



ANNUAL STATEMENT
For the Year Ended December 31, 2015
OF THE CONDITION AND AFFAIRS OF THE
Capitol Preferred Insurance Company, Inc

NAIC Group Code 00000, 00000 NAIC Company Code 10908 Employer's ID Number 59-3499140
Organized under the Laws of Florida, State of Domicile or Port of Entry Florida
Country of Domicile United States
Incorporated/Organized 04/09/1998 Commenced Business 04/09/1998
Statutory Home Office 2255 Killearn Center Boulevard, Tallahassee, FL, US 32309
Main Administrative Office 2255 Killearn Center Boulevard, Tallahassee, FL, US 32309 850-521-0742
Mail Address 2255 Killearn Center Boulevard, Tallahassee, FL, US 32309
Primary Location of Books and Records 2255 Killearn Center Boulevard, Tallahassee, FL, US 32309 850-521-0742
Internet Web Site Address www.capitol-preferred.com
Statutory Statement Contact Keith E Martin 850-521-0742-1227
kmartin@pmains.com 850-521-0077

OFFICERS

Table with 4 columns: Name, Title, Name, Title. Rows include James Anthony Graganella (President & CEO), Keith Edward Martin (Secretary), Keith Edward Martin (Treasurer), and Byron Hamelin Wells (Vice President).

OTHER OFFICERS

Table with 4 columns: Name, Title. Row includes Keith Edward Martin (Vice President).

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title. Rows include Thomas Anthony Dieruf, Alan Joseph Baker, James Anthony Graganella, and Byron Hamelin Wells.

State of Florida

ss

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.

James Anthony Graganella
President & CEO

Keith Edward Martin
Treasurer

Keith Edward Martin
Secretary

Subscribed and sworn to before me
this day of

- 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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company, Inc

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).....	18,635,477		18,635,477	18,124,962
2. Stocks (Schedule D):				
2.1 Preferred stocks	0		0	0
2.2 Common stocks	0		0	0
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ encumbrances).....			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$8,879,137 , Schedule E-Part 1), cash equivalents (\$22,701,487 , Schedule E-Part 2) and short-term investments (\$0 , Schedule DA).....	31,580,624		31,580,624	24,844,739
6. Contract loans (including \$ premium notes).....			0	0
7. Derivatives (Schedule DB).....	0		0	0
8. Other invested assets (Schedule BA)	0		0	0
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets (Schedule DL).....			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	50,216,101	0	50,216,101	42,969,701
13. Title plants less \$ charged off (for Title insurers only).....			0	0
14. Investment income due and accrued	116,637		116,637	111,988
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	402,188	23,976	378,212	507,028
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums).....	2,980,028		2,980,028	2,851,483
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)			0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers			0	0
16.2 Funds held by or deposited with reinsured companies	100,000		100,000	250,000
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon	184,451		184,451	0
18.2 Net deferred tax asset.....	706,437		706,437	833,096
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software.....			0	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	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable.....			0	0
25. Aggregate write-ins for other-than-invested assets	116,621	0	116,621	51,132
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	54,822,463	23,976	54,798,487	47,574,428
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	0
28. Total (Lines 26 and 27)	54,822,463	23,976	54,798,487	47,574,428
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	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. Florida Insurance Guaranty Association Assessment.....	2,642		2,642	51,132
2502. Louisiana Citizens Property Insurance Corporation.....	113,979		113,979	0
2503.				
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)	116,621	0	116,621	51,132

