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ANNUAL STATEMENT

For the Year Ended December 31, 2015

of the Condition and Affairs of the

Maine Employers' Mutual Insurance Company

NAIC Group Code.....1332, 1332 (Current Period) (Prior Period) NAIC Company Code..... 11149 Employer's ID Number..... 01-0476508

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

Incorporated/Organized..... November 13, 1992 Commenced Business..... January 1, 1993

Statutory Home Office	261 Commercial Street….. Portland ..... ME ..... US ..... 04101 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	261 Commercial Street….. Portland ..... ME ..... US..... 04101 *(Street and Number) (City or Town, State, Country and Zip Code)*	207-791-3300 *(Area Code) (Telephone Number)*
Mail Address	261 Commercial Street, PO Box 11409….. Portland ..... ME ..... US ..... 04101 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	261 Commercial Street….. Portland ..... ME ..... US ..... 04101 *(Street and Number) (City or Town, State, Country and Zip Code)*	207-791-3300 *(Area Code) (Telephone Number)*
Internet Web Site Address	WWW.MEMIC.COM	
Statutory Statement Contact	Eileen M Fongemie *(Name)*	207-791-3330 *(Area Code) (Telephone Number) (Extension)*
	efongemie@memic.com *(E-Mail Address)*	207-791-3469 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. John Thomas Leonard	President & CEO	2. Daniel Joseph McGarvey	Chief Operating Officer & Treasurer
3. Michael Peter Bourque	Sr Vice-Pres External Affairs, Secretary	4.	

OTHER

Catherine Flaherty Lamson	Sr Vice-Pres & Chief Admin Officer	Gregory Grant Jamison	Sr Vice-Pres Underwriting Operations
Jeffrey David Funk	President Northeast Region	Edward Lucas Austin III	President Atlantic Region
Karl Van Siegfried	Sr Vice-Pres Loss Control	Matthew Howard Harmon	Sr Vice-Pres Claims
Catherine Theresa Duranceau #	Vice-Pres Underwriting	Matthew Joseph Holbrook #	Vice-Pres Information Technology

DIRECTORS OR TRUSTEES

John Thomas Leonard	David Mark Labbe	Gregory William Boulos	Meredith Nancy Strang Burgess
Katherine Maxim Greenleaf	Jolan Force Ippolito	Sara Catherine Longley	Lance Avery Smith
Robert Dale Umphrey #			

State of........ Maine
County of..... Cumberland

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

(Signature)	(Signature)	(Signature)
John Thomas Leonard	Daniel Joseph McGarvey	Michael Peter Bourque
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President & CEO	Chief Operating Officer & Treasurer	Sr Vice-Pres External Affairs, Secretary
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This 25th day of February 2016

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

ASSETS

	Current Year 1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	Prior Year 4 Net Admitted Assets
1. Bonds (Schedule D)	462,927,310		462,927,310	457,618,093
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	
2.2 Common stocks	262,669,840		262,669,840	258,416,690
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	
3.2 Other than first liens			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less $..........0 encumbrances)			0	
4.2 Properties held for the production of income (less $..........0 encumbrances)			0	
4.3 Properties held for sale (less $..........0 encumbrances)			0	
5. Cash ($.....9,041,739, Schedule E-Part 1), cash equivalents ($..........0, Schedule E-Part 2) and short-term investments ($.....4,351,341, Schedule DA)	13,393,080		13,393,080	12,783,503
6. Contract loans (including $..........0 premium notes)			0	
7. Derivatives (Schedule DB)			0	
8. Other invested assets (Schedule BA)	19,967,788		19,967,788	18,368,663
9. Receivables for securities			0	
10. Securities lending reinvested collateral assets (Schedule DL)			0	
11. Aggregate write-ins for invested assets	14,354,399	0	14,354,399	14,141,709
12. Subtotals, cash and invested assets (Lines 1 to 11)	773,312,417	0	773,312,417	761,328,658
13. Title plants less $..........0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	4,387,762		4,387,762	4,477,917
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,270,879	1,571,066	5,699,813	6,156,778
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $..........0 earned but unbilled premiums)	43,026,380	82,688	42,943,692	39,228,157
15.3 Accrued retrospective premiums ($..........0) and contracts subject to redetermination ($..........0)			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	580,619		580,619	761,154
16.2 Funds held by or deposited with reinsured companies			0	
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon	7,179,874		7,179,874	5,639,115
18.2 Net deferred tax asset	12,883,749		12,883,749	11,427,134
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software	3,405,756	1,775,660	1,630,096	757,640
21. Furniture and equipment, including health care delivery assets ($..........0)	6,561,739	6,561,739	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	
23. Receivables from parent, subsidiaries and affiliates	2,656,206	445,180	2,211,026	655,979
24. Health care ($..........0) and other amounts receivable			0	
25. Aggregate write-ins for other than invested assets	1,289,419	1,289,419	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	862,554,800	11,725,752	850,829,048	830,432,532
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. TOTALS (Lines 26 and 27)	862,554,800	11,725,752	850,829,048	830,432,532

DETAILS OF WRITE-INS

	1	2	3	4
1101. Other investment in mutual funds	14,354,399		14,354,399	14,141,709
1102.			0	
1103.			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)	14,354,399	0	14,354,399	14,141,709
2501. Prepaids and other assets	1,289,419	1,289,419	0	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	1,289,419	1,289,419	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Year	2 Prior Year
1.	Losses (Part 2A, Line 35, Column 8)	304,131,102	293,646,012
2.	Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		
3.	Loss adjustment expenses (Part 2A, Line 35, Column 9)	44,044,489	41,241,516
4.	Commissions payable, contingent commissions and other similar charges	7,236,628	5,491,871
5.	Other expenses (excluding taxes, licenses and fees)	24,529,960	23,681,828
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	2,040,829	1,768,217
7.1	Current federal and foreign income taxes (including $..........0 on realized capital gains (losses))		
7.2	Net deferred tax liability		
8.	Borrowed money $..........0 and interest thereon $..........0		
9.	Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of $.....979,208 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)	70,603,461	65,822,466
10.	Advance premium	1,622,915	1,424,820
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders	39	
12.	Ceded reinsurance premiums payable (net of ceding commissions)	1,098,104	777,035
13.	Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)		
14.	Amounts withheld or retained by company for account of others	1,797,434	2,189,147
15.	Remittances and items not allocated		
16.	Provision for reinsurance (including $...........0 certified) (Schedule F, Part 8)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates		
20.	Derivatives		
21.	Payable for securities		
22.	Payable for securities lending		
23.	Liability for amounts held under uninsured plans		
24.	Capital notes $...........0 and interest thereon $..........0		
25.	Aggregate write-ins for liabilities	364,770	531,215
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	457,469,731	436,574,127
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	457,469,731	436,574,127
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock		
31.	Preferred capital stock		
32.	Aggregate write-ins for other than special surplus funds	1,422,712	2,018,100
33.	Surplus notes		
34.	Gross paid in and contributed surplus	3,180,808	3,180,808
35.	Unassigned funds (surplus)	388,755,797	388,659,497
36.	Less treasury stock, at cost:		
	36.1 ....0.000 shares common (value included in Line 30 $..........0)		
	36.2 ....0.000 shares preferred (value included in Line 31 $..........0)		
37.	Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	393,359,317	393,858,405
38.	TOTALS (Page 2, Line 28, Col. 3)	850,829,048	830,432,532

DETAILS OF WRITE-INS

2501.	Provision for contingent losses of subsidiary	364,770	531,215
2502.			
2503.			
2598.	Summary of remaining write-ins for Line 25 from overflow page	0	0
2599.	Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above)	364,770	531,215
2901.			
2902.			
2903.			
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)	0	0
3201.	Deferred unrealized gains on bonds transferred to subsidiaries	1,422,712	2,018,100
3202.			
3203.			
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)	1,422,712	2,018,100

STATEMENT OF INCOME

		1 Current Year	2 Prior Year
	UNDERWRITING INCOME		
1.	Premiums earned (Part 1, Line 35, Column 4)	143,667,494	139,421,100
	DEDUCTIONS		
2.	Losses incurred (Part 2, Line 35, Column 7)	90,735,331	84,584,947
3.	Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	16,648,837	18,423,162
4.	Other underwriting expenses incurred (Part 3, Line 25, Column 2)	30,643,148	31,172,463
5.	Aggregate write-ins for underwriting deductions	0	0
6.	Total underwriting deductions (Lines 2 through 5)	138,027,316	134,180,572
7.	Net income of protected cells		
8.	Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	5,640,178	5,240,528
	INVESTMENT INCOME		
9.	Net investment income earned (Exhibit of Net Investment Income, Line 17)	19,069,241	19,307,149
10.	Net realized capital gains (losses) less capital gains tax of $.....1,420,336 (Exhibit of Capital Gains (Losses))	3,629,067	10,149,014
11.	Net investment gain (loss) (Lines 9 + 10)	22,698,308	29,456,163
	OTHER INCOME		
12.	Net gain (loss) from agents' or premium balances charged off (amount recovered $.....201,187 amount charged off $.....240,320)	(39,133)	(103,266)
13.	Finance and service charges not included in premiums	186,384	193,150
14.	Aggregate write-ins for miscellaneous income	0	(5,000)
15.	Total other income (Lines 12 through 14)	147,251	84,884
16.	Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	28,485,737	34,781,575
17.	Dividends to policyholders	18,000,000	18,006,331
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)	10,485,737	16,775,244
19.	Federal and foreign income taxes incurred	(585,749)	(1,543,402)
20.	Net income (Line 18 minus Line 19) (to Line 22)	11,071,486	18,318,646
	CAPITAL AND SURPLUS ACCOUNT		
21.	Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	393,858,405	370,882,332
22.	Net income (from Line 20)	11,071,486	18,318,646
23.	Net transfers (to) from Protected Cell accounts		
24.	Change in net unrealized capital gains or (losses) less capital gains tax of $.....(3,036,794)	(4,449,943)	7,855,962
25.	Change in net unrealized foreign exchange capital gain (loss)		
26.	Change in net deferred income tax	(1,580,179)	(1,351,431)
27.	Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3)	(4,945,064)	(1,903,306)
28.	Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)		
29.	Change in surplus notes		
30.	Surplus (contributed to) withdrawn from protected cells		
31.	Cumulative effect of changes in accounting principles		
32.	Capital changes:		
	32.1 Paid in		
	32.2 Transferred from surplus (Stock Dividend)		
	32.3 Transferred to surplus		
33.	Surplus adjustments:		
	33.1 Paid in		(777)
	33.2 Transferred to capital (Stock Dividend)		
	33.3. Transferred from capital		
34.	Net remittances from or (to) Home Office		
35.	Dividends to stockholders		
36.	Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)		
37.	Aggregate write-ins for gains and losses in surplus	(595,388)	56,979
38.	Change in surplus as regards policyholders for the year (Lines 22 through 37)	(499,088)	22,976,073
39.	Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	393,359,317	393,858,405

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598.	Summary of remaining write-ins for Line 5 from overflow page	0	0
0599.	Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0
1401.	Other expense		(5,000)
1402.			
1403.			
1498.	Summary of remaining write-ins for Line 14 from overflow page	0	0
1499.	Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above)	0	(5,000)
3701.	Deferred unrealized gains on bonds transferred to subsidiaries	(595,388)	56,979
3702.			
3703.			
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)	(595,388)	56,979

CASH FLOW

		1 Current Year	2 Prior Year
	CASH FROM OPERATIONS		
1.	Premiums collected net of reinsurance	145,244,435	139,142,387
2.	Net investment income	20,662,547	21,383,126
3.	Miscellaneous income	147,251	84,885
4.	Total (Lines 1 through 3)	166,054,233	160,610,398
5.	Benefit and loss related payments	80,069,706	80,905,300
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7.	Commissions, expenses paid and aggregate write-ins for deductions	42,129,443	45,944,811
8.	Dividends paid to policyholders	17,999,961	18,006,331
9.	Federal and foreign income taxes paid (recovered) net of $.....1,420,336 tax on capital gains (losses)	2,375,346	4,218,813
10.	Total (Lines 5 through 9)	142,574,456	149,075,255
11.	Net cash from operations (Line 4 minus Line 10)	23,479,777	11,535,143
	CASH FROM INVESTMENTS		
12.	Proceeds from investments sold, matured or repaid:		
	12.1 Bonds	109,888,270	69,375,192
	12.2 Stocks	17,645,156	29,681,567
	12.3 Mortgage loans		
	12.4 Real estate		
	12.5 Other invested assets		
	12.6 Net gains or (losses) on cash, cash equivalents and short-term investments		
	12.7 Miscellaneous proceeds		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	127,533,426	99,056,759
13.	Cost of investments acquired (long-term only):		
	13.1 Bonds	116,000,487	87,024,482
	13.2 Stocks	26,107,087	20,630,403
	13.3 Mortgage loans		
	13.4 Real estate		
	13.5 Other invested assets	1,000,000	3,712,233
	13.6 Miscellaneous applications		
	13.7 Total investments acquired (Lines 13.1 to 13.6)	143,107,574	111,367,118
14.	Net increase (decrease) in contract loans and premium notes		
15.	Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14)	(15,574,148)	(12,310,359)
	CASH FROM FINANCING AND MISCELLANEOUS SOURCES		
16.	Cash provided (applied):		
	16.1 Surplus notes, capital notes		
	16.2 Capital and paid in surplus, less treasury stock		(777)
	16.3 Borrowed funds		
	16.4 Net deposits on deposit-type contracts and other insurance liabilities		
	16.5 Dividends to stockholders		
	16.6 Other cash provided (applied)	(7,296,052)	1,118,058
17.	Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(7,296,052)	1,117,281
	RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18.	Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17)	609,577	342,065
19.	Cash, cash equivalents and short-term investments:		
	19.1 Beginning of year	12,783,503	12,441,438
	19.2 End of year (Line 18 plus Line 19.1)	13,393,080	12,783,503

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

20.0001	Non-cash capital contribution of bonds to subsidiaries		(13,818,544)
20.0002	Non-cash capital contribution of property to subsidiaries		(3,712,233)

