,756	0	0	0	0	31	0
54. Puerto Rico.....PR	L	(1,815)	354,410	0	0	0	0	0	0
55. US Virgin Islands.....VI	L	504,798	150,792	0	0	0	500	2	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	2,858,567	3,219,882	0	(7,800)	(146,469)	671,835	0	0
59. Totals.....	(a) 54	1,837,367,364	1,803,641,554	4,470,209	392,584,647	548,680,027	1,385,453,542	1,796,667	139,716

#### DETAILS OF WRITE-INS

58001. GBR United Kingdom.....	XXX	2,257,526	2,369,628	0	(7,800)	(7,800)	600,000	0	0
58002. BMU Bermuda.....	XXX	277,653	271,319	0	0	(12,821)	0	0	0
58003. MEX Mexico.....	XXX	154,257	253,439	0	0	0	0	0	0
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	169,131	325,497	0	0	(125,848)	71,835	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	2,858,567	3,219,882	0	(7,800)	(146,469)	671,835	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, 5 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 Obligor; With respect to international commercial insurance policies (1) for U.S. based insureds with ancillary international operations, or (2) that are placed as part of a controlled master program, allocation is to the situs of the contract, which is typically the headquarter state or principal business location of the first named insured. Exceptions to this include monoline marine or other insurance policies that are designed to insure specifically identified international exposures.

**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
... .. SPFM 101 Lincoln Centre LLC	Delaware	41-0406690	... .. Travelers Texas MGA, Inc.	Texas	27-4469564
... .. USF&G Capital I	Delaware	52-1953822	... .. Oregon Evergreen Investor I, LLC	Delaware	06-6033509
... .. USF&G Capital III	Delaware	52-2044075	... .. Lone Rock Timber Investments I, LLC (75%)	Delaware	61-1639956
... .. 350 Market Street, LLC	Delaware	41-0406690	... .. Lone Rock Timber Investments II, LLC (90%)	Delaware	32-0447309
... .. Travelers Special Services Limited	United Kingdom		... .. Travelers (Bermuda) Limited *	Bermuda	98-0190863
... .. Yonkers Financing Corp.	Delaware	20-3033027	... .. 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	98-1246060
... .. 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	98-1246060	... .. Travelers Global, Inc.	Delaware	47-2215437
... .. Fog City Fund, LLC (99%)	Minnesota	41-1985480	... .. Travelers Brazil Holding, LLC	Delaware	47-2215437

*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	47-2215437	...	TravCo Insurance Company (28188) *	Connecticut	35-1838077
...	J. Malucelli Participações em Seguros e Resseguros S.A. ("Holdco") (49.5%)	Brazil		...	TINDY Foreign, Inc	Delaware	20-4403403
...	J. Malucelli Resseguradora S.A. *	Brazil		...	Travelers Commercial Casualty Company (40282) *	Connecticut	95-3634110
...	J. Malucelli Controle de Riscos Ltda. (0.01%)	Brazil		...	Travelers Distribution Alliance, Inc.	Delaware	62-1657094
...	J. Malucelli Seguradora S.A. *	Brazil		...	Travelers TLD, LLC	Delaware	06-0566050
...	J. Malucelli Controle de Riscos Ltda. (99.99%)	Brazil		...	Tiercel, LLC	Delaware	06-0566050
...	J. Malucelli Latam S.A. (49.5%)	Brazil		...	Redstart, LLC	Delaware	06-0566050
...	JMalucelli Travelers Seguros S.A. (51%) *	Colombia		...	The Travelers Home and Marine Insurance Company (27998) *	Connecticut	35-1838079
...	Travelers Participações em Seguros Brasil S.A. (95%)	Brazil		...	The Travelers Lloyds Insurance Company (41262) *	Texas	76-0002592
...	Travelers Seguros Brasil S.A. *	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				
...	Constitution State Services, LLC	Delaware	06-1501229				
...	Phoenix UK Investments LLC	Delaware	06-0303275				
...	The Premier Insurance Company of Massachusetts (12850) *	Connecticut	04-3175569				

*Notes:*

\* Denotes affiliated insurer

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

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