



ANNUAL STATEMENT

For the Year Ended December 31, 2016
of the Condition and Affairs of the

Elements Property Insurance Company

NAIC Group Code.....0000, 0000 (Current Period) (Prior Period)	NAIC Company Code..... 15312	Employer's ID Number..... 46-3650687
Organized under the Laws of Florida	State of Domicile or Port of Entry Florida	Country of Domicile US
Incorporated/Organized..... September 13, 2013	Commenced Business..... September 27, 2013	
Statutory Home Office	2367 Centerville Road, 1st Floor..... Tallahassee FL US 32308 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	2367 Centerville Road, 1st Floor..... Tallahassee FL US..... 32308 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	850-523-9550 <i>(Area Code) (Telephone Number)</i>
Mail Address	2367 Centerville Road, 1st Floor..... Tallahassee FL US 32308 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	2367 Centerville Road, 1st Floor..... Tallahassee FL US 32308 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	850-523-9550 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	elements-ins.com	
Statutory Statement Contact	Craig W. Bissell <i>(Name)</i> craig.bissell@elements-ins.com <i>(E-Mail Address)</i>	850-300-7649 <i>(Area Code) (Telephone Number) (Extension)</i> 850-523-0983 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Robert L. Ricker	President & Assistant Secretary	2. Craig W. Bissell	CFO and Treasurer
3. Kyle B. Stuart	Vice President	4. Joseph R. Bouthillier	Vice President

OTHER

Timothy T. Cotton #	Vice President
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DIRECTORS OR TRUSTEES

Justin D. Faust	Robert L. Ricker	Linda Ventresca	Anthony Mammolite
Laurence B. Richardson			

State of..... Florida
County of..... Leon

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) Robert L. Ricker	_____ (Signature) Craig W. Bissell	_____ (Signature)
1. (Printed Name) President & Assistant Secretary	2. (Printed Name) CFO and Treasurer	3. (Printed Name)
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me
This _____ day of _____ 2017

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

ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	32,283,526		32,283,526	24,666,221
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 (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 (\$....4,965,222, Schedule E-Part 1), cash equivalents (\$.....0, Schedule E-Part 2) and short-term investments (\$....272,061, Schedule DA).....	5,237,284		5,237,284	21,019,116
6. Contract loans (including \$.....0 premium notes).....			.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	.0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	37,520,810	.0	37,520,810	45,685,337
13. Title plants less \$.....0 charged off (for Title insurers only).....			.0	
14. Investment income due and accrued.....	112,019		112,019	37,574
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	4,754,233		4,754,233	4,174,432
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	2,801,090		2,801,090	2,852,571
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			.0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	287,303		287,303	
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.....	649,894		649,894	2,355,513
18.2 Net deferred tax asset.....	3,846,104	2,961,046	885,058	1,480,334
19. Guaranty funds receivable or on deposit.....			.0	
20. Electronic data processing equipment and software.....			.0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			.0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			.0	
23. Receivables from parent, subsidiaries and affiliates.....	2,000,278		2,000,278	139
24. Health care (\$.....0) and other amounts receivable.....			.0	
25. Aggregate write-ins for other-than-invested assets.....	153,418	103,417	50,001	246,688
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	52,125,149	3,064,463	49,060,686	56,832,588
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			.0	
28. TOTAL (Lines 26 and 27).....	52,125,149	3,064,463	49,060,686	56,832,588

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	.0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	.0	.0	.0	.0
2501. Prepaid Insurance.....	103,417	103,417	.0	
2502. State Income Tax.....	50,001		50,001	141,999
2503. Premium Tax.....			.0	104,689
2598. Summary of remaining write-ins for Line 25 from overflow page.....	.0	.0	.0	.0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	153,418	103,417	50,001	246,688

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	6,252,791	6,952,445
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).....	727,699	1,002,691
4. Commissions payable, contingent commissions and other similar charges.....	122,691	988,136
5. Other expenses (excluding taxes, licenses and fees).....	207,548	131,908
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	20,654	
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 \$.....12,654,753 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).....	21,040,725	19,872,237
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	5,236,000	2,784,469
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.....		
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.....	67,084	130,642
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.....	8,807	24,145
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	33,683,999	31,886,673
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	33,683,999	31,886,673
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	100,000	100,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	31,150,000	27,150,000
35. Unassigned funds (surplus).....	(15,873,313)	(2,304,085)
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).....	15,376,687	24,945,915
38. TOTAL (Page 2, Line 28, Col. 3).....	49,060,686	56,832,588

DETAILS OF WRITE-INS

2501. Net Premum Payable to Citizens Insurance Corporation.....		16,713
2502. Escheat Liability.....	8,807	7,432
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	8,807	24,145
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year	2 Prior Year
UNDERWRITING INCOME		
1. Premiums earned (Part 1, Line 35, Column 4).....	32,932,900	35,542,455
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	27,378,373	17,653,480
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	4,740,200	4,098,605
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	14,687,888	17,773,972
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	46,806,461	39,526,057
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	(13,873,561)	(3,983,602)
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	365,065	174,088
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....	232,883	(190)
11. Net investment gain (loss) (Lines 9 + 10).....	597,948	173,898
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....2,411 amount charged off \$.....33,337).....	(30,926)	(16,697)
13. Finance and service charges not included in premiums.....		
14. Aggregate write-ins for miscellaneous income.....	0	0
15. Total other income (Lines 12 through 14).....	(30,926)	(16,697)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(13,306,539)	(3,826,400)
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	(13,306,539)	(3,826,400)
19. Federal and foreign income taxes incurred.....	(334,488)	(1,566,413)
20. Net income (Line 18 minus Line 19) (to Line 22).....	(12,972,051)	(2,259,987)
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	24,945,915	25,220,276
22. Net income (from Line 20).....	(12,972,051)	(2,259,987)
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....		
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....	2,339,510	(262,638)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	(2,936,686)	(1,736)
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.....	4,000,000	2,250,000
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.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	(9,569,227)	(274,361)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	15,376,687	24,945,915
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 through 0503 plus 0598) (Line 5 above).....	0	0
1401.		
1402.		
1403.		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	0	0
3701.		
3702.		
3703.		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	0	0

CASH FLOW

	1 Current Year	2 Prior Year
CASH FROM OPERATIONS		
1. Premiums collected net of reinsurance.....	36,024,598	31,586,825
2. Net investment income.....	376,792	139,023
3. Miscellaneous income.....	(30,926)	(16,697)
4. Total (Lines 1 through 3).....	36,370,464	31,709,151
5. Benefit and loss related payments.....	28,365,330	13,514,334
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	20,472,231	21,452,189
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(2,040,107)	1,115,000
10. Total (Lines 5 through 9).....	46,797,454	36,081,523
11. Net cash from operations (Line 4 minus Line 10).....	(10,426,990)	(4,372,371)
CASH FROM INVESTMENTS		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	25,006,231	1,222,073
12.2 Stocks.....		
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....		
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	25,006,231	1,222,073
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	32,476,823	25,889,772
13.2 Stocks.....		
13.3 Mortgage loans.....		
13.4 Real estate.....		
13.5 Other invested assets.....		
13.6 Miscellaneous applications.....		
13.7 Total investments acquired (Lines 13.1 to 13.6).....	32,476,823	25,889,772
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).....	(7,470,592)	(24,667,699)
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.....	4,000,000	2,250,000
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).....	(1,884,249)	(5,133,731)
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	2,115,751	(2,883,731)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17).....	(15,781,832)	(31,923,801)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	21,019,116	52,942,917
19.2 End of year (Line 18 plus Line 19.1).....	5,237,284	21,019,116

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

20.0001		
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UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