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire				0
2.	Allied lines				0
3.	Farmowners multiple peril				0
4.	Homeowners multiple peril				0
5.	Commercial multiple peril				0
6.	Mortgage guaranty				0
8.	Ocean marine				0
9.	Inland marine				0
10.	Financial guaranty				0
11.1	Medical professional liability - occurrence				0
11.2	Medical professional liability - claims-made				0
12.	Earthquake				0
13.	Group accident and health				0
14.	Credit accident and health (group and individual)				0
15.	Other accident and health				0
16.	Workers' compensation	148,071,862	65,655,242	70,430,660	143,296,444
17.1	Other liability - occurrence	1,824	(6)	233	1,585
17.2	Other liability - claims-made	374,803	167,230	172,568	369,465
17.3	Excess workers' compensation				0
18.1	Products liability - occurrence				0
18.2	Products liability - claims-made				0
19.1, 19.2	Private passenger auto liability				0
19.3, 19.4	Commercial auto liability				0
21.	Auto physical damage				0
22.	Aircraft (all perils)				0
23.	Fidelity				0
24.	Surety				0
26.	Burglary and theft				0
27.	Boiler and machinery				0
28.	Credit				0
29.	International				0
30.	Warranty				0
31.	Reinsurance - nonproportional assumed property				0
32.	Reinsurance - nonproportional assumed liability				0
33.	Reinsurance - nonproportional assumed financial lines				0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	148,448,489	65,822,466	70,603,461	143,667,494

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	Line of Business	1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned But Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire					0
2.	Allied lines					0
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril					0
5.	Commercial multiple peril					0
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine					0
10.	Financial guaranty					0
11.1	Medical professional liability - occurrence					0
11.2	Medical professional liability - claims-made					0
12.	Earthquake					0
13.	Group accident and health					0
14.	Credit accident and health (group and individual)					0
15.	Other accident and health					0
16.	Workers' compensation	70,430,660				70,430,660
17.1	Other liability - occurrence	233				233
17.2	Other liability - claims-made	172,568				172,568
17.3	Excess workers' compensation					0
18.1	Products liability - occurrence					0
18.2	Products liability - claims-made					0
19.1, 19.2	Private passenger auto liability					0
19.3, 19.4	Commercial auto liability					0
21.	Auto physical damage					0
22.	Aircraft (all perils)					0
23.	Fidelity					0
24.	Surety					0
26.	Burglary and theft					0
27.	Boiler and machinery					0
28.	Credit					0
29.	International					0
30.	Warranty					0
31.	Reinsurance - nonproportional assumed property					0
32.	Reinsurance - nonproportional assumed liability					0
33.	Reinsurance - nonproportional assumed financial lines					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0
35.	TOTALS	70,603,461	0	0	0	70,603,461
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					0
38.	Balance (sum of Lines 35 through 37)					70,603,461

DETAILS OF WRITE-INS

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

	Line of Business	1 Direct Business (a)	Reinsurance Assumed 2 From Affiliates	Reinsurance Assumed 3 From Non-Affiliates	Reinsurance Ceded 4 To Affiliates	Reinsurance Ceded 5 To Non-Affiliates	6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
1.	Fire						0
2.	Allied lines						0
3.	Farmowners multiple peril						0
4.	Homeowners multiple peril						0
5.	Commercial multiple peril						0
6.	Mortgage guaranty						0
8.	Ocean marine						0
9.	Inland marine						0
10.	Financial guaranty						0
11.1	Medical professional liability - occurrence						0
11.2	Medical professional liability - claims-made						0
12.	Earthquake						0
13.	Group accident and health						0
14.	Credit accident and health (group and individual)						0
15.	Other accident and health						0
16.	Workers' compensation	150,172,979		883,180		2,984,297	148,071,862
17.1	Other liability - occurrence	1,824					1,824
17.2	Other liability - claims-made	2,509,021				2,134,218	374,803
17.3	Excess workers' compensation						0
18.1	Products liability - occurrence						0
18.2	Products liability - claims-made						0
19.1, 19.2	Private passenger auto liability						0
19.3, 19.4	Commercial auto liability						0
21.	Auto physical damage						0
22.	Aircraft (all perils)						0
23.	Fidelity						0
24.	Surety						0
26.	Burglary and theft						0
27.	Boiler and machinery						0
28.	Credit						0
29.	International						0
30.	Warranty						0
31.	Reinsurance - nonproportional assumed property	XXX					0
32.	Reinsurance - nonproportional assumed liability	XXX					0
33.	Reinsurance - nonproportional assumed financial lines	XXX					0
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0
35.	TOTALS	152,683,824	0	883,180	0	5,118,515	148,448,489

DETAILS OF WRITE-INS

3401.							0
3402.							0
3403.							0
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499.	Totals (Lines 3401 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 1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)	5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
1.	Fire				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	81,048,771	358,201	1,269,421	80,137,551	303,376,463	293,038,415	90,475,599	63.1
17.1	Other liability - occurrence				0			0	0.0
17.2	Other liability - claims-made	621,315		508,625	112,690	754,639	607,597	259,732	70.3
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				0			0	0.0
24.	Surety				0			0	0.0
26.	Burglary and theft				0			0	0.0
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	XXX			0			0	0.0
32.	Reinsurance - nonproportional assumed liability	XXX			0			0	0.0
33.	Reinsurance - nonproportional assumed financial lines	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	81,670,086	358,201	1,778,046	80,250,241	304,131,102	293,646,012	90,735,331	63.2

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	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

		Reported Losses				Incurred But Not Reported			8	9
	Line of Business	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	Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	Net Unpaid Loss Adjustment Expenses
1.	Fire				0				0	
2.	Allied lines				0				0	
3.	Farmowners multiple peril				0				0	
4.	Homeowners multiple peril				0				0	
5.	Commercial multiple peril				0				0	
6.	Mortgage guaranty				0				0	
8.	Ocean marine				0				0	
9.	Inland marine				0				0	
10.	Financial guaranty				0				0	
11.1	Medical professional liability - occurrence				0				0	
11.2	Medical professional liability - claims-made				0				0	
12.	Earthquake				0				0	
13.	Group accident and health				0				(a) 0	
14.	Credit accident and health (group and individual)				0				0	
15.	Other accident and health				0				(a) 0	
16.	Workers' compensation	67,739,682	646,161	6,761,355	61,624,488	248,052,090	1,351,900	7,652,015	303,376,463	44,044,489
17.1	Other liability - occurrence				0				0	
17.2	Other liability - claims-made	320,534		273,954	46,580	5,552,703		4,844,644	754,639	
17.3	Excess workers' compensation				0				0	
18.1	Products liability - occurrence				0				0	
18.2	Products liability - claims-made				0				0	
19.1, 19.2	Private passenger auto liability				0				0	
19.3, 19.4	Commercial auto liability				0				0	
21.	Auto physical damage				0				0	
22.	Aircraft (all perils)				0				0	
23.	Fidelity				0				0	
24.	Surety				0				0	
26.	Burglary and theft				0				0	
27.	Boiler and machinery				0				0	
28.	Credit				0				0	
29.	International				0				0	
30.	Warranty				0				0	
31.	Reinsurance - nonproportional assumed property	XXX			0	XXX			0	
32.	Reinsurance - nonproportional assumed liability	XXX			0	XXX			0	
33.	Reinsurance - nonproportional assumed financial lines	XXX			0	XXX			0	
34.	Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0	0
35.	TOTALS	68,060,216	646,161	7,035,309	61,671,068	253,604,793	1,351,900	12,496,659	304,131,102	44,044,489

DETAILS OF WRITE-INS

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct	6,141,310			6,141,310
1.2 Reinsurance assumed				0
1.3 Reinsurance ceded				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	6,141,310	0	0	6,141,310
2. Commission and brokerage:				
2.1 Direct, excluding contingent		7,268,066		7,268,066
2.2 Reinsurance assumed, excluding contingent		(279,583)		(279,583)
2.3 Reinsurance ceded, excluding contingent				0
2.4 Contingent - direct		5,169,538		5,169,538
2.5 Contingent - reinsurance assumed				0
2.6 Contingent - reinsurance ceded		175,118		175,118
2.7 Policy and membership fees				0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	11,982,903	0	11,982,903
3. Allowances to manager and agents				0
4. Advertising	4,030	819,020		823,050
5. Boards, bureaus and associations		44,479		44,479
6. Surveys and underwriting reports	217			217
7. Audit of assureds' records		768,651		768,651
8. Salary and related items:				
8.1 Salaries	5,160,387	6,607,863	64,972	11,833,222
8.2 Payroll taxes	366,081	470,661	4,038	840,780
9. Employee relations and welfare	1,910,096	2,211,260	31,504	4,152,860
10. Insurance	75,059	95,919	2,179	173,157
11. Directors' fees	171,803	152,796	6,538	331,137
12. Travel and travel items	173,269	518,030	3,731	695,030
13. Rent and rent items	462,865	340,484		803,349
14. Equipment	885,507	894,176	20,200	1,799,883
15. Cost or depreciation of EDP equipment and software	115,311	85,956	2,880	204,147
16. Printing and stationery	138,485	94,869	1,170	234,524
17. Postage, telephone and telegraph, exchange and express	401,259	454,430	3,775	859,464
18. Legal and auditing	176,793	165,537	1,102,902	1,445,232
19. Totals (Lines 3 to 18)	10,041,162	13,724,131	1,243,889	25,009,182
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of $..........0		2,710,906		2,710,906
20.2 Insurance department licenses and fees	36,133	1,189,073	655	1,225,861
20.3 Gross guaranty association assessments		77,402		77,402
20.4 All other (excluding federal and foreign income and real estate)	58,883	58,420	979	118,282
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	95,016	4,035,801	1,634	4,132,451
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	371,349	900,313	9,160	1,280,822
25. Total expenses incurred	16,648,837	30,643,148	1,254,683	(a)..........48,546,668
26. Less unpaid expenses - current year	44,044,489	34,172,190		78,216,679
27. Add unpaid expenses - prior year	41,241,516	31,473,131		72,714,647
28. Amounts receivable relating to uninsured plans, prior year				0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	13,845,864	27,944,089	1,254,683	43,044,636

DETAILS OF WRITE-INS

	1	2	3	4
2401. Outside services and other expenses	371,349	900,313	9,160	1,280,822
2402.				0
2403.				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)	371,349	900,313	9,160	1,280,822

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

EXHIBIT OF NET INVESTMENT INCOME

		1 Collected During Year	2 Earned During Year
1.	U.S. government bonds	(a) 929,020	922,626
1.1	Bonds exempt from U.S. tax	(a) 5,778,593	5,575,657
1.2	Other bonds (unaffiliated)	(a) 9,860,348	9,985,958
1.3	Bonds of affiliates	(a)	
2.1	Preferred stocks (unaffiliated)	(b)	
2.11	Preferred stocks of affiliates	(b)	
2.2	Common stocks (unaffiliated)	2,781,624	2,774,281
2.21	Common stocks of affiliates		
3.	Mortgage loans	(c)	
4.	Real estate	(d)	
5.	Contract loans		
6.	Cash, cash equivalents and short-term investments	(e) 6,517	7,425
7.	Derivative instruments	(f)	
8.	Other invested assets		
9.	Aggregate write-ins for investment income	1,057,977	1,057,977
10.	Total gross investment income	20,414,079	20,323,924
11.	Investment expenses		(g) 1,254,683
12.	Investment taxes, licenses and fees, excluding federal income taxes		(g)
13.	Interest expense		(h)
14.	Depreciation on real estate and other invested assets		(i) 0
15.	Aggregate write-ins for deductions from investment income		0
16.	Total deductions (Lines 11 through 15)		1,254,683
17.	Net investment income (Line 10 minus Line 16)		19,069,241

DETAILS OF WRITE-INS

0901.	Other investment income	499,514	499,514
0902.	Deferred bonds transferred	558,463	558,463
0903.			
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9 above)	1,057,977	1,057,977
1501.			
1502.			
1503.			
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 $.....322,632 accrual of discount less $.....2,384,245 amortization of premium and less $.....286,053 paid for accrued interest on purchases.
(b) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued dividends on purchases.
(c) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued interest on purchases.
(d) Includes $..........0 for company's occupancy of its own buildings; and excludes $..........0 interest on encumbrances.
(e) Includes $..........0 accrual of discount less $..........0 amortization of premium and less $..........0 paid for accrued interest on purchases.
(f) Includes $..........0 accrual of discount less $..........0 amortization of premium.
(g) Includes $..........0 investment expenses and $..........0 investment taxes, licenses and fees, excluding federal income taxes, attributable to Segregated and Separate Accounts.
(h) Includes $..........0 interest on surplus notes and $..........0 interest on capital notes.
(i) Includes $..........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	11,551		11,551		
1.1	Bonds exempt from U.S. tax	579,184		579,184		
1.2	Other bonds (unaffiliated)	568,233		568,233	99,645	
1.3	Bonds of affiliates			0		
2.1	Preferred stocks (unaffiliated)			0		
2.11	Preferred stocks of affiliates			0		
2.2	Common stocks (unaffiliated)	3,477,596		3,477,596	(5,643,617)	
2.21	Common stocks of affiliates			0	(1,876,314)	
3.	Mortgage loans			0		
4.	Real estate			0		
5.	Contract loans			0		
6.	Cash, cash equivalents and short-term investments			0		
7.	Derivative instruments			0		
8.	Other invested assets			0	599,124	
9.	Aggregate write-ins for capital gains (losses)	412,839	0	412,839	(665,575)	0
10.	Total capital gains (losses)	5,049,403	0	5,049,403	(7,486,737)	0

DETAILS OF WRITE-INS

0901.	Other investment in mutual funds	375,914		375,914	(665,575)	
0902.	Deferred bonds transferred transferred to subsidiaries	36,925		36,925		
0903.				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)	412,839	0	412,839	(665,575)	0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income			0
4.3 Properties held for sale			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	1,571,066	1,126,246	(444,820)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due	82,688	59,276	(23,412)
15.3 Accrued retrospective premiums and contracts subject to redetermination			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans			0
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset			0
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software	1,775,660	183,697	(1,591,963)
21. Furniture and equipment, including health care delivery assets	6,561,739	3,369,057	(3,192,682)
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivables from parent, subsidiaries and affiliates	445,180	544,980	99,800
24. Health care and other amounts receivable			0
25. Aggregate write-ins for other than invested assets	1,289,419	1,497,432	208,013
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	11,725,752	6,780,688	(4,945,064)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. TOTALS (Lines 26 and 27)	11,725,752	6,780,688	(4,945,064)

DETAILS OF WRITE-INS

1101.			0
1102.			0
1103.			0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0
2501. Prepaids and other assets	1,289,419	1,497,432	208,013
2502.			0
2503.			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)	1,289,419	1,497,432	208,013

Note 1 - Summary of Significant Accounting Policies

A. Accounting Practices, Impact of NAIC/State Differences

The accompanying financial statements of Maine Employers' Mutual Insurance Company (Company) have been prepared on the basis of accounting practices prescribed or permitted by the Maine Bureau of Insurance.