	1	2	3	4
Line of Business	Net Premiums Written per Column 6, Part 1B	Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	1,224,145	805,830	660,133	1,369,842
2. Allied lines.....	7,046,293	4,757,277	3,837,872	7,965,698
3. Farmowners multiple peril.....	0		0	0
4. Homeowners multiple peril.....	25,799,089	14,301,015	16,527,213	23,572,891
5. Commercial multiple peril.....	0		0	0
6. Mortgage guaranty.....	0		0	0
8. Ocean marine.....	0		0	0
9. Inland marine.....	22,585	4,256	11,228	15,613
10. Financial guaranty.....	0		0	0
11.1 Medical professional liability - occurrence.....	0		0	0
11.2 Medical professional liability - claims-made.....	0		0	0
12. Earthquake.....	0		0	0
13. Group accident and health.....	0		0	0
14. Credit accident and health (group and individual).....	0		0	0
15. Other accident and health.....	0		0	0
16. Workers' compensation.....	0		0	0
17.1 Other liability - occurrence.....	9,276	3,858	4,279	8,855
17.2 Other liability - claims-made.....	0		0	0
17.3 Excess workers' compensation.....	0		0	0
18.1 Products liability - occurrence.....	0		0	0
18.2 Products liability - claims-made.....	0		0	0
19.1, 19.2 Private passenger auto liability.....	0		0	0
19.3, 19.4 Commercial auto liability.....	0		0	0
21. Auto physical damage.....	0		0	0
22. Aircraft (all perils).....	0		0	0
23. Fidelity.....	0		0	0
24. Surety.....	0		0	0
26. Burglary and theft.....	0		0	0
27. Boiler and machinery.....	0		0	0
28. Credit.....	0		0	0
29. International.....	0		0	0
30. Warranty.....	0		0	0
31. Reinsurance - nonproportional assumed property.....	0		0	0
32. Reinsurance - nonproportional assumed liability.....	0		0	0
33. Reinsurance - nonproportional assumed financial lines.....	0		0	0
34. Aggregate write-ins for other lines of business.....	0	0	0	0
35. TOTALS.....	34,101,388	19,872,237	21,040,725	32,932,900

DETAILS OF WRITE-INS

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1A - RECAPITULATION OF ALL PREMIUMS

	1	2	3	4	5
Line of Business	Amount Unearned (Running One Year or Less from Date of Policy) (a)	Amount Unearned (Running More Than One Year from Date of Policy) (a)	Earned But Unbilled Premium	Reserve for Rate Credits and Retrospective Adjustments Based on Experience	Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1. Fire.....	660,133				660,133
2. Allied lines.....	3,837,872				3,837,872
3. Farmowners multiple peril.....					0
4. Homeowners multiple peril.....	16,527,213				16,527,213
5. Commercial multiple peril.....					0
6. Mortgage guaranty.....					0
8. Ocean marine.....					0
9. Inland marine.....	11,228				11,228
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.....					0
17.1 Other liability - occurrence.....	4,279				4,279
17.2 Other liability - claims-made.....					0
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.....	21,040,725	0	0	0	21,040,725
36. Accrued retrospective premiums based on experience.....					
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					21,040,725

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
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written (Cols. 1 + 2 + 3 - 4 - 5)
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire.....	2,341,260				1,117,115	1,224,145
2. Allied lines.....	13,476,510				6,430,217	7,046,293
3. Farmowners multiple peril.....						0
4. Homeowners multiple peril.....	49,371,569				23,572,480	25,799,089
5. Commercial multiple peril.....						0
6. Mortgage guaranty.....						0
8. Ocean marine.....						0
9. Inland marine.....	22,585					22,585
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.....						0
17.1 Other liability - occurrence.....	9,276					9,276
17.2 Other liability - claims-made.....						0
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.....	65,221,200	0	0	0	31,119,812	34,101,388

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 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	717,741	22,796	36,271	704,266	140,000	129,836	714,430	52.2
2. Allied lines.....	4,793,914	408,701	132,980	5,069,635	906,624	1,313,297	4,662,962	58.5
3. Farmowners multiple peril.....				0	0	0	0	0.0
4. Homeowners multiple peril.....	22,113,149	685,073	816,707	21,981,515	4,878,163	5,291,511	21,568,167	91.5
5. Commercial multiple peril.....				0	0	0	0	0.0
6. Mortgage guaranty.....				0	0	0	0	0.0
8. Ocean marine.....				0	0	0	0	0.0
9. Inland marine.....				0	0	0	0	0.0
10. Financial guaranty.....				0	0	0	0	0.0
11.1 Medical professional liability - occurrence.....				0	0	0	0	0.0
11.2 Medical professional liability - claims-made.....				0	0	0	0	0.0
12. Earthquake.....				0	0	0	0	0.0
13. Group accident and health.....				0	0	0	0	0.0
14. Credit accident and health (group and individual).....				0	0	0	0	0.0
15. Other accident and health.....				0	0	0	0	0.0
16. Workers' compensation.....				0	0	0	0	0.0
17.1 Other liability - occurrence.....	204,500	118,111		322,611	328,004	217,801	432,814	4,887.8
17.2 Other liability - claims-made.....				0	0	0	0	0.0
17.3 Excess workers' compensation.....				0	0	0	0	0.0
18.1 Products liability - occurrence.....				0	0	0	0	0.0
18.2 Products liability - claims-made.....				0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability.....				0	0	0	0	0.0
19.3, 19.4 Commercial auto liability.....				0	0	0	0	0.0
21. Auto physical damage.....				0	0	0	0	0.0
22. Aircraft (all perils).....				0	0	0	0	0.0
23. Fidelity.....				0	0	0	0	0.0
24. Surety.....				0	0	0	0	0.0
26. Burglary and theft.....				0	0	0	0	0.0
27. Boiler and machinery.....				0	0	0	0	0.0
28. Credit.....				0	0	0	0	0.0
29. International.....				0	0	0	0	0.0
30. Warranty.....				0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX			0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability.....	XXX			0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines.....	XXX			0	0	0	0	0.0
34. Aggregate write-ins for other lines of business.....	0	0	0	0	0	0	0	0.0
35. TOTALS.....	27,829,304	1,234,681	985,958	28,078,027	6,252,791	6,952,445	27,378,373	83.1

DETAILS OF WRITE-INS

3401.				0	0	0	0	0.0
3402.				0	0	0	0	0.0
3403.				0	0	0	0	0.0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	XXX
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	0	0	0	0	0	0	0	0.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....				0	140,000			140,000	14,840
2. Allied lines.....	396,410	15,000	786	410,624	487,346	9,000	346	906,624	105,189
3. Farmowners multiple peril.....				0				0	
4. Homeowners multiple peril.....	3,183,377	305,500	321,714	3,167,163	1,678,752	141,000	108,752	4,878,163	589,358
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.....				0				0	
17.1 Other liability - occurrence.....	222,004	75,000		297,004	31,000			328,004	18,312
17.2 Other liability - claims-made.....				0				0	
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.....	3,801,791	395,500	322,500	3,874,791	2,337,098	150,000	109,098	6,252,791	727,699