The State of Maine requires insurance companies domiciled in the State of Maine to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Maine Bureau of Insurance. The Maine Bureau of Insurance recognizes only statutory accounting practices prescribed or permitted by the State of Maine for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under Maine Insurance Law. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of Maine. There are no differences between the Company's net income, capital and surplus as recognized under NAIC SAP and the practices prescribed and permitted by the State of Maine.

		State of Domicile	2015	2014
Net Income				
(1)	Company state basis (Page 4, Line 20, Columns 1 & 2)	ME	11,071,486	18,318,646
(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)	ME	11,071,486	18,318,646

		State of Domicile	2015	2014
Surplus				
(5)	Company state basis (Page 3, Line 37, Columns 1 & 2)	ME	393,359,317	393,858,405
(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)	ME	393,359,317	393,858,405

B. Use of Estimates

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

C. Accounting Policies

Direct, assumed and ceded premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by using pro rata methods for direct and ceded business and are based on reports received from ceding companies for reinsurance assumed. Premiums receivable are primarily due from agents and policyholders and are charged off when specific balances are determined to be uncollectible. The Company writes audit and may write retrospective business which results in premiums being billed in arrears. Estimates are made of ultimate annual premiums to be paid on these variably priced policies and accruals made for any additional premiums to be collected or refunded. These accruals are reflected within premiums receivable as earned but unbilled premiums or accrued retrospective premiums.

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

Net investment income earned consists primarily of interest and dividends less investment related expenses. Interest is recognized on an accrual basis and dividends are recognized on an ex-dividend basis. Net realized capital gains (losses) are recognized on a specific identification basis when securities are sold, redeemed or otherwise disposed. Realized capital losses include writedowns for impairments considered to be other than temporary.

In addition, the Company uses the following accounting policies:

1. Short-term investments are stated at amortized value using the interest method. Non-investment grade short-term investments are stated at the lower of amortized value or fair value.

2. Investment grade non-loan-backed bonds with NAIC designations 1 or 2 are stated at amortized value using the interest method. Non-investment grade non-loan-backed bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value. See paragraph 6 for loan-backed and structured securities.

3. Common stocks, other than investments in stocks of subsidiaries and affiliates, are stated at fair value. Investments in stocks of uncombined subsidiaries and affiliates in which the Company has an interest of 20% or more are carried on the equity basis.

4. The Company does not currently hold any investment or non-investment grade perpetual or redeemable preferred stocks.

5. The Company does not have any mortgage loans on real estate.

6. U.S. government agency loan-backed and structured securities are valued at amortized value. Other loan-backed and structured securities are valued at either amortized value or fair value, depending on many factors including: the type of underlying collateral, whether modeled by an NAIC vendor, whether rated (by either NAIC approved rating organization or NAIC Securities Valuation Office), and relationship of amortized value to par value and amortized value to fair value.

7. Investment in subsidiaries and affiliated companies are stated as follows:
Insurance subsidiaries (MEMIC Indemnity Company and MEMIC Casualty Company) are stated at statutory equity value. The Company carries MEMIC Services, Inc., a 100% owned, non-insurance subsidiary at a statutory equity balance of $(364,770) and Casco View Holdings, LLC (CVH), a 100% owned, non-insurance subsidiary at a US GAAP equity balance of $19,967,788.

8. The Company has a minor ownership interest in a joint venture. The Company carries its interests in the joint venture at US GAAP equity of the investee.

9. The Company does not currently participate in any derivative transactions.

10. The Company anticipates investment income as a factor in the premium deficiency evaluation.

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

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

13. Not applicable as the Company does not write major medical insurance with prescription drug coverage.

D. Going Concern

Not Applicable

Note 2 - Accounting Changes and Corrections of Errors

Not applicable

Note 3 - Business Combinations and Goodwill

A. Statutory Purchase Method

Not applicable

B. Statutory Mergers

Not applicable

C. Writedowns for Impairment of Investments in Affiliates

Not applicable (see Note 10J)

Note 4 - Discontinued Operations

Not applicable

Note 5 - Investments

A. Mortgage Loans

Not applicable

B. Troubled Debt Restructuring for Creditors

Not applicable

C. Reverse Mortgages

Not applicable

D. Loan-Backed and Structured Securities

1. Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.

2. The following table summarizes by quarter other-than-temporary impairments (OTTI) for loan-backed securities recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain as cited in the table:

	1 Amortized Cost Basis Before OTTI	2 OTTI Recognized in Loss	3 Fair Value 1 - 2
OTTI recognized 1st quarter			
a. Intent to sell			
b. Inability or lack of intent to retain the investment in security for period of time sufficient to recover the amortized cost basis			
c. Total 1st quarter			
OTTI recognized 2nd quarter			
d. Intent to sell			
e. Inability or lack of intent to retain the investment in security for period of time sufficient to recover the amortized cost basis			
f. Total 2nd quarter		NONE	
OTTI recognized 3rd quarter			
g. Intent to sell			
h. Inability or lack of intent to retain the investment in security for period of time sufficient to recover the amortized cost basis			
i. Total 3rd quarter			
OTTI recognized 4th quarter			
j. Intent to sell			
k. Inability or lack of intent to retain the investment in security for period of time sufficient to recover the amortized cost basis			
l. Total 4th quarter			
m. Annual aggregate total		NONE	

3. The following table summarizes other-than-temporary impairments (OTTI) for loan-backed and structured securities held at the end of the year recorded based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities. There was no other-than-temporary impairment recorded during 2015 on loan backed or structured securities:

1 CUSIP	2 Amortized Cost Before Current OTTI	3 Present Value of Projected Cash Flows	4 Recognized OTTI	5 Amortized Cost After OTTI	6 Fair Value at Time of OTTI	7 Date of Financial Statement Where Reported
Total			NONE			

4. Loan-backed and structured securities in unrealized loss positions as of year-end, stratified based on length of time continuously in these unrealized loss positions, are as follows:

a. Aggregate amount of unrealized loss	
1. Less than twelve months	779,968
2. Twelve months or longer	272,988
3. Total	1,052,956
b. Aggregate fair value of securities with unrealized loss	
1. Less than twelve months	80,554,525
2. Twelve months or longer	7,991,884
3. Total	88,546,409

5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by a detailed analysis of the underlying credit and cash flows of each security. Unrealized losses are primarily attributable to credit spread widening and increased liquidity discounts. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities, if future events, information and the passage of time cause it to conclude that declines in value are other-than temporary.

E. Repurchase Agreements and/or Securities Lending Transactions

Not applicable

F. Writedowns for Impairments of Real Estate, Real Estate Sales, Retail Land Sales Operations and Real Estate with Participating Mortgage Loan Features

Not applicable

G. Low Income Housing Tax Credits

Not applicable

H. Restricted Assets

1. Restricted assets (including pledged) summarized by restricted asset category

Restricted Asset Category	Gross Restricted								Percentage	
	Current Period									
	1	2	3	4	5	6	7	8	9	10
	Total General Account (G/A)	G/A Supporting Protected Cell Restricted Assets (a)	Total Protected Cell Restricted Assets	Protected Cell Assets Supporting G/A Activity (b)	Total (1 + 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
a. Subject to contractual obligation for which liability is not shown										
b. Collateral held under security lending arrangements										
c. Subject to repurchase agreements										
d. Subject to reverse repurchase agreements										
e. Subject to dollar repurchase agreements										
f. Subject to dollar reverse repurchase agreements										
g. Placed under option contracts										
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock										
i. FHLB capital stock										
j. On deposit with states	3,040,960				3,040,960	3,030,751	10,209	3,040,960	0.35%	0.36%
k. On deposit with other regulatory bodies	663,766				663,766	666,545	(2,779)	663,766	0.08%	0.08%
l. Pledged as collateral to FHLB (including assets backing funding agreements)										
m. Pledged as collateral not captured in other categories										
n. Other restricted assets										
o. Total restricted assets	3,704,726	-	-	-	3,704,726	3,697,296	7,430	3,704,726	0.43%	0.44%

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

2. Detail of assets pledged as collateral not captured in other categories (reported on line m above)

Collateral Agreement	Gross Restricted								Percentage	
	Current Year									
	1	2	3	4	5	6	7	8	9	10
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Restricted Assets	Protected Cell Assets Supporting G/A Activity (b)	Total (1 + 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
				NONE						
Total										

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

3. Detail of other restricted assets (reported on line n above)

	Gross Restricted								Percentage	
	Current Year									
	1	2	3	4	5	6	7	8	9	10
Other Restricted Assets	Total General Account (G/A)	G/A Supporting Protected Cell Restricted Assets (a)	Total Protected Cell Restricted Assets	Protected Cell Assets Supporting G/A Activity (b)	Total (1 + 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
				NONE						
Total										

I. Working Capital Finance Investments

Not applicable

J. Offsetting and Netting of Assets and Liabilities

Not applicable

K. Structured Notes

Not applicable

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not applicable

B. Writedowns for Impairments of Joint Ventures, Partnerships and LLCs

The current carrying value of an investment in a joint venture that is less than 10% of admitted assets is $0. There were no impairments recorded in this investment during 2015.

Note 7 - Investment Income

A. Accrued Investment Income

The Company does not admit investment income due and accrued if amounts are over 90 days past due. The Company has recognized all investment income due and accrued in the financial statements. There are no circumstances that prevent recognition of investment income in the financial statements.

B. Amounts Nonadmitted

Not applicable

Note 8 - Derivative Instruments

A. Not applicable

Derivatives	Notional Amount	Number of Contracts	B/ACV	Fair Value
Written Call Options				
Totals		NONE		

Note 9 - Income Taxes

A. Deferred Tax Asset/(Liability)

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

	2015			2014			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1+2)			(Col 4+5)	(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross deferred tax assets	27,000,082	2,461,989	29,462,071	27,927,688	2,874,456	30,802,144	(927,606)	(412,467)	(1,340,073)
b. Statutory valuation allowance adjustment	-	-	-	-	-	-	-	-	-
c. Adjusted gross deferred tax assets (1a-1b)	27,000,082	2,461,989	29,462,071	27,927,688	2,874,456	30,802,144	(927,606)	(412,467)	(1,340,073)
d. Deferred tax assets nonadmitted	-	-	-	-	-	-	-	-	-
e. Subtotal net admitted deferred tax asset (1c-1d)	27,000,082	2,461,989	29,462,071	27,927,688	2,874,456	30,802,144	(927,606)	(412,467)	(1,340,073)
f. Deferred tax liabilities	864,506	15,713,816	16,578,322	589,524	18,785,486	19,375,010	274,982	(3,071,670)	(2,796,688)
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	26,135,576	(13,251,827)	12,883,749	27,338,164	(15,911,030)	11,427,134	(1,202,588)	2,659,203	1,456,615

2. Admission Calculation Components

	2015			2014			Change		
	1	2	3	4	5	6	7	8	9
			(Col 1+2)			(Col 4+5)	(Col 1-4)	(Col 2-5)	(Col 7+8)
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	2,117,113	-	2,117,113	-	1,010,622	1,010,622	2,117,113	(1,010,622)	1,106,491
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 & 2(b)2 below:	15,101,200	-	15,101,200	14,393,383	-	14,393,383	707,817	-	707,817
1. Adjusted gross deferred tax assets expected to be realized following the balance sheet date	15,101,200	-	15,101,200	14,393,383	-	14,393,383	707,817	-	707,817
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
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	9,165,657	3,078,101	12,243,758	13,534,305	1,863,834	15,398,139	(4,368,648)	1,214,267	(3,154,381)
d. Deferred tax assets admitted as the result of application of SSAP 101 Total 2(a)+2(b)+2(c)	26,383,970	3,078,101	29,462,071	27,927,688	2,874,456	30,802,144	(1,543,718)	203,645	(1,340,073)

3. Other Admissibility Criteria

	2015	2014
a. Ratio percentage used to determine recovery period and threshold limitation amount	1016%	1126%
b. Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	378,845,472	381,673,631

4. Impact of Tax Planning Strategies

	2015		2014		Change	
	1	2	3	4	5	6
					(Col 1-3)	(Col 2-4)
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A1(c).	27,000,082	2,461,989	27,927,688	2,874,456	(927,606)	(412,467)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies.	0.00%	15.70%	0.00%	17.40%	0.00%	-1.70%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e).	27,000,082	2,461,989	27,927,688	2,874,456	(927,606)	(412,467)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies.	0.00%	15.70%	0.00%	17.40%	0.00%	-1.70%
b. Does the company's tax planning strategies include the use of reinsurance?			Yes [ ]		No [x]	

B. Deferred Tax Liabilities Not Recognized

Not applicable

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2015	2 2014	3 (Col 1-2) Change
a. Federal	(979,294)	(1,233,045)	253,751
b. Provision to return	(170,001)	(310,357)	140,356
c. Additional tax-2012 amended in C/Y	563,546	-	563,546
d. Foreign	-	-	-
e. Subtotal	(585,749)	(1,543,402)	957,653
f. Federal income tax on net capital gains	1,420,336	3,464,974	(2,044,638)
g. Utilization of capital loss carry-forwards	-	-	-
h. Other	-	-	-
i. Federal and Foreign income taxes incurred	834,587	1,921,572	(1,086,985)