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 through 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.....	4,965,402			4,965,402
1.2 Reinsurance assumed.....	(26,351)			(26,351)
1.3 Reinsurance ceded.....	198,851			198,851
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	4,740,200	.0	.0	4,740,200
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		6,240,482		6,240,482
2.2 Reinsurance assumed, excluding contingent.....				.0
2.3 Reinsurance ceded, excluding contingent.....				.0
2.4 Contingent - direct.....				.0
2.5 Contingent - reinsurance assumed.....				.0
2.6 Contingent - reinsurance ceded.....				.0
2.7 Policy and membership fees.....		1,167,200		1,167,200
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	.0	7,407,682	.0	7,407,682
3. Allowances to manager and agents.....				.0
4. Advertising.....		2,568		2,568
5. Boards, bureaus and associations.....		332,374		332,374
6. Surveys and underwriting reports.....		637,791		637,791
7. Audit of assureds' records.....				.0
8. Salary and related items:				
8.1 Salaries.....		562,304		562,304
8.2 Payroll taxes.....		28,344		28,344
9. Employee relations and welfare.....		99,340		99,340
10. Insurance.....		125,978		125,978
11. Directors' fees.....				.0
12. Travel and travel items.....		59,969		59,969
13. Rent and rent items.....		5,665		5,665
14. Equipment.....		35,496		35,496
15. Cost or depreciation of EDP equipment and software.....		29,447		29,447
16. Printing and stationery.....		20,878		20,878
17. Postage, telephone and telegraph, exchange and express.....		179,510		179,510
18. Legal and auditing.....		344,396	82,254	426,650
19. Totals (Lines 3 to 18).....	.0	2,464,060	82,254	2,546,314
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		982,054		982,054
20.2 Insurance department licenses and fees.....		77,248		77,248
20.3 Gross guaranty association assessments.....				.0
20.4 All other (excluding federal and foreign income and real estate).....				.0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	.0	1,059,302	.0	1,059,302
21. Real estate expenses.....				.0
22. Real estate taxes.....				.0
23. Reimbursements by uninsured plans.....				.0
24. Aggregate write-ins for miscellaneous expenses.....	.0	3,756,844	.0	3,756,844
25. Total expenses incurred.....	4,740,200	14,687,888	82,254	(a) 19,510,342
26. Less unpaid expenses - current year.....	727,699	350,893		1,078,592
27. Add unpaid expenses - prior year.....	1,002,691	1,120,044		2,122,735
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).....	5,015,192	15,457,039	82,254	20,554,485

DETAILS OF WRITE-INS

2401. Office Expenses and Supplies.....		8,408		8,408
2402. Actuarial Fees.....		468,372		468,372
2403. Policy Processing and Technology Expenses.....		3,280,064		3,280,064
2498. Summary of remaining write-ins for Line 24 from overflow page.....	.0	.0	.0	.0
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	.0	3,756,844	.0	3,756,844

(a) Includes management fees of \$.....10,899,620 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).....116,134	.....104,186
1.1 Bonds exempt from U.S. tax.....	(a).....17,228	.....23,808
1.2 Other bonds (unaffiliated).....	(a).....196,562	.....276,367
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....	.....
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....	.....
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....	.....
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....35,496	.....40,177
7. Derivative instruments.....	(f).....	.....
8. Other invested assets.....	.....2,781	.....2,781
9. Aggregate write-ins for investment income.....	.....0	.....0
10. Total gross investment income.....	.....368,201	.....447,319
11. Investment expenses.....	.....	(g).....82,254
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).....	.....	.....82,254
17. Net investment income (Line 10 minus Line 16).....	.....	.....365,065

DETAILS OF WRITE-INS

0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....0	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....0	.....0

- (a) Includes \$.....4,876 accrual of discount less \$.....91,048 amortization of premium and less \$.....63,688 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.....		.....232,884	.....232,884		
1.1 Bonds exempt from U.S. tax.....			.....0		
1.2 Other bonds (unaffiliated).....			.....0		
1.3 Bonds of affiliates.....			.....0		
2.1 Preferred stocks (unaffiliated).....			.....0		
2.11 Preferred stocks of affiliates.....			.....0		
2.2 Common stocks (unaffiliated).....			.....0		
2.21 Common stocks of affiliates.....			.....0		
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		
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....0	.....232,884	.....232,884	.....0	.....0

DETAILS OF WRITE-INS

0901. ....			.....0		
0902. ....			.....0		
0903. ....			.....0		
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0	.....0	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....0	.....0	.....0	.....0	.....0

EXHIBIT OF NONADMITTED ASSETS

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
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.....			0
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
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.....	2,961,046	26,261	(2,934,785)
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....			0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....			0
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	103,417	101,516	(1,901)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	3,064,463	127,777	(2,936,686)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	3,064,463	127,777	(2,936,686)

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 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. Prepaid Insurance.....	103,417	101,516	(1,901)
2502.....			0
2503.....			0
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	103,417	101,516	(1,901)

NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	2016	2015
NET INCOME					
(1) Elements Property Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ (12,972,051)	\$ (2,259,987)
(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)	XXX	XXX	XXX	\$ (12,972,051)	\$ (2,259,987)
SURPLUS					
(5) Elements Property Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 15,376,687	\$ 24,945,915
(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)	XXX	XXX	XXX	\$ 15,376,687	\$ 24,945,915

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

The preparation of financial statements in conformity with accounting practices prescribed or permitted by the NAIC and the Florida OIR requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. These accounting practices also require disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from management's estimates.

C. Accounting Policy

Direct, assumed, and ceded premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct and ceded business and are based on reports from ceding companies for assumed business. The costs of acquiring and renewing business are charged to operations as incurred.

Net investment income consists primarily of interest earned, recognized on an accrual basis, less investment related expenses.

In addition, the Company uses the following accounting policies:

1. Investment grade short-term fixed income investments are stated at cost.
2. Investment grade long-term bonds not backed by other loans are reported at amortized cost. Amortized cost on these securities is computed using the scientific interest method. The Company holds no mortgage or asset-backed securities or non-investment grade securities.
3. The Company has no investments in common stock or preferred stock nor does the Company hold any mortgage loans.
4. Investment grade loan-backed securities are stated at amortized cost. The prospective adjustment method is used to determine amortized value for all loan-backed securities.
5. Investments in Subsidiaries, Joint Ventures & Partnerships, and Derivatives – None.
6. The Company does not utilize anticipated investment income as a factor in its premium deficiency calculations.
7. 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 liability may be in excess of or less than the amounts 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.
8. The Company has not modified its capitalization policy from the prior period.

D. Going Concern

None.

Note 2 – Accounting Changes and Corrections of Errors

None.

Note 3 – Business Combinations and Goodwill

None.

Note 4 – Discontinued Operations

None.

NOTES TO FINANCIAL STATEMENTS**Note 5 – Investments**

A. Mortgage Loans, including Mezzanine Real Estate Loans

None.

B. Debt Restructuring

None.

C. Reverse Mortgages

None.

D. Loan-Backed Securities

1. Prepayment assumptions for Mortgage-Backed Securities and Other Structured Securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current interest rate levels (refinancing incentive), economic activity (including housing turnover), and term and age of the underlying collateral (burnout, seasoning). The Company monitors the rate of prepayment and calibrates the model to reflect actual experience, market factors, and viewpoint on an ongoing basis.
2. The Company had no other-than-temporary impairments (OTTI) due to the intent to sell or inability or lack of intent to hold any security which had a fair value lower than its amortized cost.
3. As of December 31, 2016, there are no loan-backed or structured securities held by the Company for which an OTTI loss is recorded. OTTI is measured as the difference between amortized cost and estimated present value of projected future cash flows to be collected.
4. All impaired loan-backed and structured securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (included securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains are as follows:

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	\$	(127,615)
		2.	12 Months or Longer	\$	0
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than 12 Months	\$	10,222,622
		2.	12 Months or Longer	\$	0

5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairment should be recognized. The Company asserts it has the intent and ability to hold these securities long enough to allow their cost basis to recover.

E. Repurchase Agreements and/or Securities Lending Transactions

None.

F. Real Estate

None.

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

None.