2. Deferred Tax Assets

	1 2015	2 2014	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	14,391,904	15,329,274	(937,370)
2. Unearned premium reserve	4,911,394	4,707,310	204,084
3. Policyholder reserves	-	-	-
4. Investments	-	-	-
5. Deferred acquisition costs	-	-	-
6. Policyholder dividends accrual	-	-	-
7. Fixed assets	-	-	-
8. Compensation and benefits accrual	-	-	-
9. Pension accrual	6,559,723	6,398,965	160,758
10. Receivables - nonadmitted	-	-	-
11. Net operating loss carry-forward	-	-	-
12. Tax credit carry-forward	-	-	-
13. Other (including items <5% of total ordinary tax assets)	1,137,061	1,492,139	(355,078)
99. Subtotal	27,000,082	27,927,688	(927,606)
b. Statutory valuation allowance adjustment	-	-	-
c. Nonadmitted	-	-	-
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	27,000,082	27,927,688	(927,606)
e. Capital			
1. Investments	2,461,989	2,874,456	(412,467)
2. Net capital loss carry-forward	-	-	-
3. Real estate	-	-	-
4. Other (including items <5% of total capital tax assets)	-	-	-
99. Subtotal	2,461,989	2,874,456	(412,467)
f. Statutory valuation allowance adjustment	-	-	-
g. Nonadmitted	-	-	-
h. Admitted capital deferred tax assets (2e99-2f-2g)	2,461,989	2,874,456	(412,467)
i. Admitted deferred tax assets (2d+2h)	29,462,071	30,802,144	(1,340,073)

3. Deferred Tax Liabilities

	1 2015	2 2014	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	418,971	382,374	36,597
2. Fixed Assets	445,535	207,150	238,385
3. Deferred and uncollected premium	-	-	-
4. Policyholder reserves	-	-	-
5. Other (including items <5% of total ordinary tax assets)	-	-	-
99. Subtotal	864,506	589,524	274,982
b. Capital:			
1. Investments	15,713,816	18,785,486	(3,071,670)
2. Real Estate	-	-	-
3. Other (including items <5% of total capital tax assets)	-	-	-
99. Subtotal	15,713,816	18,785,486	(3,071,670)
c. Deferred tax liabilities (3a99+3b99)	16,578,322	19,375,010	(2,796,688)

4. Net Deferred Tax Assets

Net Deferred Tax Assets/Liabilities (2i-3c)	12,883,749	11,427,134	1,456,615

	1 2015	2 2014	3 (Col 1-2) Change
a. Adjusted gross deferred tax assets	29,462,071	30,802,144	(1,340,073)
b. Total deferred tax liabilities	16,578,322	19,375,010	(2,796,688)
c. Net Deferred Tax Assets/Liabilities (2i-3c)	12,883,749	11,427,134	1,456,615
d. Tax effect of change in unrealized gains (losses)			3,036,794
e. Total change in net deferred income tax			(1,580,179)
			1,456,615

Deferred Tax Liabilities - Ordinary
09C3(a)(05)

	1 2015	2 2014	3 (Col 1-2) Change
5. Other (items <5% of total ordinary deferred tax liabilities)		NONE	
Other (items >=5% of total ordinary deferred tax liabilities):			
6. Additional acquisition costs			
7. Guaranty fund accrual			
8. Salvage and subrogation			
98. Subtotal items >=5% of total ordinary deferred tax liabilities)	-	-	-
99. Total	-	-	-

D. Reconciliation of Federal Income Tax Rate to Actual Effective rate

Among the more significant book tax adjustments were the following:

	2015	
	Amount in Thousands	Effective Tax Rate %
Provision computed at statutory rate	4,251,767	34%
Change in nonadmitted assets	(224,858)	-2%
Permanent differences	(2,130,247)	-17%
Rate differential	329,120	3%
PY true-up (to current)	(170,001)	-1%
Other	358,985	3%
Proration of tax exempt investment income	-	0%
Disallowed travel and entertainment	-	0%
Taxes recovered - 2011 RAR	-	0%
Accrual adjustment - prior year	-	0%
Totals	2,414,766	19%
Federal and foreign income taxes incurred	(585,749)	-5%
Realized capital gains (losses) tax	1,420,336	11%
Change in net deferred income taxes	1,580,179	13%
Total statutory income taxes	2,414,766	19%

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

1. At December 31, 2015, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.

2. The following is income tax expense for 2015 and 2014 that is available for recoupment in the event of future net losses:

Year	Amount
2015	278,465
2014	1,838,648

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

F. Consolidated Federal Income Tax Return

As of December 31, 2015 and 2014 the Company has no uncertain tax positions requiring disclosure in these financial statements. Had the Company identified such positions, these amounts would be evaluated and disclosed or accrued. Liabilities would be reflected on the statement of financial position and the related interest and penalties would be included on the statement of income as underwriting expenses.

As of December 31, 2015, the Company incurred AMT of $0 on a stand-alone basis and consolidated basis.

1. The Company's federal income tax return is consolidated with the following entities:
   Casco View Holdings, LLC, a 100% owned non-insurance entity,
   MEMIC Indemnity Company, a 100% owned Property/Casualty insurance subsidiary,
   MEMIC Casualty Company, a 100% owned Property/Casualty insurance subsidiary, and
   MEMIC Services, Inc., a 100% owned non-insurance services subsidiary

2. The Company has a written agreement which sets forth the manner in which the total combined federal income tax is allocated to each entity which is a party to the consolidation. Pursuant to this agreement, the Company has a right to recoup federal income taxes paid in prior years in the event of future net losses, or to recoup its net losses carried forward as an offset to future net income subject to federal income taxes. Intercompany tax balances are settled within the terms of the written agreement.

G. Federal or Foreign Federal Income Tax loss Contingencies

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

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

A. Nature of Relationships

The Company owns 100% of the common stock of MEMIC Indemnity and MEMIC Casualty, property/casualty insurance companies licensed to write workers' compensation insurance which are domiciled in New Hampshire. As of January 1, 2015 MEMIC Casualty changed its state of domicile from Vermont to New Hampshire. The Company also owns 100% of the common stock of an insurance services subsidiary, MEMIC Services, Inc. and 100% of the member interest in Casco View Holdings, LLC, a real estate holding company.

B. Detail of Transactions Greater than ½% of Admitted assets

In 2000, the Company capitalized MEMIC Indemnity Company with a $12,000,000 investment. The Company supplemented its investment by contributing an additional $72,000,000 between 2001 and 2013. An additional $6,000,000 and $14,000,000 was contributed during 2015 and 2014, respectively. The $6,000,000 during 2015 was cash. The $14,000,000 in capital contributions to MEMIC Indemnity Company, noted as a change in common stock, includes a $13,818,544 non-cash contribution of bonds along with $181,456 in cash during 2014. As a result of the contribution at fair value of the fixed income securities, the Company recognized a deferred gain in surplus since the realized component of the difference between the fair value and book/adjusted carrying value as of the date of transfer cannot be recognized under SSAP No. 25 until the transferred securities mature or are sold by MEMIC Indemnity Company. A deferred gain of $1,213,672 remains as a deferred gain in capital and surplus as of December 31, 2015. To date, the Company has contributed $104,000,000 to MEMIC Indemnity Company.

The Company charges management fees and other services to MEMIC Indemnity Company in the normal course of business in accordance with the terms of certain cost sharing agreements. In 2015 and 2014, the Company charged MEMIC Indemnity Company approximately $18,098,366 and $11,702,421, respectively, for administrative and management services, underwriting, claims, loss control, managed care and investment management fees and was charged $359,236 and $325,753, respectively, for premium audit and other claims services that were provided from MEMIC Indemnity Company. Certain other direct costs are paid by the Company, charged back to MEMIC Indemnity Company and settled within the terms of the written cost sharing agreements.

The Vermont Department of Financial Regulation, acting as rehabilitator, converted the former Granite Manufacturers' Mutual Indemnity Company (GMMIC) to a stock company and on December 12, 2011 the Company purchased the Company, formerly known as GMMIC, a property/casualty insurance company licensed to write workers' compensation insurance. In conjunction with the transaction, GMMIC was renamed to MEMIC Casualty Company. There are no outstanding liabilities associated with this former incorporation. MEMIC Casualty Company is licensed to write workers' compensation insurance in Florida, Maryland, New Hampshire, New York, North Carolina, Pennsylvania, South Carolina, Vermont and Virginia and commenced writing policies in May 2012. The Company contributed capital of $4,622,576 and a $561,375 bond towards its original investment in MEMIC Casualty Company during 2011.

In December 2013, the Company contributed additional capital of $4,000,000 in fixed income securities and cash, noted as a change in common stock, to MEMIC Casualty Company. The $4,000,000 capital contribution to MEMIC Casualty Company includes $3,849,683 non-cash contribution of bonds and $150,317 cash in 2013. As a result of the 2013 contributions at fair value of the fixed income securities the Company recognized a deferred gain in surplus since the realized component of the difference between the fair value and book/adjusted carrying value as of the date of transfer cannot be recognized under SSAP No. 25 until the transferred securities mature or are sold by MEMIC Casualty Company. A deferred gain of $209,040 remains as a deferred gain in capital and surplus as of December 31, 2015. To date the Company has contributed $19,183,951 to MEMIC Casualty Company.

The Company charges management fees and other services to MEMIC Casualty Company in the normal course of business and in accordance with the terms of certain cost sharing agreements. In 2015 and 2014, there was $981,885 and $179,731 respectively, charged to MEMIC Casualty Company by the Company for such services for administrative and management services, underwriting, claims and investment management fees. Certain other direct costs are paid by the Company and charged back to MEMIC Casualty Company and settled within the terms of the written cost sharing agreements.

In January 2010 the Company established a wholly owned subsidiary, Casco View Holdings, LLC (CVH). This entity was established for the management and ownership of current and future investments in real estate. On March 1, 2011, the Company invested an additional $5,100,000 in CVH. CVH invested 100% of the $5,100,000 in its wholly owned subsidiary, Casco View Holdings II, LLC (CVHII) for the purchase of the home office building of the Company which had previously been under a long-term lease with an unrelated party. In November 2013 the Company purchased a parcel of land and contributed the land and cash of $393,222 to CVH for an additional $2,500,000 investment. CVH invested 100% of the $2,500,000 in a new wholly owned subsidiary Casco View Holdings III, LLC (CVHIII). During 2014 the Company invested an additional $3,712,233 in CVH by contributing another commercial real estate property located in Portland, Maine, of which CVH invested the entire contribution into CVHIII. In October 2015 the Company invested an additional $1,000,000 in CVH for the sole benefit of investing in CVHII. CVHII used this additional capital contribution to service, in part, a mortgage note to a local bank whose principal balance was due in full. To date, the Company has invested $18,106,501 in CVH, CVHII and CVHIII. CVH paid the Company $45,000 for management services during 2015 and 2014. In addition, the Company leased office space from CVH and paid $164,114 and $48,423 for rent and parking during 2015 and 2014, respectively. The Company also leased office space from CVHII and paid $858,870 and $844,950 for rent and parking during 2015 and 2014, respectively. The Company records its membership interests in CVH, CVHII and CVHIII in Schedule BA, Other Invested Assets.

C. Change in Terms of Intercompany Arrangements

There were no changes during 2015.

D. Amounts Due to or from Related Parties

These arrangements are subject to written agreements which require that intercompany balances be settled within 45 days. The amounts due from or (to) affiliates are as follows:

Affiliate	2015	2014
MEMIC Services, Inc.	-	-
MEMIC Indemnity Company	2,346,394	807,379
Casco View Holdings, LLC	(12,067)	(22,165)
MEMIC Casualty Company	(123,301)	(129,235)
Totals	2,211,026	655,979

E. Guarantees or Undertakings for Related parties

The Company has guarantees/commitments regarding all operations of MEMIC Services, Inc. The Company has recorded all amounts in the financial statements. The Company had also guaranteed the debt of the wholly owned subsidiary CVHII which was paid off in October 2015 (see Note 11).

F. Management, Service Contracts, Cost Sharing Arrangements

The Company has agreed to purchase agency services from MEMIC Services, Inc. the 100% owned insurance services affiliate. The Company has also agreed to provide certain administrative and management services, as well as underwriting, claims, loss control, managed care and investment management fees to all insurance affiliates. The Company has agreed to provide administrative and management services to CVH.

G. Nature of Relationships that Could Affect Operations

As a result of the control relationship noted in A, B & C above, the operating results or financial position of the reporting entity would not be significantly different from those that would have been obtained if the enterprises were autonomous.

H. Amount Deducted for Investment in Upstream Company

Not applicable

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

The Company owns 100% of MEMIC Indemnity Company. The common stock investment is recorded at its statutory equity value of $125,642,663. See Note 1C7 and 3A. Summarized statutory information for MEMIC Indemnity Company follows.

Description	Amount
Admitted Assets	385,855,775
Liabilities	260,213,112
Policyholders' Surplus	125,643,663
Net Income	497,990

J. Writedowns for Impairment of Investments in Affiliates

Not applicable (see Note 3C)

K. Foreign Insurance Subsidiary Valued Using CARVM

Not applicable

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable

Note 11 - Debt

A. The Company has no outstanding debt included on its balance sheet as of December 31, 2015 or 2014; however, the Company had a guarantee on an outstanding note payable from a local bank through its wholly owned subsidiary, CVH, who is the single member of CVHII.

On March 1, 2011, the Company invested an additional $5,100,000 in its wholly owned subsidiary, CVH. CVH invested 100% of the $5,100,000 in its wholly owned subsidiary, CVHII for the purchase of the home office building of the Company which had previously been under a long-term lease with an unrelated party. CVHII assumed a mortgage note payable "the Note" from the previous owner from a local bank on March 1, 2011. CVHII was the borrower on the note that was assumed and the Company was a limited corporate guarantor. The corporate guaranty was between the Company and the local bank. The local bank would have held the Company in default if CVHII could not have met its debt obligations. CVHII assumed a remaining principal balance of $3,892,481 on the note on March 1, 2011 and made all principal and interest payments due on the note timely until the Note matured in September 2015 and was paid in full on October 14, 2015. The Company is not bound to contribute any additional funds for the payment of expenses or other obligations of CVH aside from the note which was paid in full in October 2015.

Debt Description	Amount
Total recorded as borrowed money	
Total recorded as encumbrances on real estate	NONE
Total debt outstanding	

The combined scheduled aggregate maturities for the next five years and thereafter are as follows:

Year	Amount
2016	
2017	
2018	NONE
2019	
2020	
Subtotal	
Thereafter	
On demand	
Total	NONE

The Company does not have any reverse repurchase agreements.