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross (Admitted & Nonadmitted) Restricted							Current Year			
	Current Year							8	9	Percentage	
	1	2	3	4	5	6	7			10	11
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Nonadmitted Restricted	Total Admitted Restricted (5 minus 8)	Gross (Admitted & Nonadmitted) Restricted to Total Assets (c)	Admitted Restricted to Total Admitted Assets (d)
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	300,006				300,006	300,006			300,006		
k. On deposit with other regulatory bodies											
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	\$ 300,006	\$	\$	\$	\$ 300,006	\$ 300,006	\$	\$	\$ 300,006		%

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

None.

(3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

None.

(4) Collateral Received and Reflected as Assets Within the Reporting Entity's Financial Statements

None.

I. Working Capital Finance Investments

(1) Aggregate Working Capital Finance Investments (WCFI) Book/Adjusted Carrying Value by NAIC Designation:

None.

(2) Aggregate Maturity Distribution on the Underlying Working Capital Finance Programs

None

J. Offsetting and Netting of Assets and Liabilities

None.

NOTES TO FINANCIAL STATEMENTS

K. Structured Notes

None.

L. 5* Securities

None.

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

None.

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.

B. Amounts Non-admitted

None.

Note 8 – Derivative Instruments

None.

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

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

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 5,739,186	\$	\$ 5,739,186	\$ 1,506,528	\$ 65	\$ 1,506,593	\$ 4,232,658	\$ (65)	\$ 4,232,593
b. Statutory valuation allowance adjustment	1,857,868		1,857,868				1,857,868		1,857,868
c. Adjusted gross deferred tax assets (1a-1b)	3,881,318		3,881,318	1,506,528	65	1,506,593	2,374,790	(65)	2,374,725
d. Deferred tax assets nonadmitted	2,961,046		2,961,046	26,260		26,260	2,934,786		2,934,786
e. Subtotal net admitted deferred tax asset (1c-1d)	920,272		920,272	1,480,268	65	1,480,333	(559,996)	(65)	(560,061)
f. Deferred tax liabilities	35,213		35,213				35,213		35,213
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 885,059	\$	\$ 885,059	\$ 1,480,268	\$ 65	\$ 1,480,333	\$ (595,210)	\$ (65)	\$ (595,275)

NOTES TO FINANCIAL STATEMENTS

2. Admission Calculation Components

	2016			2015			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$ 143,761	\$	\$ 143,761	\$ (143,761)	\$	\$ (143,761)
b. Adjusted gross deferred tax assets expected to be realized (excluding the amount of deferred tax assets from 2(a) above) after application of the threshold limitation. (The lesser of 2(b)1 and 2(b)2 below:	885,059		885,059	1,336,573		1,336,573	(451,514)		(451,514)
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	885,059		885,059	1,336,573		1,336,573	(451,514)		(451,514)
Adjusted gross deferred tax assets allowed per limitation threshold			1,449,163			3,516,732			(2,067,569)
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									
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	\$ 885,059	\$	\$ 885,059	\$ 1,480,334	\$	\$ 1,480,334	\$ (595,275)	\$	\$ (595,275)

3. Other Admissibility Criteria

		2016	2015
a.	Ratio percentage used to determine recovery period and threshold limitation amount	253.702%	315.000%
b.	Amount of adjusted capital and surplus used to determine recovery period and threshold limitation in 2(b)2 above	\$ 14,491,629	\$ 23,444,878

NOTES TO FINANCIAL STATEMENTS

4. Impact of Tax Planning Strategies

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	12/31/2016		12/31/2015		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 3,881,318	\$	\$ 1,506,528	\$ 65	\$ 2,374,790	\$ (65)
2. Percentage of adjusted gross DTAs by tax character attributable to the impact of tax planning strategies	%	%	%	%	%	%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A1(e)	\$ 920,272	\$	\$ 1,480,268	\$ 65	\$ (559,996)	\$ (65)
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? NO

B. Deferred Tax Liabilities Not Recognized

None.

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 2016	2 2015	3 (Col 1-2) Change
a. Federal	\$ (349,893)	\$ (1,557,218)	\$ 1,207,325
b. Foreign			
c. Subtotal	\$ (349,893)	\$ (1,557,218)	\$ 1,207,325
d. Federal income tax on net capital gains			
e. Utilization of capital loss carry-forwards			
f. Other	15,405	(9,195)	24,600
g. Federal and Foreign income taxes incurred	\$ (334,488)	\$ (1,566,413)	\$ 1,231,925

2. Deferred Tax Assets

	1 2016	2 2015	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 71,153	\$ 78,918	\$ (7,765)
2. Unearned premium reserve	1,430,769	1,351,312	79,457
3. Policyholder reserves			
4. Investments			
5. Deferred acquisition costs			
6. Policyholder dividends accrual			
7. Fixed assets			
8. Compensation and benefits accrual			
9. Pension accrual			
10. Receivables - nonadmitted			
11. Net operating loss carry-forward	4,131,788		4,131,788
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	105,476	76,298	29,178
99. Subtotal	\$ 5,739,186	\$ 1,506,528	\$ 4,232,658
b. Statutory valuation allowance adjustment	1,857,868		1,857,868
c. Nonadmitted	2,961,046	26,260	2,934,786
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 920,272	\$ 1,480,268	\$ (559,996)
e. Capital:			
1. Investments	\$	\$	\$
2. Net capital loss carry-forward		65	(65)
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal	\$	\$ 65	\$ (65)

NOTES TO FINANCIAL STATEMENTS

f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)		65	(65)
i. Admitted deferred tax assets (2d+2h)	\$ 920,272	\$ 1,480,333	\$ (560,061)

3. Deferred Tax Liabilities

	1 2016	2 2015	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$ 52	\$	\$ 52
2. Fixed assets			
3. Deferred and uncollected premium			
4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)	35,162		35,162
99. Subtotal	\$ 35,213	\$	\$ 35,213
b. Capital:			
1. Investments	\$	\$	\$
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	\$ 35,213	\$	\$ 35,213

4. Net Deferred Tax Assets (2i – 3c)	\$ 885,059	\$ 1,480,333	\$ (595,275)
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D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	\$ (4,524,223)	34%
Proration of tax exempt investment income		%
Tax exempt income deduction	(8,554)	1%
Dividends received deduction		%
Disallowed travel and entertainment	1,184	0%
Other permanent differences	(646)	0%
Temporary Differences:		
Total ordinary DTAs	\$	%
Total ordinary DTLs		%
Total capital DTAs		%
Total capital DTLs		%
Other:		
Statutory valuation allowance adjustment	\$	%
Accrual adjustment – prior year	372	0%
Other	1,857,867	-13.92%
Totals	\$ (2,674,000)	20.1%
Federal and foreign income taxes incurred	(334,488)	2.5%
Realized capital gains (losses) tax		%
Change in net deferred income taxes	(2,339,512)	17.6%
Total statutory income taxes	\$ (2,674,000)	20.1%

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

At December 31, 2016, the Company did have \$12,152,316 of net operating loss carryforwards available to offset against future taxable income. There is no income tax expense for 2016 and 2015 that is available for recoupment. The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

The Company's federal income tax return is not consolidated with any other entities.

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 is 100% owned by its ultimate parent, Elements Property Insurance Holdings, LLC ("EPIH"), a privately owned limited liability company formed in Florida. The Company is affiliated with Elements Property Insurance Managers, LLC ("EPIIM") and Elementary Insurance Agency, LLC ("EIA"), both single-member limited liability companies, wholly-owned by EPIH.

NOTES TO FINANCIAL STATEMENTS**B. Details of Transactions Greater than 1/2% of 1% of total Admitted**

Assets See Notes 10. D. and 10.F.

C. Change in Terms of Intercompany Agreements

The Company's Managing General Agency Agreement with EPIM was amended in 2016. The amendment provides for mutual consent between the Company and EPIM for EPIM to receive less than the compensation stated in the agreement.

The Florida OIR has approved the contract amendment.

D. Amounts Due to or From Related Parties

The Company reported \$2,000,278 receivable from parent the current year. This balance represents a \$2,000,000 capital contribution receivable from the Company's parent and expenses due from EPIH. The capital contribution receivable was settled in cash on February 15, 2017 and the Florida OIR has approved recording the receivable as an admitted asset at December 31, 2016 under SSAP no. 72.

In addition, the Company reported a payable of \$67,084 to affiliates in the current year. This balance represents claims administration fees due to and personal costs due from EPIM.

E. Guarantees or Undertakings for Related Parties

None.

F. Management, Service Contracts, Cost Sharing Arrangements

EPIM acts as the Company's Managing General Agent (MGA), and provides underwriting, policyholder, agency administration, claims, and management services through an exclusive contract with the Company. Under the terms of the contract, EPIM earned commissions and fees of \$13,992,568 in 2016.

The Florida OIR has approved the contract, as amended, between the Company and EPIM.

G. Nature of Relationships that Could Affect Operations

All outstanding shares of the Company are owned by EPIH, the ultimate parent.

H. Amounts Deducted for Investment in Upstream Company

Not applicable.

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

Not applicable.

J. Write-downs for Impairment of Investments in Affiliates

Not applicable.

K. Foreign Insurance Subsidiary Valued at CARVM

Not applicable.

L. Downstream Holding Company Valued Using Look-Through Method

Not applicable.

M. SCA Investments

Not applicable.

N. Accounting Practices of Insurance SCA Investments

Not applicable.

Note 11 – Debt

None.

Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**E. Defined Contribution Plans**

Employees are covered by a qualified 401K and Profit Sharing Plan (the Plan) sponsored by EPIH. Under the Plan, employees may elect to defer a percentage of their compensation into the Plan for investment, subject to IRS limitations.

At December 31, 2016, the fair value of the Plan's assets was \$573,276.

NOTES TO FINANCIAL STATEMENTS

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

(1) Outstanding Shares

The Company has 1.0 million shares of common stock with a par value of \$1.00 per share authorized and 100,000 shares are issued and outstanding. The Company has no preferred stock authorized, issued, or outstanding.

(2) Dividend Rate on Preferred Stock Not applicable.

(3) Dividend Restrictions

Under the Florida law, a Florida domiciled insurance company may not pay any dividend or distribute cash or other property to its stockholders except out of that part of its available and accumulated capital and surplus funds derived from realized net operation profits and net realized capital gains. In addition, a Florida domiciled insurer may not pay dividends or make distributions to stockholders without prior approval of the Florida OIR if the dividend or distribution would exceed defined restrictions relating to policyholders surplus and net income. There were no restrictions placed on the Company's surplus.

(4) Dates and Amounts of Dividends Paid

None.

(5) Amount of Ordinary Dividends That May Be Paid

Other than the restrictions described above in paragraph (3), the Company agreed in the Consent Order for its Certificate of Authority to obtain prior written approval from the OIR for the payment of any dividends through September 2018.

(6) Restrictions on Unassigned Funds

None.

(7) Mutual Surplus Advances

None.

(8) Company Stock Held for Special Purposes

None.

(9) Changes in Special Surplus Funds

Not applicable.

(10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by unrealized gains and losses is: \$0

(11) Surplus Notes

None.

(12) Impact of Quasi Reorganizations

Not applicable.

(13) Dates of all Quasi-Reorganization

Not applicable.

Note 14 – Liabilities, Contingencies and Assessments

A. Contingent Commitments

None.

B. Guaranty Fund and Other Assessments

The Company is subject to assessments by the Florida Insurance Guaranty Association (FIGA), Citizens Property Insurance Corporation (Citizens), and the Florida Hurricane Catastrophe Fund (FHCF). Assessments from any of these funds would be recoverable based on either of the following methods: 1) through policy fees charged to policyholders one to three years following the assessment or 2) as a direct charge to the policyholder whereby the Company would act only as an agent in the collection of the assessment. The method of recovery is chosen by the respective organization at the time of the assessment. The Company has not been assessed by FIGA, Citizens, or the FHCF.

NOTES TO FINANCIAL STATEMENTS

C. Gain Contingencies

None.

D. Extra Contractual Obligation and Bad Faith Losses

None.

E. Product Warranties

None.

F. Joint and Several Liabilities

None.

G. All Other Contingencies

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.

Note 15 – Leases

A. Lessee Operating Lease

None.

B. Revenue, Net Income or Assets with Respect to Leases

None.

Note 16 – Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

None.

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

None.

Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans

None.

Note 19 – Direct Premium Written/Produced by Managing General Agents/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 Premiums Written/Produced By
Elements Property Insurance Managers, LLC Tallahassee, FL	46-2334866	YES	Homeowners, Dwelling Fire	P,CA,C	\$ 65,221,200
Total	XXX	XXX	XXX	XXX	\$ 65,221,200

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 no assets or liabilities reported at fair value in the accompanying financial statements.

2. Rollforward of Level 3 Items

Not applicable.

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 Fair Value

Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities: The Company has no assets or liabilities reported at fair value in in this category.

Level 2 – Indirect observable inputs, including prices for similar assets and market corroborated inputs: The Company has no assets or liabilities reported at fair value in this category.

NOTES TO FINANCIAL STATEMENTS

Level 3 – Unobservable inputs reflecting assumptions that market participants would use, including assumptions about risk: The Company has no assets or liabilities reported at fair value in this category.

5. Derivative Fair Values

Not applicable.

B. Other Fair Value Disclosures

Not applicable.

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practical (Carrying Value)
Bonds	\$19,075,185	\$19,212,929	\$ 7,639,461	\$11,435,725	\$ 0	\$ 0
Loan-backed Securities	12,958,044	13,070,599	0	12,958,044	0	0
Short-term Investments	272,062	272,062	272,062	0	0	0
Totals	\$32,305,291	\$32,555,590	\$ 7,911,522	\$24,393,769	\$ 0	\$ 0

D. Not Practicable to Estimate Fair Value

Not applicable.

Note 21 – Other Items

A. Unusual or Infrequent Items

None.

B. Troubled Debt Restructuring Debtors

None.

C. Other Disclosures

2) Agents' Balances or Uncollected Premiums per Statement	\$4,754,233 (1)	
Premiums collected from "Controlled" or "Controlling" Persons		<u>\$4,754,233 (2)</u>
Premiums Collected by "Controlled" or "Controlling" Person within 15 working days immediately preceding reporting period; F.S.625.012(5) (a)1.		<u>\$4,754,233 (3)</u>
*Amount of		
Applicable: Trust	\$ 0 (4)	
Fund		
Letter of Credit	\$ 0 (5)	
Financial Guaranty Bond	\$ 0 (6)	
Total of Lines (4), (5), & (6)		\$ 0(7)
(2) minus (3) minus (7), should not exceed zero		<u>\$ 0(8)</u>

D. Business Interruption Insurance Recoveries

None.

E. State Transferable and Non-Transferable Tax Credits

None.

F. Subprime Mortgage Related Risk Exposure

Not applicable.

NOTES TO FINANCIAL STATEMENTS**G. Insurance-Linked securities (ILS)**

None.

Note 22 – Events Subsequent

See Note 10.D. There were no other events subsequent to December 31, 2016 through the date of this filing meriting recognition or disclosure in these financial statements.

Note 23 – Reinsurance**A. Unsecured Reinsurance Recoverables**

None.

B. Reinsurance Recoverable in Dispute

None.