B. FHLB (Federal Home Loan Bank) Agreements

Not applicable

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

A. Defined Benefit Plan

Not applicable

B-D Investment Policies, Fair Value of Plan Assets and Rate of Return Assumptions

The Company sponsors a defined contribution plan. See Note 12G.

E. Defined Contribution Plans

The Company sponsors a defined contribution plan. See Note 12G.

F. Multiemployer Plans

Not applicable

G. Consolidated / Holding Company Plans

The Company has adopted a qualified defined contribution pension, 401(k) and profit sharing plan (the Plan) covering substantially all full-time employees who meet the plans' eligibility requirements. If approved by the Board of Directors, the pension component of the defined contribution plan is determined to be 3-6% of the covered employees' annual eligible compensation. Employees become eligible to participate upon completion of three months of service and are fully vested in the plan after three years of service. The amount expensed for the pension related portion of the Plan was approximately $1,175,707 and $1,135,004 in 2015 and 2014, respectively.

The 401(k) and profit sharing portion of the Plan provides for a tax deferred profit sharing contribution by the Company and an employee elective contribution with a matching provision. In 2015 and 2014, with respect to the 401(k) component of the Plan, the Company will contribute an amount up to 100% of the employees' 401(k) contributions to a maximum of 5% of an employees' annual compensation. An employee's contribution may not exceed 60% of their annual salary or the maximum amount allowed as determined by the Internal Revenue Code. These Company contributions become fully vested after five years. The Company incurred approximately $967,193 and $854,552 of expense related to the 401(k) component of the Plan in 2015 and 2014, respectively. With respect to the profit sharing component of the Plan, each eligible participant may receive a profit sharing contribution in an amount to be determined by the Board of Directors not to exceed 6% plus an additional allocation for employees earning in excess of the taxable wage base. The Company incurred approximately $1,235,986 and $932,607 of expense related to the profit sharing component of the Plan in 2015 and 2014, respectively.

The Company sponsors a non-qualified, deferred compensation plan (the Compensation Plan) and trust for certain key executives providing for payments upon retirement, death or disability. The Compensation Plan permits eligible officers to defer a portion of their compensation. The Compensation Plan provides that, in the event of liquidation of the Company, all assets of the Compensation Plan will be available to meet the obligations of the Company. Included in both other invested assets and other liabilities are amounts of $14,354,399 and $14,141,709 at December

31, 2015 and 2014, respectively, related to the Compensation Plan. In accordance with NAIC SAP, the increase/ (decrease) in market value of the assets of the Plan are recorded into income or expense to the Company. The Company incurred approximately $567,677 and $1,195,460 of expense related to the Compensation Plan in 2015 and 2014, respectively.

The Company also maintains an Incentive Compensation Plan (the ICP) for certain members of senior management. Under the terms of the ICP, participants were awarded "surplus shares" at the discretion of the Executive Committee of the Board of Directors. Four classes of surplus shares have been awarded under the ICP however, as of December 31, 2015, a total of 300 Class B shares were all that remained unexpired under the Plan. The value of each class of surplus share is determined based on excess capital and surplus as defined in the ICP. Shares become fully vested over a 10 year period or a shorter period, under certain conditions. The Company has incurred approximately $92,371 and ($20,560) of expense related to the ICP in 2015 and 2014, respectively.

A Long Term Incentive Plan (LTIP) was established by the Compensation Committee of the Board of Directors (the Committee) effective January 1, 2007 for certain members of management and highly compensated individuals (participants). Participants are granted a fixed dollar base award (the “Award”) contingent upon the anticipated growth of imputed surplus. The final earned amount of the Award is based on the actual growth levels of imputed surplus and is calculated upon imputed surplus as compared to Target, Threshold and Maximum Growth levels for an applicable performance period, generally three years. The actual earned amount of the Award can range from Zero to 150% of the fixed dollar base Award. Participants vest in the plan over three years, or a shorter period, under certain established conditions. The Company has incurred approximately $597,070 and $1,373,421 of expense related to the LTIP in 2015 and 2014, respectively.

H. Postemployment Benefits and Compensated Absences

The Company has no obligations to current or former employees for benefits after their employment but before their retirement other than for compensation related to earned vacation pay. The liability for earned but untaken vacation pay has been accrued.

I. Impact of Medicare Modernization Act on Postretirement Benefits

Not applicable

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

1. Outstanding Shares

Not applicable

2. Dividend Rate of Preferred Stock

Not applicable

3. Dividend restrictions

Under the insurance regulations in Maine, the maximum amount of ordinary dividends that the Company may pay to policyholders in a twelve month period is limited to the greater of 10% of the most recent year-end policyholders’ surplus or the net income for that same year-end excluding realized capital gains. Accordingly, the maximum amount of ordinary dividends that the Company may pay to policyholders during 2015 and 2014 is $ 39,385,841 and $37,088,233, respectively. Dividends above this amount would be deemed extraordinary and may not be paid unless 1) not disapproved by the Superintendent of Insurance of Maine within 30 days of receiving notice of the declaration thereof or 2) approved within that thirty day period.

4. Dates and Amounts of Dividends Paid

An ordinary dividend of $18,000,000 was declared by the Board of Directors on September 30, 2015. $18,000,000 of this dividend was paid to eligible policyholders in November 2015.

5. Amount of Ordinary Dividends That May Be Paid

Other than the limitations described above in paragraph 3, there are no limitations on the amount of ordinary dividends that may be paid other than the general restriction under the insurance regulations of Maine that no dividend (ordinary or extraordinary) may be declared or paid from any source other than unassigned funds without approval of the Superintendent of Insurance of Maine.

6. Restrictions on Unassigned Funds

There are no restrictions on the unassigned funds of the Company other than those described above in paragraphs 3 and 5 and these unassigned funds are held for the benefit of the owner and policyholders.

As authorized by specific provisions of State law, the Company was formed as a special purpose mono-line workers' compensation insurer without any initial capital or surplus. To provide capital, each of the Company's policyholders were required to make a Capital Contribution equal to a percentage of final audited premium, 15% for policies issued in 1993 and 10% for policies issued in 1994 and 1995. Capital contributions were based on estimated annual premiums and are subsequently adjusted based on actual cancellations and premium audits. The Company suspended the Capital Contribution charge for policies effective January 1, 1996 and later. In 1998, the Company received approval from the Maine Bureau of Insurance to return capital contributions to the extent authorized by the Board of Directors and the Maine Bureau of Insurance. Cumulative capital contributions remaining are $3,180,808 as of December 31, 2015 and 2014. The Company returned $0 and $777, of capital contributions during calendar years 2015 and 2014, respectively, net of related write-offs.

7. Mutual Surplus Advances

Not applicable

8. Company Stock Held for Special Purpose

Not applicable

9. Changes in Special Surplus Funds

   Not applicable

10. Change in Unassigned Funds

    The portion of unassigned funds (surplus) represented by cumulative unrealized capital gains is $72,097,314 less applicable deferred taxes of $16,329,928, for a net balance of $55,767,386 as of December 31, 2015.

11. Surplus Notes

Date Issued	Interest Rate	Par Value (Face Amount of Note)	Carrying Value of Note	Interest and/or Principal Paid Current Year	Total Interest and/or Principal Paid	Unapproved Interest and/or Principal	Date of Maturity
NONE							

12. and 13. Impact and Dates of Quasi Reorganizations

    Not applicable

Note 14 - Liabilities, Contingencies and Assessments

A. Contingent Commitments

1. Capital Commitments

   The Company had a guarantee on an outstanding note payable from a local bank through its wholly owned subsidiary, CVH, who is the single member of CVHII. CVHII secured the note with a local bank on March 1, 2011. The Company had not recorded a liability for any amounts due on this Note as the borrower had met all principal and interest obligations through the payoff date and since the Company is the sole tenant for CVHII and has adequate resources to meet its lease obligations. See note 11 above. The Company also has commitments/guarantees regarding all operations of MEMIC Services, Inc. The Company has recorded all related liabilities.

2. Detail of Other Contingent Commitments

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee	Ultimate Financial Statement Impact if Action under Guarantee Required	Maximum Potential Amount of Future Payments the Guarantor Could be Required to Make	Current Status of Payment or Performance Risk of Guarantee
NONE				
Total				XXX

3. Summary of Detail in 14A2

Description	Amount
a. Aggregate maximum potential of future payments of all guarantees (undiscounted) the guarantor could be required to make under the guarantees	
b. Current liability recognized in financial statements:	
1. Noncontingent liabilities	
2. Contingent liabilities	
c. Ultimate financial statement impact if action under the guarantee is required	NONE
1. Investments in SCA	
2. Joint Venture	
3. Dividends to stockholders (capital contribution)	
4. Expense	
5. Other	
6. Total	NONE

B. Assessments

1. Liability and Related Asset

   The Company is subject to guaranty fund and other assessments by the states in which it writes business. Most assessments are recorded at the time the assessments are levied or, in the case of premium-based assessments, at the time the premiums are written or in the case of loss-based assessments, at the time the losses are incurred. Insurance company insolvencies in states where the Company writes business may result in guaranty fund assessments on future premiums. These assessments will be recorded as future premiums are written. Certain assessments that are unknown to the Company are accrued at the time of assessment.

   The Company has accrued a liability for guaranty fund and other assessments of $1,300,355 and $1,170,726 and no related premium tax benefit asset at December 31, 2015 and 2014, respectively. The amounts recorded represent management's best estimates based on assessment rate information received from the states in which the Company writes business and the direct premiums written in those states. The liability is included in the taxes, licenses and fees liability and will be paid in the coming years. The following table would reflect the current year change in the premium tax benefit asset, however, the Company does not have the ability to recover assessments through policyholder surcharges so no related asset is recorded.

2. Roll forward of Related Asset

Not applicable

Description	Amount
a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end	
b. Decreases current year:	
Premium tax offsets applied	
Premium tax offsets charged off	
Policy surcharges collected	NONE
Policy surcharges charged off	
c. Increases current year:	
Premium tax offsets accrued	
Policy surcharges accrued	
d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end	

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 current year to settle claims related extra contractual obligations or bad faith claims resulting from lawsuits.

	Direct
Claims related ECO and bad faith losses paid during the reporting period	NONE

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

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

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

E. Product Warranties

Not applicable

F. Joint and Several Liabilities

Not applicable

G. Other Contingencies

At the end of the current and prior year, the Company had $48,643,506 and $45,384,935, respectively in admitted premiums receivable due from policyholders, agents and ceding insurers. The Company routinely assesses the collectability of these receivables. Based upon Company experience, any uncollectible premiums receivable as of the end of the current year are not expected to exceed non-admitted amounts totaling $1,653,754. The potential for any additional loss is not believed to be material to the Company's financial position and no additional provision for uncollectable amounts has been recorded.

Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company. The Company is contingently liable under certain immaterial structured settlement agreements (see note 27A).

Note 15 - Leases

A. Lessee Leasing Arrangements

1. The Company leases office space, various office equipment and vehicles under arrangements expiring through 2019. Total lease and rent expense was approximately $1,336,440 and $1,236,026 for the years ended December 31, 2015 and 2014, respectively. There are no contingent rentals, no terms of renewal or purchase options, escalation clauses or restrictions imposed by lease agreements.

2. Future minimum rental payments are as follows:

Year Ending December 31	Operating Leases
2016	1,446,377
2017	1,400,223
2018	1,251,073
2019	1,058,884
2020	930,150
Subtotal	6,086,707
Thereafter	-
Total	6,086,707

3. The Company has not entered into any sale and leaseback arrangements.

B. Lessor Leasing Arrangements

1. Operating Leases

Not applicable

2. Leveraged Leases

Not applicable

Note 16 - Information about Financial Instruments with Off-Balance Sheet Risk

1. Face or Contract Amounts

Not applicable

Description	Assets 2015	Assets 2014	Liabilities 2015	Liabilities 2014
a. Swaps				
b. Futures				
c. Options				
d. Total	NONE			

2. Nature and Terms

Not applicable

3. Exposure to Credit - Related Losses

Not applicable

4. Collateral Policy

Not applicable

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

A. Transfers of Receivables Reported as Sales

Not applicable

B. Transfers and Servicing of Financial Assets

Not applicable

C. Wash Sales

1. In the course of the Company's asset management, no securities were sold and reaquired within 30 days of the sale date to enhance the yield on the investments.

2. The details by NAIC Designation 3 or below or unrated securities sold during the year and reacquired within 30 days of the sale date are:

Description	NAIC Designation	Number of Transactions	Book Value of Securities Sold	Cost of Securities Repurchased	Gain (Loss)
Bonds Preferred stock	NONE				

Note 18 - Gain or Loss from Uninsured Plans and Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

Not applicable

B. Administrative Services Contract (ASC) Plans

Not applicable

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

Not applicable

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

The Company does not utilize Managing General Agents or Third Party Administrators.

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/ Produced By
		NONE			
Total					

Note 20 - Fair Value Measurements

A. Inputs Used for Assets and Liabilities Measured and Reported at Fair Value

1. Items Measured and Reported at Fair Value by Levels 1, 2 and 3

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

Level 1- Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded preferred and common stocks. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are thus classified as Level 1.

Level 2- Significant Other Observable Inputs: This category for items measured at fair value on a recurring basis includes bonds, which are not exchange-traded. The estimated fair values of some of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded.

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

Description	Level 1	Level 2	Level 3	Total
a. Assets on balance sheet at fair value				
Bonds				
Issuer obligations	-	-	-	-
Commercial mortgage backed Securities	-	-	-	-
Total bonds	-	-	-	-
Preferred stocks				
Industrial and miscellaneous	-	-	-	-
Total preferred stocks	-	-	-	-
Common stocks				
Industrial and miscellaneous	118,215,984	-	-	118,215,984
Subsidiary	-	-	-	-
Mutual funds	14,354,399	-	-	14,354,399
Total common stocks	132,570,383	-	-	132,570,383
Other - short term investments	4,351,341	-	-	4,351,341
Total assets on the balance sheet at fair value	136,921,724	-	-	136,921,724
b. Liabilities on balance sheet at fair value				
Derivative liabilities				
Total liabilities on balance sheet at fair value	-	-	-	-

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 as stated in paragraph below.