C. Reinsurance Assumed and Ceded

(1)

		Assumed Reinsurance		Ceded Reinsurance		Net	
		Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a.	Affiliates	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
b.	All Other	0	0	12,654,753	0	(12,654,753)	0
c.	Total	\$ 0	\$ 0	\$ 12,654,753	\$ 0	\$ (12,654,753)	\$ 0
d.	Direct Unearned Premium Reserves			\$ 33,695,749			

(2) No agency agreements or ceded reinsurance contracts provide for additional or return commissions based on actual loss experience of the produced or ceded business.

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

D. Uncollectible Reinsurance

None.

E. Commutation of Ceded Reinsurance

None.

F. Retroactive Reinsurance

Not applicable.

G. Reinsurance Accounted for as a Deposit

Not applicable.

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

Not applicable.

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not applicable.

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not applicable.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

None.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

Net reserves as of December 31, 2015 were \$7,955,157. As of December 31, 2016, \$7,574,73 has been paid for incurred losses and loss adjustment expenses attributable to insured events of the prior years. Reserves remaining for the prior years are now \$1,288,142. As a result of re-estimating claims and claim adjustment expenses principally on the homeowners' line of insurance, the Company recorded unfavorable development of \$907,558 on the prior accident year reserves from December 31, 2015 to December 31, 2016. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

Note 26 – Intercompany Pooling Arrangements

None.

NOTES TO FINANCIAL STATEMENTS

Note 27 – Structured Settlements

None.

Note 28 – Health Care Receivables

None.

Note 29 – Participating Policies

None.

Note 30 – Premium Deficiency Reserves

The Company evaluated the need to record a premium deficiency reserve as of December 31, 2016 and no reserve was required. The evaluation was completed on February 22, 2017. The Company did not consider anticipated investment income in determining the need for premium deficiency reserves.

- | | |
|---|-------------------|
| 1. Liability carried for premium deficiency reserve: | \$ |
| 2. Date of most recent evaluation of this liability: | February 22, 2017 |
| 3. Was anticipated investment income utilized in the calculation? | Yes [] No [X] |

Note 31 – High Deductibles

None.

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

Not applicable.

Note 33 – Asbestos/Environmental Reserves

None.

Note 34 – Subscriber Savings Accounts

Not applicable.

Note 35 – Multiple Peril Crop Insurance

Not applicable.

Note 36 – Financial Guaranty Insurance

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? Florida
- 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. 12/31/2015
- 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. 12/31/2014
- 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). 06/08/2016
- 3.4 By what department or departments?
Florida Office of Insurance Regulation
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [] No [] N/A [X]
- 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 the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

- 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(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (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?
Thomas Howell Ferguson, P.A., 2615 Centennial Boulevard, Suite 200, Tallahassee, FL 32308
- 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:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Max Mindel, FCAS, MAAA Milliman, 650 California Street, 17th Floor, San Francisco, CA 94108-2702
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes [] No [X]
- 12.11 Name of real estate holding company _____
- 12.12 Number of parcels involved _____
- 12.13 Total book/adjusted carrying value \$ _____
- 0
- 0
- 12.2 If yes, provide explanation _____
13. **FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**
- 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity? _____
- 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes [] No []
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [] No []
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [] No [] N/A []
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [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 and all subordinate 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 \$ _____
- 20.12 To stockholders not officers \$ _____
- 20.13 Trustees, supreme or grand (Fraternal only) \$ _____
- 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 \$ _____
- 20.22 To stockholders not officers \$ _____
- 20.23 Trustees, supreme or grand (Fraternal only) \$ _____
- 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 \$ _____
- 21.22 Borrowed from others \$ _____
- 21.23 Leased from others \$ _____
- 21.24 Other \$ _____
- 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 \$ _____
- 22.22 Amount paid as expenses \$ _____
- 22.23 Other amounts paid \$ _____
- 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: \$ _____
- 2,000,278

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

INVESTMENT

24.01 Were all of stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date (other than securities lending programs addressed in 24.03)? Yes No

24.02 If no, give full and complete information, relating thereto:

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

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

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

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

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

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

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

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ _____ 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 No

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

25.21 Subject to repurchase agreements \$ _____ 0

25.22 Subject to reverse repurchase agreements \$ _____ 0

25.23 Subject to dollar repurchase agreements \$ _____ 0

25.24 Subject to reverse dollar repurchase agreements \$ _____ 0

25.25 Placed under option agreements \$ _____ 0

25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock \$ _____ 0

25.27 FHLB Capital Stock \$ _____ 0

25.28 On deposit with states \$ _____ 0

25.29 On deposit with other regulatory bodies \$ _____ 300,006

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

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No N/A
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

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

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

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's Address
U.S. Bank, N.A.	225 Water Street, Suite 700, Jacksonville, FL 32202

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

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 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts", "... handle securities"].

1 Name of Firm or Individual	2 Affiliation
New England Asset Management, Inc.	U

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes No

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes No

28.06 For those firms or individuals listed in the table for 28.05 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
105900	New England Asset Management, Inc.	KUR85E5PS4GQFZTFC130	SEC	NO

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

29.2 If yes, complete the following schedule:

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

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 Holding	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	32,555,590	32,305,291	(250,299)
30.2	Preferred Stocks	0	0	0
30.3	Totals	32,555,590	32,305,291	(250,299)

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

Fair values are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor such as BofA Merrill Lynch indices, Interactive Data Corp, Reuters, S&P, Bloomberg/Bloomberg Valuation Service, Markit/Markit iBoxx or PricingDirect. Under certain circumstances, if an SVO price or vendor price is unavailable, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost.

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

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 reliable pricing source for purposes of disclosure of fair value for Schedule D:

32.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes 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? \$ 329,070

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
ISO	\$ 219,454
Demotech	97,500

34.1 Amount of payments for legal expenses, if any? \$ 93,153

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
Colodny, Fass, Talenfeld, Karlinsky	\$ 60,575
James Redner	25,000

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any? \$ 0

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
	\$

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		2	
		Current Year		Prior Year	
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	32,932,900	\$	35,542,455
2.3	Premium Ratio (2.1/2.2)				
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	28,021,215	\$	27,827,373
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 []	No []
4.2	Does the reporting entity issue non-assessable policies?			Yes []	No []
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?				%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		\$		0
5.	FOR RECIPROCAL EXCHANGES ONLY:				
5.1	Does the exchange appoint local agents?			Yes []	No []
5.2	If yes, is the commission paid:				
5.21	Out of Attorney's-in-fact compensation			Yes []	No []
5.22	As a direct expense of the exchange			Yes []	No []
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?				
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?			Yes []	No []
5.5	If yes, give full information:				
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? <u>Not applicable. The Company does not write workers' compensation insurance.</u>				
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: <u>The Company's reinsurance intermediary, Guy Carpenter, models the Company's portfolio using RiskLink DLM v15 from Risk Management Solutions and AIR Touchstone v3.1 from Applied Insurance Research and provides the Company with estimates of its Probable Maximum Losses from hurricanes and severe thunderstorms. The Company's portfolio consists of residential property exposures.</u>				
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? <u>Property catastrophe excess of loss reinsurance has been purchased to protect the Company through May 31, 2017. The Company has also purchased per-risk excess reinsurance covering losses from events excluding named storms.</u>				
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?			Yes [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:				

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

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 []
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, <i>Property and Casualty Reinsurance</i> , 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 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes []	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 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$	0
		\$	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 [] N/A [X]
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 []	No [X]
12.6	If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds	\$	0
		\$	0
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$	300,000

GENERAL INTERROGATORIES**PART 2 – PROPERTY & CASUALTY INTERROGATORIES**

- 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. 1
- 14.1 Is the reporting entity a cedant in a multiple cedant reinsurance contract? Yes [] No [X]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:
- 14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [] No []
- 14.4 If the answer to 14.3 is no, are all the methods described in 14.2 entirely contained in written agreements? Yes [] No []
- 14.5 If the answer to 14.4 is no, please explain:
- 15.1 Has the reporting entity guaranteed any financed premium accounts? Yes [] No [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 | 2 | 3 | 4 | 5 |
|------------------|------------------------|----------------------|------------------------|-------------------------|-----------------------|
| | Direct Losses Incurred | Direct Losses Unpaid | Direct Written Premium | Direct Premium Unearned | 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. Inurred 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: Yes [] No [X]
- | | |
|--|------|
| 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 2016	2 2015	3 2014	4 2013	5 2012
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).....	9,276	8,211	2,756		
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	15,840,355	18,909,126	19,037,487	2,838,377	
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	49,371,569	40,971,024	31,165,416	5,452,998	
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).....	65,221,200	59,888,361	50,205,659	8,291,375	0
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).....	9,276	8,211	2,756		
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	8,293,023	9,899,048	14,967,915	2,702,626	
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	25,799,089	21,433,434	21,714,815	5,137,749	
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).....	34,101,388	31,340,693	36,685,486	7,840,375	0
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8).....	(13,873,561)	(3,983,602)	1,522,744	(1,100,364)	
14. Net investment gain (loss) (Line 11).....	597,948	173,898	62,623	723	
15. Total other income (Line 15).....	(30,926)	(16,697)	(7,742)		
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	(334,488)	(1,566,413)	1,784,074	116,826	
18. Net income (Line 20).....	(12,972,051)	(2,259,987)	(206,449)	(1,216,467)	0
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	49,060,686	56,832,588	59,739,949	33,170,271	
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	4,754,233	4,174,432	3,585,738		
20.2 Deferred and not yet due (Line 15.2).....	2,801,090	2,852,571	1,475,076		
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	33,683,999	31,886,673	34,519,673	8,951,048	
22. Losses (Page 3, Line 1).....	6,252,791	6,952,445	2,813,299	126,000	
23. Loss adjustment expenses (Page 3, Line 3).....	727,699	1,002,691	526,744	12,585	
24. Unearned premiums (Page 3, Line 9).....	21,040,725	19,872,237	24,073,999	7,167,537	
25. Capital paid up (Page 3, Lines 30 & 31).....	100,000	100,000	100,000	100,000	
26. Surplus as regards policyholders (Page 3, Line 37).....	15,376,687	24,945,915	25,220,276	24,219,223	
Cash Flow (Page 5)					
27. Net cash from operations (Line 11).....	(10,426,989)	(4,372,371)	16,573,572	6,429,170	
Risk-Based Capital Analysis					
28. Total adjusted capital.....	15,376,687	24,945,915	25,220,276	24,219,223	
29. Authorized control level risk-based capital.....	5,711,729	7,443,832	3,527,103	616,282	
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).....	86.0	54.0			
31. Stocks (Lines 2.1 & 2.2).....					
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).....	14.0	46.0	100.0	100.0	
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....					
38. Receivables for securities (Line 9).....					
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.0	0.0
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).....					
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.....					
48. Total of above lines 42 to 47.....	0	0	0	0	0
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).....	0.0				

FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2016	2015	2014	2013	2012
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24).....					
52. Dividends to stockholders (Line 35).....					
53. Change in surplus as regards policyholders for the year (Line 38).....	(9,569,227)	(274,361)	1,001,053	24,219,223	
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).....	322,611	15,000	81,867		
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	5,943,152	3,785,045	972,363		
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	22,798,222	9,767,952	3,291,783		
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).....	29,063,985	13,567,997	4,346,013	0	0
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).....	322,611	15,000	81,867		
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	5,773,901	3,785,045	972,363		
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	21,981,515	9,714,289	3,291,783		
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).....	28,078,027	13,514,334	4,346,013	0	0
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).....	83.1	49.7	35.6	18.7	
68. Loss expenses incurred (Line 3).....	14.4	11.5	11.3	7.4	
69. Other underwriting expenses incurred (Line 4).....	44.6	50.0	45.4	237.4	
70. Net underwriting gain (loss) (Line 8).....	(42.1)	(11.2)	7.7	(163.5)	
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).....	43.2	56.8	24.5	20.4	
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	97.5	61.2	46.9	26.2	
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).....	221.8	125.6	145.5	32.4	
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).....	709	354	(16)		
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).....	2.8	1.4	(0.1)		
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).....	162	(23)			
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).....	0.6	(0.1)			

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						10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
2. 2007.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
3. 2008.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
4. 2009.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
5. 2010.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
6. 2011.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
7. 2012.....	.....	.....	.....0.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
8. 2013.....	.....749.....	.....76.....	.....673.....	.....34.....	.....	.....42.....	.....	.....39.....	.....	.....	.....115.....	.....XXX.....
9. 2014.....	.....28,313.....	.....8,534.....	.....19,779.....	.....7,070.....	.....	.....701.....	.....	.....1,474.....	.....	.....81.....	.....9,245.....	.....XXX.....
10. 2015.....	.....57,823.....	.....22,281.....	.....35,542.....	.....17,617.....	.....106.....	.....834.....	.....6.....	.....3,132.....	.....15.....	.....95.....	.....21,456.....	.....XXX.....
11. 2016.....	.....63,026.....	.....30,093.....	.....32,933.....	.....22,257.....	.....934.....	.....50.....	.....3.....	.....4,269.....	.....120.....	.....173.....	.....25,519.....	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....46,978.....	.....1,040.....	.....1,627.....	.....9.....	.....8,914.....	.....135.....	.....349.....	.....56,335.....	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
2. 2007.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
3. 2008.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
4. 2009.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
5. 2010.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
6. 2011.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
7. 2012.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....0.....	.....XXX.....
8. 2013.....	.....110.....	.....	.....	.....	.....3.....	.....	.....	.....	.....	.....	.....113.....	.....XXX.....
9. 2014.....	.....68.....	.....	.....38.....	.....	.....8.....	.....	.....4.....	.....	.....32.....	.....	.....150.....	.....XXX.....
10. 2015.....	.....682.....	.....	.....179.....	.....	.....70.....	.....2.....	.....18.....	.....	.....83.....	.....7.....	.....1,023.....	.....XXX.....
11. 2016.....	.....3,337.....	.....323.....	.....2,270.....	.....109.....	.....71.....	.....1.....	.....215.....	.....	.....284.....	.....50.....	.....5,694.....	.....XXX.....
12. Totals.....	.....4,197.....	.....323.....	.....2,487.....	.....109.....	.....152.....	.....3.....	.....237.....	.....0.....	.....399.....	.....57.....	.....6,980.....	.....XXX.....

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....	.....	.....XXX.....	.....0.....	.....0.....
2. 2007..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
3. 2008..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
4. 2009..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
5. 2010..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
6. 2011..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
7. 2012..	.....0.....	.....0.....	.....0.....	.....0.0.....	.....0.0.....	.....0.0.....	.....	.....	.....	.....0.....	.....0.....
8. 2013..	.....228.....	.....0.....	.....228.....	.....30.4.....	.....0.0.....	.....33.9.....	.....	.....	.....	.....110.....	.....3.....
9. 2014..	.....9,395.....	.....0.....	.....9,395.....	.....33.2.....	.....0.0.....	.....47.5.....	.....	.....	.....	.....106.....	.....44.....
10. 2015..	.....22,615.....	.....136.....	.....22,479.....	.....39.1.....	.....0.6.....	.....63.2.....	.....	.....	.....	.....861.....	.....162.....
11. 2016..	.....32,753.....	.....1,540.....	.....31,213.....	.....52.0.....	.....5.1.....	.....94.8.....	.....	.....	.....	.....5,175.....	.....519.....
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....XXX.....	.....6,252.....	.....728.....