2. Rollforward of Level 3 Items

The Company has no assets or liabilities measured at fair value in the Level 3 category so the following table does not apply.

Description	Beginning Balance at 1/1/2015	Transfers into Level 3	Transfers out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at 12/31/2015
a. Assets										
Bonds										
Issuer obligations										
Commercial MBS										
Preferred stocks										
Perpetual										
Common stocks										
Industrial										
Subsidiary										
Mutual Funds										
Total assets	NONE									
b. Liabilities										
Derivatives										
Total liabilities	NONE									

3. Policy on Transfers Into and Out of Level 3

   At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Inputs and Techniques Used for Level 2 and Level 3 Fair Values

   The Company has no assets or liabilities measured at fair value in the Level 3 category.

   Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted market prices for similar instruments in an active market were utilized. This was accomplished by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with similar features and applies analytic methods to determine the fair value of bonds held. Features that are inputs into the analysis include duration, credit quality, tax status and call and sinking fund features.

5. Derivative Fair Values

   Not applicable

B. Other Fair Value Disclosures

Not applicable

C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, joint ventures and ventures). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A.

Type or Class of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds	477,829,909	462,927,310	-	477,829,909	-	-
Preferred stocks	-	-	-	-	-	-
Common stocks	118,215,984	118,215,984	118,215,984	-	-	-
Mortgage loans						-
Cash, cash equivalents and short-term investments	13,393,080	13,393,080	13,393,080	-	-	-
Other - mutual funds	14,354,399	14,354,399	14,354,399	-	-	-
Other - collateral loan	-	-	-	-	-	-
Total Assets	623,793,372	608,890,773	145,963,463	477,829,909	-	-
Derivative liabilities		NONE				
Total Liabilities	-	-	-	-	-	-

D. Items for which Not Practicable to Estimate Fair Values

Not applicable

Type or Class of Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Total	NONE			

Note 21 - Other Items

A. Extraordinary Items

Not applicable

B. Troubled Debt Restructuring for Debtors

Not applicable

C. Other Disclosures

Assets in the amount of $3,704,726 (Par Value $3,560,000) and $3,697,296 (Par Value $3,560,000) at December 31, 2015 and 2014, respectively, were on deposit with various insurance regulatory authorities or trustees as required by insurance or federal law.

D. Business Interruption Insurance Recoveries

Not applicable

E. State Transferable and Non-Transferable Tax credits

Not applicable

F. Subprime Mortgage Related Risk Exposure

1. Subprime Mortgage Exposures

The Company invests in several asset classes that could potentially be adversely affected by subprime mortgage exposure. These investments may include mortgage loans, mortgaged-backed securities and equity investments in financial institutions. The Company believes that its greatest exposure is to unrealized losses from declines in asset values versus realized losses resulting from defaults or foreclosures. Conservative lending and investment practices limit the Company's exposure to such losses.

2. Direct Exposure Through Investments and Subprime Mortgage Loans

Not applicable

	Book/Adjusted Carrying Value (Excluding Interest)	Fair Value	Value of Land and Buildings	OTTI Recognized	Default Rate
a. Mortgages in the process of foreclosure					
b. Mortgages in good standing					
c. Mortgages with restructure terms					
d. Total	NONE				

3. Direct Exposure - Other Investment Classes

The Company has several other investment classes that may have subprime mortgage exposure including:

Residential mortgage-backed securities

Structured loan-backed securities

Debt obligations of unaffiliated financial institutions participating in subprime lending

Unaffiliated equity securities, common, issued by financial institutions participating in subprime lending

The Company has reviewed its mortgage-backed security portfolio and determined that all of these investments are in pools that are backed by loans made to well qualified borrowers or in tranches that have minimal default risk. All bonds held that were issued by financial institutions participating in subprime lending activities are investment grade quality. Default risk on these bonds appears minimal. The impact on these investments should the subprime credit crisis worsen cannot be assessed at this time. The following is a summary of the Company's other investments with subprime exposure and other-than-temporary impairments (OTTI) recognized.

	Actual Cost	Book/Adjusted Carrying Value	Fair Value	OTTI Recognized
a. Residential mortgage-backed securities	49,839	50,169	50,561	-
b. Commercial mortgage-backed securities	-	-	-	-
c. Collateralized debt obligations	-	-	-	-
d. Structured securities	-	-	-	-
e. Affiliated debt and equity interest in financial institutions	-	-	-	-
f. Other assets (unaffiliated equity interest in financial institutions)	-	-	-	-
g. Totals	49,839	50,169	50,561	-

4. Underwriting Exposure

Not applicable

G. Insurance - Linked Securities

Not applicable

Note 22 - Events Subsequent

Subsequent events have been considered through February 22, 2016 for these statutory financial statements which are available to be issued February 29, 2015.

The company does not write health insurance, therefore, no premiums are subject to assessment under section 9010 of the Affordable Care Act.

		Current Year		Prior Year
A.	Did the reporting entity write accident and health insurance premium that is subject to Section 9010 of the Federal Affordable Care Act (YES/NO)?	NO		
B.	ACA fee assessment payable for the upcoming year	$		$
C.	ACA fee assessment paid	$		$
D.	Premiu Written subject to ACA 9010 assessment	$		$
E.	Total Adjusted Capital before surplus adjustment (Five -Year Historical Line 28)	$		$
F.	Total Adjusted Capital after surplus adjustment (Five-Year Historical Line 28 Minus 22B above)	$		$
G.	Authorized Control Level (Five-Year Historical Line 29)	$		$
H.	Would reporting the ACA assessment as of December 31, 2015, have triggered an RBC action level (YES/NO)?	NO		

Note 23 - Reinsurance

A. Unsecured Reinsurance Recoverables

The Company's unsecured reinsurance balances (including ceded case and IBNR reserves) in excess of 3% of policyholders' surplus with any one reinsurer are displayed below:

NAIC Code	Federal ID #	Name of Reinsurer	Amount
22039	13-2673100	General Reinsurance Corp	15,018,054

B. Reinsurance Recoverable in Dispute

The Company does not have reinsurance recoverable in dispute for paid losses and loss adjustment expenses that exceed 5% of policyholders' surplus from an individual reinsurer or exceed 10% of policyholder surplus in aggregate. There are no amounts in dispute at December 31, 2015 or December 31, 2014.

		Status of Dispute		
Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Notification	Arbitration	Litigation
NONE				

C. Reinsurance Assumed and Ceded and Protected Cells

1. The following table summarizes ceded and assumed unearned premiums and the related commission equity at the end of the current year.

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	NONE					
b. All other						
c. Totals						
d. Direct Unearned Premium Reserve				71,306,488		

2. Certain agency agreements and ceded reinsurance contracts on the employment practices liability insurance line of business provide for additional or return commissions based on the actual loss experience of the produced or reinsured business. There are no current year amounts accrued.

Description	Direct	Assumed	Ceded	Net
a. Contingent commissions				
b. Sliding scale adjustments				
c. Other profit commissions				
d. Totals	NONE			

Under the Company's reinsurance agreement for Employment Practices Liability Insurance a 30% profit commission shall be paid to the Company on the difference between "income" (net premium and claims refunds) and "outgo" (return premiums, paid claims, outstanding claims, claim costs and expenses, 30% of return premium in respect of underwriters expenses and deficit, if any brought forward) for each underwriting year.

In the event the Profit Commission calculations for any one underwriting year results in a deficit, the total amount of such deficit shall be shown as an item of "outgo" on the Profit Commission statement for the ensuing year or years. No Profit Commission shall be restored on such ensuing year or years until the previous loss has been expunged and a profit balance restored.

A provision calculation shall be made at 12 months after the expiration of each underwriting year with an annual adjustment thereafter until all risks have expired and all outstanding claims have been settled. There were no amounts for Ceded profit sharing commissions accrued as of December 31, 2015. The Company received $175,118 in profit sharing commissions on this line of business during 2015 but has not accrued any future receivable due to the uncertainty inherent in claims reserves.

3. The Company does not use protected cells as an alternative to traditional reinsurance.

D. Uncollectible Reinsurance

During the most recent year, the Company did not write off any reinsurance balances.

Statement of Income Account	Amount
a. Losses incurred b. Loss adjustment expenses incurred c. Premiums earned d. Other e. Company	**NONE**
Total	**NONE**

E. Commutation of Ceded Reinsurance

In November 2015 the Company commuted an aggregate excess of loss reinsurance contract on the 1998 treaty year with SCOR. This commutation did not result in any gain or loss to the Company.

Statement of Income Account	Amount
a. Losses incurred	-
b. Loss adjustment expenses incurred	-
c. Premiums earned	-
d. Other	-
Reinsurer	**Amount**
SCOR	-
Total	-

F. Retroactive Reinsurance

Not applicable

G. Reinsurance Accounted for as a Deposit

Not applicable

H. Run-off Agreements

Not applicable

I. Certified Reinsurer Downgraded or Status Subject to Revocation

Not applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not applicable

Note 24 - Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Method Used to Estimate

The Company sells workers compensation policies for which the premiums vary based on loss experience. Future premium adjustments for these retrospective policies are estimated and accrued. The Company estimates these accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss development with that anticipated in the policy contracts to arrive at the best estimates of return or additional retrospective premiums.

B. Method Used to Record

The Company records the retrospective premium accruals as earned by adjusting unearned premiums. These amounts are not recorded as premiums written until they are billed to the policyholders. Return premiums are recorded as liabilities and additional premiums are recorded as assets.

C. Amount and Percent of Net Retrospective Premiums

Net premiums written for the current year on retrospective workers compensation policies was $0 and 0% of total workers compensation net premiums written.

D. Medical Loss Ratio Rebates

Not applicable

E. Calculation of Nonadmitted Accrued Retrospective Premiums

Ten percent of the amount of accrued retrospective premiums not offset by retrospective return premiums, other liabilities to the same party (other than loss and loss adjustment expense reserves), or permitted collateral, would be non-admitted. The calculation of the non-admitted and admitted amounts is summarized as follows:

Accrued Retrospective Premiums	Amount
a. Total accrued asset for retrospective premiums	
b. Unsecured amount	
c. Less: Nonadmitted amount, 10% of unsecured	NONE
d. Less: Nonadmitted amount for any person for whom agents' balances or uncollected premiums are nonadmitted	
e. Admitted amount (a - c - d)	NONE

The Company has no active retrospective policies open as of December 31, 2015.

F. Risk Sharing Provisions of the Affordable Care Act (ACA)

1. Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions (YES/NO) NO

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

   Not Applicable

3. Rollforward of prior year ACA risk sharing provisions for the following asset (gross of any non-admission) and liability balances along with the reasons for adjustments to the prior year balance:

   Not Applicable

Note 25 - Changes in Incurred Losses and Loss Adjustment Expenses

Reserves for incurred losses and loss adjustment expenses attributable to insured events as of December 31, 2014 were $334,888,000. As of December 31, 2015, $63,907,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now $264,990,000 as a result of re-estimation of unpaid claims and claim adjustment expenses principally on the workers' compensation line of business. Therefore, there has been a $5,991,000 favorable prior year development since December 31, 2014. This decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims. There was no impact on reserves or surplus as a result of development of retrospectively rated policies.

The first two columns in the chart below reflect by line of business the expense on the Statement of Income and what that expense would have been without prior year development (from Schedule P - Part 1). The third column is the difference between the first two columns and reflects the favorable development of $5,991,000. Increases or decreases of this nature occur as the result of claim settlements and receipt and evaluation of additional information regarding unpaid claims. Recent development trends are also taken into account in evaluating the overall adequacy of reserves. The last two columns reconcile the redundancy shown in the third column to the information shown in Schedule P- Part 2 which includes losses and the defense and cost containment (DCC) portion of LAE but excludes the adjusting and other (AO) portion of LAE.

Schedule P Line of Business	Current Calendar Year Losses and LAE Incurred	Current Loss Year Losses and LAE Incurred Sch P. - Part 1	Prior Year Loss and LAE Shortage (Redundancy)	Loss and DCC Shortage (Redundancy) Sch. P - Part 2	AO Shortage (Redundancy)
Workers' compensation	107,124,000	113,117,000	(5,993,000)	(6,911,000)	918,000
Other liability occurrence	-	-	-	-	-
Other liability claims made	260,000	258,000	2,000	3,000	(1,000)
Totals	107,384,000	113,375,000	(5,991,000)	(6,908,000)	917,000

Note 26 - Intercompany Pooling Arrangements

Not applicable

Note 27 - Structured Settlements

A. Reserves Released Due to Purchase of Annuities

The Company has purchased annuities wherein the claimants are payees and which the Company is contingently liable in case of default by the Life Insurance Company that pays the annuity. In the event of default the Company would be contingently liable for approximately $152,298, the outstanding value of the annuity.

Reserves Eliminated by Annuities	Unrecorded Loss Contingencies

B. Annuity Insurers with Balances due Greater than 1% of Policyholders' Surplus

The Company has not purchased annuities from life insurers under which the Company is payee and, therefore, no balances are due from such annuity insurers.

Life Insurance Company and Location	Licensed in Company's State of Domicile Yes/No	Statement Value (i.e., Present Value of Annuities)
NONE		

Note 28 - Health Care Receivables

A. and B. Not applicable

Note 29 - Participating Policies

Not applicable

Note 30 - Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of the end of the current year and determined that an additional liability was not required.

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

1. Liability for premium deficiency reserve	-
2. Date of most recent evaluation	11/30/2015
3. Was anticipated investment income utilized in calculation?	Yes [X] No [ ]

Note 31 - High Deductibles

At the end of the current year, the amount of reserve credit recorded for high deductibles on unpaid losses was zero. The amounts billed and recoverable at the end of the current year was zero.

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

A. Tabular Discounts

Not applicable

		Tabular Discounts	
		Case	IBNR
4.	Workers' Compensation		
5.	Commercial multiple peril		
9.	Other liability - occurrence		
23.	Total	NONE	

B. Non-Tabular Discounts

Not applicable

C. Changes in Discount Assumptions

Not applicable

Note 33 - Asbestos and Environmental Reserves

A. Five-Year Rollforward of Asbestos Reserves, Direct, Assumed and Net

The Company has no Asbestos/Environmental reserve recorded or necessary

	December 31,				
	2011	2012	2013	2014	2015
1. Asbestos, Direct					
a. Beginning reserves					
b. Incurred losses and LAE					
c. Calendar year payments for losses and LAE					
d. Ending reserves					
2. Asbestos, Assumed			NONE		
3. Asbestos, Net					
a. Beginning reserves					
b. Incurred losses and LAE					
c. Calendar year payments for losses and LAE					
d. Ending reserves					

B. Asbestos IBNR and Bulk Reserve, Direct, Assumed and Net

1. Direct	
2. Assumed	NONE
3. Net	

C. Asbestos LAE Reserve, Direct, Assumed and Net

1. Direct	
2. Assumed	NONE
3. Net	

D. Five-Year Rollforward of Environmental Reserves, Direct, Assumed and Net

	December 31,				
	2011	2012	2013	2014	2015
1. Environmental, Direct					
a. Beginning reserves					
b. Incurred losses and LAE					
c. Calendar year payments for losses and LAE					
d. Ending reserves					
2. Environmental, Assumed			NONE		
3. Environmental, Net					
a. Beginning reserves					
b. Incurred losses and LAE					
c. Calendar year payments for losses and LAE					
d. Ending reserves					

E. Environmental IBNR and Bulk Reserve, Direct, Assumed and Net

1. Direct	
2. Assumed	NONE
3. Net	

F. Environmental LAE Reserve, Direct, Assumed and Net

1. Direct	
2. Assumed	NONE
3. Net	

Note 34 - Subscriber Savings Accounts

Not applicable

Note 35 - Multiple Peril Crop Insurance

Not applicable

Note 36 - Financial Guaranty Insurance

A. and B. Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

1.3 State regulating? Maine

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

2.2 If yes, date of change:

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

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

3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 05/22/2014

3.4 By what department or departments?
Maine Bureau of Insurance

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 [X] No [ ] N/A [ ]

3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] 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 [X]

4.12 renewals? Yes [ ] No [X]

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

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

4.22 renewals? Yes [ ] No [X]

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

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

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

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

6.2 If yes, give full information:

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

7.2 If yes,

7.21 State the percentage of foreign control %

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

1 Nationality	2 Type of Entity

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

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

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

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

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

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?
Johnson Lambert, LLP, 7000 Central Parkway, Suite 1500, Atlanta, GA 30328

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

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

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

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

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

10.6 If the response to 10.5 is no or n/a, please explain:

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Yi Jing FCAS, MAAA Towers Watson, 175 Powder Forest Drive, Weatogue, CT 06089

12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [X] No [ ]

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

12.11 Name of real estate holding company Casco View Holdings, LLC, Casco Viewing Holdings II, LLC & Casco View Holdings III, LLC

12.12 Number of parcels involved 4

12.13 Total book/adjusted carrying value $ 19,967,788

12.2 If yes, provide explanation
Casco View Holdings, LLC, Casco Viewing Holdings II, LLC & Casco View Holdings III, LLC are 100% owned by the Company.

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 [X]

14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

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

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

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

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

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

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

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

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

BOARD OF DIRECTORS

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

17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors an 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

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 *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [X]

22.2 If answer is yes:

22.21 Amount paid as losses or risk adjustment $ 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:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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

24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. $ 0

24.06 If answer to 24.04 is no, report amount of collateral for other programs $ 0

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

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

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

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

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

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

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

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

25.2 If yes, state the amount thereof at December 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	$ 3,040,960
25.29	On deposit with other regulatory bodies	$ 663,766
25.30	Pledged as collateral – excluding collateral pledged to an FHLB	$ 0
25.31	Pledged as collateral to FHLB – including assets backing funding agreements	$ 0
25.32	Other	$ 0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount
		$

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

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

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

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

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

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

1 Name of Custodian(s)	2 Custodian Address
Key Private Bank	One Canal Plaza, 2nd Floor, Portland ME 04101

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

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

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

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

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

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
105900	GenRe/New England Asset Management	74 Batterson Park Rd, Farmington, CT 06032
107423	Conning Asset Management	One Financial Plaza, Hartford, CT 06103

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

29.2 If yes, complete the following schedule:

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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

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	467,278,651	482,181,250	14,902,599
30.2	Preferred Stocks	0	0	0
30.3	Totals	467,278,651	482,181,250	14,902,599

30.4 Describe the sources or methods utilized in determining fair values:
The Fair Value is primarily determined by widely accepted third party vendors, followed by a hierarchy using broker/dealer quotes index pricing, models using analytical data and Bloomberg pricing.

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 [ ] No [X]

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 [ ] 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? $ 1,265,177

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
National Council on Compensation Insurers	$ 1,027,548

34.1 Amount of payments for legal expenses, if any? $ 92,974

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
Pierce Atwood, LLP	$ 60,665

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? $ 10,318

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
NAMIC	$ 9,550
Pierce Atwood, LLP	768

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

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

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

1.31 Reason for excluding:

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

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

1.6 Individual policies:

Most current three years:

1.61 Total premium earned $ 0

1.62 Total incurred claims $ 0

1.63 Number of covered lives 0

All years prior to most current three years:

1.64 Total premium earned $ 0

1.65 Total incurred claims $ 0

1.66 Number of covered lives 0

1.7 Group policies:

Most current three years:

1.71 Total premium earned $ 0

1.72 Total incurred claims $ 0

1.73 Number of covered lives 0

All years prior to most current three years:

1.74 Total premium earned $ 0

1.75 Total incurred claims $ 0

1.76 Number of covered lives 0

2. Health Test:

		1 Current Year	2 Prior Year
2.1	Premium Numerator	$ 0	$ 0
2.2	Premium Denominator	$ 143,667,494	$ 139,421,100
2.3	Premium Ratio (2.1/2.2)		
2.4	Reserve Numerator	$ 0	$ 0
2.5	Reserve Denominator	$ 418,779,052	$ 400,709,994
2.6	Reserve Ratio (2.4/2.5)		

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

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

3.21 Participating policies $ 0

3.22 Non-participating policies $ 0

4. FOR MUTUAL REPORTING ENTITIES AND RECIPROCAL EXCHANGES ONLY:

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

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

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? 100.000%

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 EXHANGES ONLY:

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

5.2 If yes, is the commission paid:

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

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

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 [X]

5.5 If yes, give full information:

6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?

The Company utilizes excess of loss reinsurance to protect itself against catastrophic losses. The Company's program is placed with a consortium of highly-rated reinsurers.

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:

Paid, case and other reserve actuarial analysis performed by Towers Watson, consulting actuaries.

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?

Property losses are not insured by the Company.

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

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

Property losses are not insured by the Company.

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

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

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

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

8.2 If yes, give full information

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

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

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

(c) Aggregate stop loss reinsurance coverage;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

11.2 If yes, give full information

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

12.11 Unpaid losses $ 0

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

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

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

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

12.41 From %

12.42 To %

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

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

12.61 Letters of Credit $ 350,000

12.62 Collateral and other funds $ 0

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

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

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

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

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

GENERAL INTERROGATORIES

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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 [X]

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

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

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

15.2 If yes, give full information

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

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

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

* Disclose type of coverage:

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

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

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

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

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

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

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

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

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

FIVE-YEAR HISTORICAL DATA

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

		1 2015	2 2014	3 2013	4 2012	5 2011
	Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	153,567,004	145,551,182	137,439,994	130,646,478	127,911,758
2.	Property lines (Lines 1, 2, 9, 12, 21 & 26)					
3.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
4.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
5.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
6.	Total (Line 35)	153,567,004	145,551,182	137,439,994	130,646,478	127,911,758
	Net Premiums Written (Page 8, Part 1B, Col. 6)					
7.	Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	148,448,489	141,109,836	133,425,799	126,479,780	123,990,341
8.	Property lines (Lines 1, 2, 9, 12, 21 & 26)					
9.	Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
10.	All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
11.	Nonproportional reinsurance lines (Lines 31, 32 & 33)					
12.	Total (Line 35)	148,448,489	141,109,836	133,425,799	126,479,780	123,990,341
	Statement of Income (Page 4)					
13.	Net underwriting gain (loss) (Line 8)	5,640,178	5,240,528	(957,533)	18,597,271	4,437,808
14.	Net investment gain (loss) (Line 11)	22,698,308	29,456,163	24,730,572	24,262,504	28,218,348
15.	Total other income (Line 15)	147,251	84,884	(95,676)	7,882	(154,957)
16.	Dividends to policyholders (Line 17)	18,000,000	18,006,331	16,000,000	13,000,000	12,055,419
17.	Federal and foreign income taxes incurred (Line 19)	(585,749)	(1,543,402)	313,819	6,527,065	2,444,293
18.	Net income (Line 20)	11,071,486	18,318,646	7,363,544	23,340,592	18,001,487
	Balance Sheet Lines (Pages 2 and 3)					
19.	Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	850,829,048	830,432,532	795,621,566	749,257,408	716,425,851
20.	Premiums and considerations (Page 2, Col. 3):					
	20.1 In course of collection (Line 15.1)	5,699,813	6,156,778	5,221,398	6,312,382	6,574,172
	20.2 Deferred and not yet due (Line 15.2)	42,943,692	39,228,157	37,760,684	34,233,987	32,319,135
	20.3 Accrued retrospective premiums (Line 15.3)			11,914	50,424	11,152
21.	Total liabilities excluding protected cell business (Page 3, Line 26)	457,469,731	436,574,127	424,739,234	413,209,519	415,308,577
22.	Losses (Page 3, Line 1)	304,131,102	293,646,012	289,579,456	287,330,381	296,440,251
23.	Loss adjustment expenses (Page 3, Line 3)	44,044,489	41,241,516	36,669,392	34,495,446	33,453,824
24.	Unearned premiums (Page 3, Line 9)	70,603,461	65,822,466	64,146,968	59,887,611	59,738,660
25.	Capital paid up (Page 3, Lines 30 & 31)					
26.	Surplus as regards policyholders (Page 3, Line 37)	393,359,317	393,858,405	370,882,332	336,047,889	301,117,274
	Cash Flow (Page 5)					
27.	Net cash from operations (Line 11)	23,479,777	11,535,143	7,969,858	24,402,052	12,968,271
	Risk-Based Capital Analysis					
28.	Total adjusted capital	393,359,317	393,858,405	370,882,332	336,047,889	301,117,274
29.	Authorized control level risk-based capital	37,451,142	33,963,835	26,528,685	22,058,958	21,765,099
	Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30.	Bonds (Line 1)	59.9	60.1	62.4	68.0	73.3
31.	Stocks (Lines 2.1 & 2.2)	34.0	33.9	32.2	27.1	22.4
32.	Mortgage loans on real estate (Lines 3.1 & 3.2)					
33.	Real estate (Lines 4.1, 4.2 & 4.3)					
34.	Cash, cash equivalents and short-term investments (Line 5)	1.7	1.7	1.7	2.0	1.6
35.	Contract loans (Line 6)					
36.	Derivatives (Line 7)					
37.	Other invested assets (Line 8)	2.6	2.4	2.0	1.7	1.7
38.	Receivable for securities (Line 9)					
39.	Securities lending reinvested collateral assets (Line 10)					
40.	Aggregate write-ins for invested assets (Line 11)	1.9	1.9	1.6	1.2	0.9
41.	Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	99.9
	Investments in Parent, Subsidiaries and Affiliates					
42.	Affiliated bonds (Sch. D, Summary, Line 12, Col. 1)					
43.	Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)					
44.	Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	144,453,856	140,496,615	118,964,151	98,449,100	67,632,319
45.	Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10)					
46.	Affiliated mortgage loans on real estate					
47.	All other affiliated	19,967,788	18,368,663	14,444,503	11,529,661	11,162,386
48.	Total of above lines 42 to 47	164,421,644	158,865,278	133,408,654	109,978,761	78,794,705
49.	Total investment in parent included in Lines 42 to 47 above					
50.	Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	41.8	35.7	36.0	32.7	22.5

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	(4,449,943)	7,855,962	21,923,987	9,471,832	(4,627,790)
52. Dividends to stockholders (Line 35)					
53. Change in surplus as regards policyholders for the year (Line 38)	(499,088)	22,976,073	34,834,443	34,930,615	15,220,334
Gross Losses Paid (Page 9, Part 2, Cols. 1 & 2)					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	82,028,287	89,006,230	82,965,099	74,414,126	79,645,547
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
59. Total (Line 35)	82,028,287	89,006,230	82,965,099	74,414,126	79,645,547
Net Losses Paid (Page 9, Part 2, Col. 4)					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	80,250,241	80,518,391	79,570,328	72,428,591	77,127,508
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)					
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)					
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)					
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)					
65. Total (Line 35)	80,250,241	80,518,391	79,570,328	72,428,591	77,127,508
Operating Percentages (Page 4) (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	63.2	60.7	63.4	50.1	64.2
68. Loss expenses incurred (Line 3)	11.6	13.2	12.3	10.6	10.0
69. Other underwriting expenses incurred (Line 4)	21.3	22.4	25.0	24.6	22.2
70. Net underwriting gain (loss) (Line 8)	3.9	3.8	(0.7)	14.7	3.6
Other Percentages					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	20.5	22.0	24.3	24.5	22.1
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	74.7	73.9	75.7	60.7	74.2
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)	37.7	35.8	36.0	37.6	41.2
One Year Loss Development (000 omitted)					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P, Part 2-Summary, Line 12, Col. 11)	(6,908)	(9,251)	(5,105)	(21,042)	(5,029)
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)	(1.8)	(2.5)	(1.5)	(7.0)	(1.8)
Two Year Loss Development (000 omitted)					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12)	(10,209)	(14,460)	(24,338)	(22,833)	(22,605)
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)	(2.8)	(4.3)	(8.1)	(8.0)	(9.4)