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

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016	11 One Year	12 Two Year
1. Prior.....											.0	.0
2. 2007.....											.0	.0
3. 2008.....	XXX										.0	.0
4. 2009.....	XXX	XXX									.0	.0
5. 2010.....	XXX	XXX	XXX								.0	.0
6. 2011.....	XXX	XXX	XXX	XXX							.0	.0
7. 2012.....	XXX	XXX	XXX	XXX	XXX						.0	.0
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	139	123	116	189	73	66
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,793	8,154	7,889	(265)	96
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	18,385	19,286	901	XXX
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	26,830	XXX	XXX
12. Totals.....											709	162

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
1. Prior.....	.000										XXX	XXX
2. 2007.....											XXX	XXX
3. 2008.....	XXX										XXX	XXX
4. 2009.....	XXX	XXX									XXX	XXX
5. 2010.....	XXX	XXX	XXX								XXX	XXX
6. 2011.....	XXX	XXX	XXX	XXX							XXX	XXX
7. 2012.....	XXX	XXX	XXX	XXX	XXX						XXX	XXX
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX		43	64	76	XXX	XXX
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,591	7,253	7,771	XXX	XXX
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,499	18,339	XXX	XXX
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	21,370	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 2007	2 2008	3 2009	4 2010	5 2011	6 2012	7 2013	8 2014	9 2015	10 2016
1. Prior.....										
2. 2007.....										
3. 2008.....	XXX									
4. 2009.....	XXX	XXX								
5. 2010.....	XXX	XXX	XXX							
6. 2011.....	XXX	XXX	XXX	XXX						
7. 2012.....	XXX	XXX	XXX	XXX	XXX					
8. 2013.....	XXX	XXX	XXX	XXX	XXX	XXX	104	34	4	
9. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,547	434	42
10. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,669	197
11. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,376

Elements Property Insurance Company SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	N								
2. Alaska.....AK	N								
3. Arizona.....AZ	N								
4. Arkansas.....AR	N								
5. California.....CA	N								
6. Colorado.....CO	N								
7. Connecticut.....CT	N								
8. Delaware.....DE	N								
9. District of Columbia.....DC	N								
10. Florida.....FL	L	65,221,200	63,026,153		27,829,304	28,734,953	6,138,889		
11. Georgia.....GA	N								
12. Hawaii.....HI	N								
13. Idaho.....ID	N								
14. Illinois.....IL	N								
15. Indiana.....IN	N								
16. Iowa.....IA	N								
17. Kansas.....KS	N								
18. Kentucky.....KY	N								
19. Louisiana.....LA	N								
20. Maine.....ME	N								
21. Maryland.....MD	N								
22. Massachusetts.....MA	N								
23. Michigan.....MI	N								
24. Minnesota.....MN	N								
25. Mississippi.....MS	N								
26. Missouri.....MO	N								
27. Montana.....MT	N								
28. Nebraska.....NE	N								
29. Nevada.....NV	N								
30. New Hampshire.....NH	N								
31. New Jersey.....NJ	N								
32. New Mexico.....NM	N								
33. New York.....NY	N								
34. North Carolina.....NC	N								
35. North Dakota.....ND	N								
36. Ohio.....OH	N								
37. Oklahoma.....OK	N								
38. Oregon.....OR	N								
39. Pennsylvania.....PA	N								
40. Rhode Island.....RI	N								
41. South Carolina.....SC	N								
42. South Dakota.....SD	N								
43. Tennessee.....TN	N								
44. Texas.....TX	N								
45. Utah.....UT	N								
46. Vermont.....VT	N								
47. Virginia.....VA	N								
48. Washington.....WA	N								
49. West Virginia.....WV	N								
50. Wisconsin.....WI	N								
51. Wyoming.....WY	N								
52. American Samoa.....AS	N								
53. Guam.....GU	N								
54. Puerto Rico.....PR	N								
55. 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).....1	65,221,200	63,026,153	0	27,829,304	28,734,953	6,138,889	0	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 Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

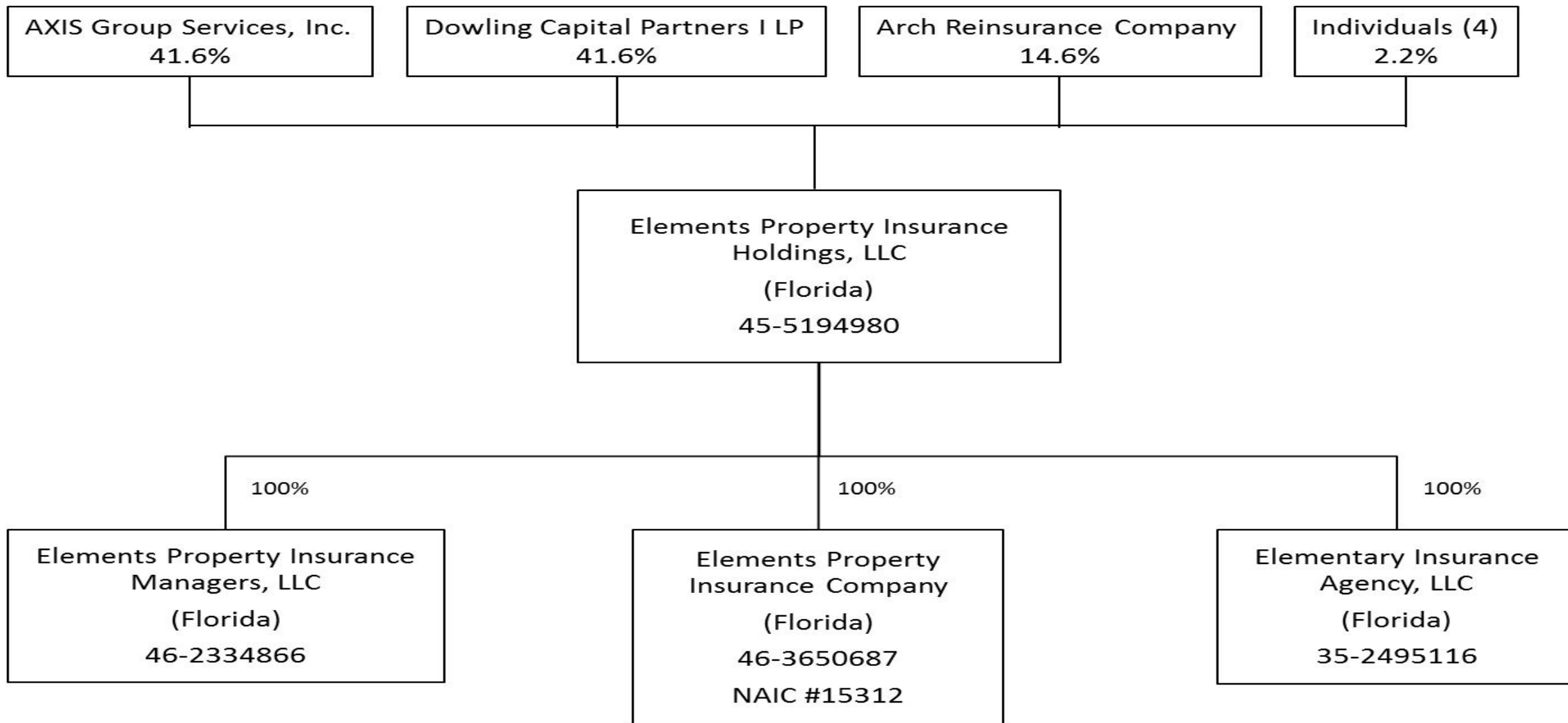
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

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

EPIC only writes in FL.

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

PART 1 – ORGANIZATIONAL CHART



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