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

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

($000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10	11	Number of Claims Reported- Direct and Assumed
	Direct and Assumed	Ceded	Net (Cols. 1 - 2)	4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded	Salvage and Subrogation Received	Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
1. Prior	XXX	XXX	XXX	4,640	1,269	131	23	189		46	3,668	XXX
2. 2006	157,455	4,292	153,163	78,791	6,187	2,989	1	7,250		863	82,842	XXX
3. 2007	150,224	2,937	147,287	73,364		3,175		7,533		1,631	84,072	XXX
4. 2008	143,213	3,328	139,885	73,447	33	3,298		7,591		1,255	84,303	XXX
5. 2009	133,859	3,822	130,037	66,360	165	3,390		7,574		1,200	77,159	XXX
6. 2010	123,471	4,073	119,398	59,020	372	3,206		6,940		1,173	68,794	XXX
7. 2011	126,727	4,028	122,699	52,427	371	2,720		6,983		935	61,759	XXX
8. 2012	130,463	4,092	126,371	53,983	222	2,955		8,015		684	64,731	XXX
9. 2013	133,090	3,966	129,124	54,875	230	3,015		8,356		475	66,016	XXX
10. 2014	143,819	4,398	139,421	45,544	638	2,501		7,752		222	55,159	XXX
11. 2015	148,754	5,087	143,667	23,297	145	1,004		6,032		34	30,188	XXX
12. Totals	XXX	XXX	XXX	585,748	9,632	28,384	24	74,215	0	8,518	678,691	XXX

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23	24	25
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21	22		Total	Number of
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded	Direct and Assumed	Ceded	Salvage and Subrogation Anticipated	Net Losses and Expenses Unpaid	Claims Outstanding- Direct and Assumed
1. Prior	15,642	6,761	24,433	6,625	624	75	4,230	131	5,178			36,515	XXX
2. 2006	1,611		6,296	27	169		300	4	726			9,071	XXX
3. 2007	1,911		9,861		206		515		974		9	13,467	XXX
4. 2008	3,563		10,784	33	259		756		1,032		26	16,361	XXX
5. 2009	4,480		9,761	27	406		389		459		57	15,468	XXX
6. 2010	3,965		18,513	24	370		846		214		191	23,884	XXX
7. 2011	3,062	3	21,124	825	416		1,871		72		233	25,717	XXX
8. 2012	3,995	2	23,040	1,020	638		2,631		130		443	29,412	XXX
9. 2013	7,987	4	34,029	2,088	1,172		3,022	50	1,474		873	45,542	XXX
10. 2014	8,868	5	35,189	769	1,576		2,686		2,008		926	49,553	XXX
11. 2015	13,623	260	61,925	1,058	2,138		3,260		3,557		1,241	83,185	XXX
12. Totals	68,707	7,035	254,955	12,496	7,974	75	20,506	185	15,824	0	3,999	348,175	XXX

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense	Inter-Company Pooling Participation Percentage	35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX			XXX	26,689	9,826
2. 2006	98,132	6,219	91,913	62.3	144.9	60.0				7,880	1,191
3. 2007	97,539	0	97,539	64.9	0.0	66.2				11,772	1,695
4. 2008	100,730	66	100,664	70.3	2.0	72.0				14,314	2,047
5. 2009	92,819	192	92,627	69.3	5.0	71.2				14,214	1,254
6. 2010	93,074	396	92,678	75.4	9.7	77.6				22,454	1,430
7. 2011	88,675	1,199	87,476	70.0	29.8	71.3				23,358	2,359
8. 2012	95,387	1,244	94,143	73.1	30.4	74.5				26,013	3,399
9. 2013	113,930	2,372	111,558	85.6	59.8	86.4				39,924	5,618
10. 2014	106,124	1,412	104,712	73.8	32.1	75.1				43,283	6,270
11. 2015	114,836	1,463	113,373	77.2	28.8	78.9				74,230	8,955
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	304,131	44,044

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) 1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	DEVELOPMENT 11 One Year	12 Two Year
1. Prior	205,771	205,641	190,128	190,047	173,009	172,845	174,576	175,553	172,747	169,533	(3,214)	(6,020)
2. 2006	105,892	100,569	99,949	99,951	99,304	96,991	92,522	84,384	80,226	83,937	3,711	(447)
3. 2007	XXX	99,867	96,922	96,898	96,923	95,080	91,504	94,418	95,787	89,032	(6,755)	(5,386)
4. 2008	XXX	XXX	95,899	95,707	96,020	96,028	92,278	92,996	88,660	92,041	3,381	(955)
5. 2009	XXX	XXX	XXX	90,165	89,279	89,219	85,178	83,979	85,618	84,594	(1,024)	615
6. 2010	XXX	XXX	XXX	XXX	86,215	85,558	81,859	82,888	82,370	85,524	3,154	2,636
7. 2011	XXX	XXX	XXX	XXX	XXX	89,019	85,781	86,184	82,715	80,421	(2,294)	(5,763)
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	90,715	88,906	91,830	85,998	(5,832)	(2,908)
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	93,709	93,813	101,728	7,915	8,019
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	100,902	94,952	(5,950)	XXX
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	103,784	XXX	XXX
										12. Totals	(6,908)	(10,209)

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) 1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	11 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
1. Prior	000	37,967	63,751	87,686	102,593	114,779	122,742	127,652	134,717	138,196	XXX	XXX
2. 2006	20,290	37,181	49,086	57,966	64,843	69,334	73,179	76,329	73,725	75,592	XXX	XXX
3. 2007	XXX	17,515	35,482	45,653	56,479	64,055	67,609	71,293	74,416	76,539	XXX	XXX
4. 2008	XXX	XXX	19,380	38,019	50,319	60,024	67,384	71,990	74,842	76,712	XXX	XXX
5. 2009	XXX	XXX	XXX	19,091	36,645	48,417	56,463	63,432	67,495	69,585	XXX	XXX
6. 2010	XXX	XXX	XXX	XXX	19,703	36,957	46,460	53,782	58,315	61,854	XXX	XXX
7. 2011	XXX	XXX	XXX	XXX	XXX	17,430	33,514	43,755	51,069	54,776	XXX	XXX
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	19,697	38,016	49,550	56,716	XXX	XXX
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	24,256	44,600	57,660	XXX	XXX
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	26,330	47,407	XXX	XXX
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	24,156	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 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015
1. Prior	110,394	89,945	66,577	61,168	40,526	36,232	35,111	33,657	26,274	21,907
2. 2006	61,684	37,543	26,816	25,581	23,766	19,682	13,468	4,334	3,899	6,565
3. 2007	XXX	59,411	36,736	24,697	23,681	18,592	14,467	15,570	14,849	10,376
4. 2008	XXX	XXX	56,646	36,686	30,488	25,825	17,668	15,097	9,357	11,507
5. 2009	XXX	XXX	XXX	55,732	38,474	28,429	19,780	15,299	12,495	10,123
6. 2010	XXX	XXX	XXX	XXX	50,325	38,646	27,262	24,256	19,385	19,335
7. 2011	XXX	XXX	XXX	XXX	XXX	56,500	42,644	34,781	26,693	22,170
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	55,432	42,164	35,186	24,651
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	52,304	37,235	34,913
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	56,507	37,106
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	64,127

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

		1	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4	5	6	7	8	9
	States, Etc.	Active Status	2 Direct Premiums Written	3 Direct Premiums Earned	Dividends Paid or Credited to Policyholders on Direct Business	Direct Losses Paid (Deducting Salvage)	Direct Losses Incurred	Direct Losses Unpaid	Finance and Service Charges not Included in Premiums	Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
1.	Alabama AL	N								
2.	Alaska AK	N								
3.	Arizona AZ	N								
4.	Arkansas AR	N								
5.	California CA	N								
6.	Colorado CO	N								
7.	Connecticut CT	L	860,265	798,695	35,625	124,818	437,105	996,085	75	
8.	Delaware DE	Q								
9.	District of Columbia DC	N								
10.	Florida FL	N								
11.	Georgia GA	N								
12.	Hawaii HI	N								
13.	Idaho ID	N								
14.	Illinois IL	L	5,278	2,021			1,314	1,314		
15.	Indiana IN	N								
16.	Iowa IA	N								
17.	Kansas KS	N								
18.	Kentucky KY	N								
19.	Louisiana LA	N								
20.	Maine ME	L	144,587,057	139,950,689	17,289,242	77,862,653	86,528,561	311,930,346	184,652	
21.	Maryland MD	L	18,783	13,054			8,485	8,488		
22.	Massachusetts MA	L	1,358,793	1,251,315	95,297	786,783	904,326	1,470,084	280	
23.	Michigan MI	N								
24.	Minnesota MN	N								
25.	Mississippi MS	N								
26.	Missouri MO	N								
27.	Montana MT	N								
28.	Nebraska NE	N								
29.	Nevada NV	N								
30.	New Hampshire NH	L	3,986,156	3,808,911	407,386	1,729,586	2,390,079	4,466,527	1,185	
31.	New Jersey NJ	L	199,274	264,922	2,709	118,408	207,871	228,736	15	
32.	New Mexico NM	N								
33.	New York NY	L	938,305	991,364	100,271	434,982	659,399	1,511,406	45	
34.	North Carolina NC	N								
35.	North Dakota ND	L								
36.	Ohio OH	L								
37.	Oklahoma OK	N								
38.	Oregon OR	N								
39.	Pennsylvania PA	L	77,669	82,030	8,068	19,859	66,633	241,285	10	
40.	Rhode Island RI	N								
41.	South Carolina SC	N								
42.	South Dakota SD	N								
43.	Tennessee TN	N								
44.	Texas TX	N								
45.	Utah UT	N								
46.	Vermont VT	L	639,160	724,467	61,402	581,082	452,603	764,652	85	
47.	Virginia VA	L	13,084	7,220		11,915	57,322	46,087		
48.	Washington WA	L								
49.	West Virginia WV	N								
50.	Wisconsin WI	N								
51.	Wyoming WY	N								
52.	American Samoa AS	N								
53.	Guam GU	N								
54.	Puerto Rico PR	N								
55.	US Virgin Islands VI	N								
56.	Northern Mariana Islands MP	N								
57.	Canada CAN	N								
58.	Aggregate Other Alien OT	XXX	0	0	0	0	0	0	0	0
59.	Totals	(a) 14	152,683,824	147,894,688	18,000,000	81,670,086	91,713,698	321,665,010	186,347	0

DETAILS OF WRITE-INS

58001.		XXX								
58002.		XXX								
58003.		XXX								
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999.	Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

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

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domicilied 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.

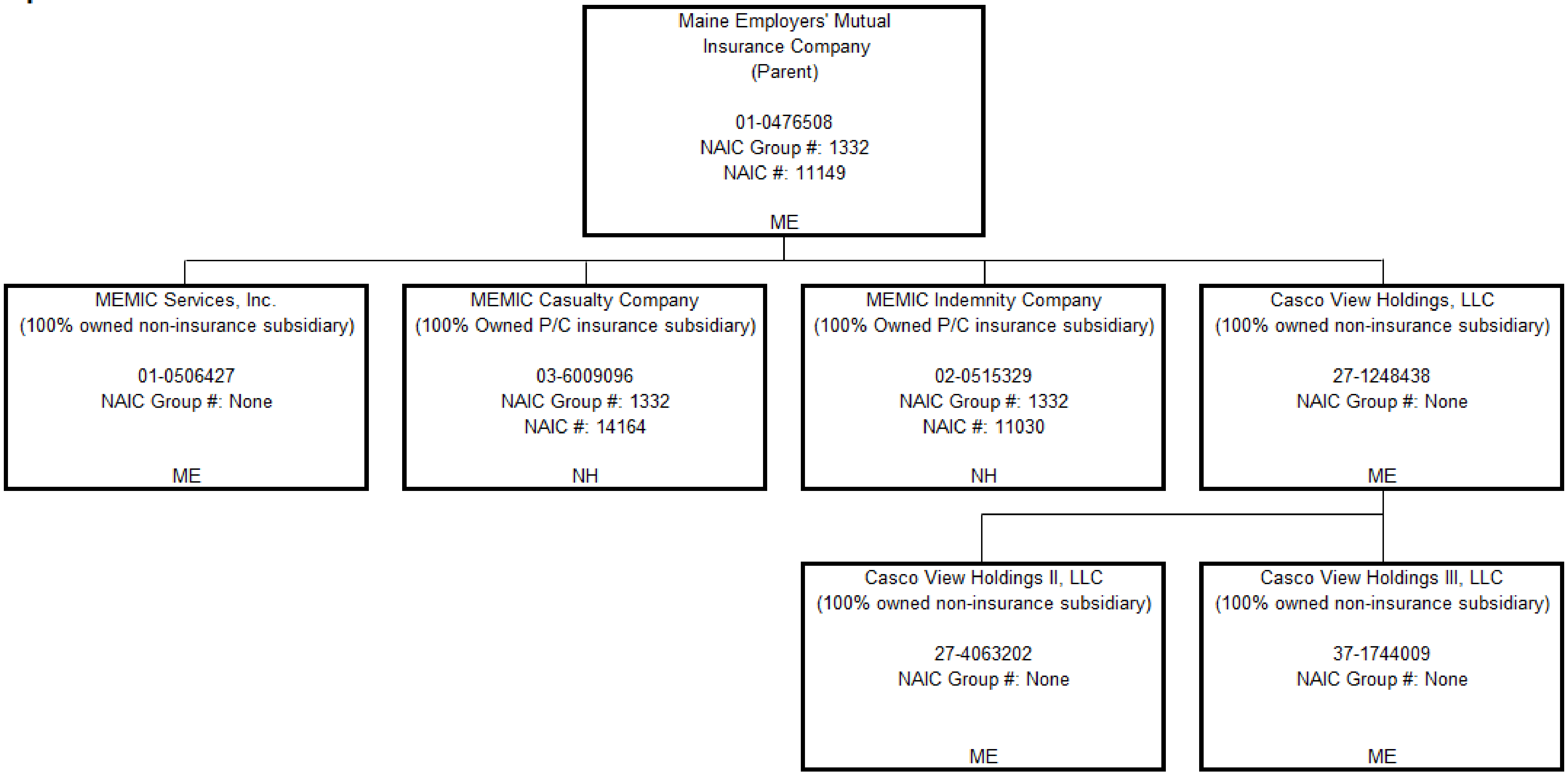
Explanation of Basis of Allocation of Premiums by States, etc.

Direct written and earned premium, paid losses, incurred losses unpaid and finance charges are directly allocated to the state where the policy coverage is inforce.

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

PART 1 – ORGANIZATIONAL CHART

Corporate Structure



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