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8)	6,390,133	5,149,752
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6)		0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9)	842,380	719,835
4. Commissions payable, contingent commissions and other similar charges	7,263	105,409
5. Other expenses (excluding taxes, licenses and fees)	100,000	51,500
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	734,719	653,248
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		112,239
7.2 Net deferred tax liability		0
8. Borrowed money \$ and interest thereon \$		0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$29,799,491 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	8,390,437	8,277,512
10. Advance premium	1,893,596	1,979,562
11. Dividends declared and unpaid:		
11.1 Stockholders		0
11.2 Policyholders		0
12. Ceded reinsurance premiums payable (net of ceding commissions)	10,361,556	7,403,260
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19)	0	0
14. Amounts withheld or retained by company for account of others	19,746	20,006
15. Remittances and items not allocated		0
16. Provision for reinsurance (including \$ certified) (Schedule F, Part 8)	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates		0
18. Drafts outstanding		0
19. Payable to parent, subsidiaries and affiliates		0
20. Derivatives	0	0
21. Payable for securities		0
22. Payable for securities lending		0
23. Liability for amounts held under uninsured plans		0
24. Capital notes \$ and interest thereon \$		0
25. Aggregate write-ins for liabilities	0	198,361
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	28,739,830	24,670,684
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	28,739,830	24,670,684
29. Aggregate write-ins for special surplus funds	625,794	625,794
30. Common capital stock	1,875,000	1,875,000
31. Preferred capital stock		0
32. Aggregate write-ins for other-than-special surplus funds	0	0
33. Surplus notes	17,350,000	17,350,000
34. Gross paid in and contributed surplus	3,629,988	3,629,988
35. Unassigned funds (surplus)	2,577,875	(577,038)
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		0
36.2 shares preferred (value included in Line 31 \$)		0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39)	26,058,657	22,903,744
38. Totals (Page 2, Line 28, Col. 3)	54,798,487	47,574,428
DETAILS OF WRITE-INS		
2501. Florida Insurance Guaranty Association Assessment		137,667
2502. Florida Hurricane Catastrophe Fund Assessment		38,173
2503. Citizens Property Insurance Corporation		22,521
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)	0	198,361
2901. Additional admitted deferred tax assets	625,794	625,794
2902.		0
2903.		0
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)	625,794	625,794
3201.		0
3202.		0
3203.		0
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)	12,864,644	10,110,705
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7)	11,401,015	10,430,259
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1)	3,263,618	2,908,136
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2)	(5,509,797)	(7,693,931)
5. Aggregate write-ins for underwriting deductions	0	0
6. Total underwriting deductions (Lines 2 through 5)	9,154,836	5,644,464
7. Net income of protected cells	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7)	3,709,808	4,466,241
INVESTMENT INCOME		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17)	586,580	559,210
10. Net realized capital gains (losses) less capital gains tax of \$	(Exhibit of Capital Gains (Losses))	0
11. Net investment gain (loss) (Lines 9 + 10)	586,580	559,210
OTHER INCOME		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$	amount	
charged off \$	63,197)	(23,229)
13. Finance and service charges not included in premiums	166,593	139,554
14. Aggregate write-ins for miscellaneous income	0	0
15. Total other income (Lines 12 through 14)	103,396	116,325
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	4,399,784	5,141,776
17. Dividends to policyholders	0	0
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)	4,399,784	5,141,776
19. Federal and foreign income taxes incurred	1,115,549	112,239
20. Net income (Line 18 minus Line 19) (to Line 22)	3,284,235	5,029,537
CAPITAL AND SURPLUS ACCOUNT		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2)	22,903,744	19,631,245
22. Net income (from Line 20)	3,284,235	5,029,537
23. Net transfers (to) from Protected Cell accounts	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$	0	0
25. Change in net unrealized foreign exchange capital gain (loss)	0	0
26. Change in net deferred income tax	(126,659)	(1,807,661)
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3)	(2,663)	49,623
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1)	0	1,000
29. Change in surplus notes	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0
31. Cumulative effect of changes in accounting principles	0	0
32. Capital changes:		
32.1 Paid in	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0
32.3 Transferred to surplus	0	0
33. Surplus adjustments:		
33.1 Paid in	0	0
33.2 Transferred to capital (Stock Dividend)	0	0
33.3 Transferred from capital	0	0
34. Net remittances from or (to) Home Office	0	0
35. Dividends to stockholders	0	0
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1)	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37)	3,154,913	3,272,499
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37)	26,058,657	22,903,744
DETAILS OF WRITE-INS		
0501.	0	0
0502.	0	0
0503.	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0
1401. Florida Residential Property & Casualty JUA Takeout Bonus.....	0	0
1402.	0	0
1403.	0	0
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. Additional Admitted Deferred Tax Asset.....	0	0
3702. REclassification of Additional Admitted Deferred Tax Asset to Special Surplus Funds.....	0	0
3703.	0	0
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.....	15,997,507	16,117,108
2. Net investment income	581,828	552,343
3. Miscellaneous income	103,396	116,325
4. Total (Lines 1 through 3)	16,682,731	16,785,776
5. Benefit and loss related payments	10,160,634	10,163,185
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions	(2,400,549)	(4,652,387)
8. Dividends paid to policyholders	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	1,412,390	53,467
10. Total (Lines 5 through 9)	9,172,475	5,564,265
11. Net cash from operations (Line 4 minus Line 10)	7,510,256	11,221,511
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	1,865,000	460,000
12.2 Stocks	0	0
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,865,000	460,000
13. Cost of investments acquired (long-term only):		
13.1 Bonds	2,375,412	1,090,000
13.2 Stocks	0	0
13.3 Mortgage loans	0	0
13.4 Real estate	0	0
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	2,375,412	1,090,000
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(510,412)	(630,000)
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	0	0
16.6 Other cash provided (applied).....	(263,959)	192,253
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(263,959)	192,253
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)	6,735,885	10,783,764
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	24,844,739	14,060,975
19.2 End of year (Line 18 plus Line 19.1)	31,580,624	24,844,739

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS EARNED

Line of Business		1	2	3	4
		Net Premiums Written per Column 6, Part 1B	Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire	4,737,649	2,906,350	2,953,429	4,690,570
2.	Allied lines	0	0	0	0
3.	Farmowners multiple peril	0	0	0	0
4.	Homeowners multiple peril	8,053,602	5,196,354	5,349,785	7,900,171
5.	Commercial multiple peril	0	0	0	0
6.	Mortgage guaranty	0	0	0	0
8.	Ocean marine	0	0	0	0
9.	Inland marine	0	0	0	0
10.	Financial guaranty	0	0	0	0
11.1	Medical professional liability-occurrence	0	0	0	0
11.2	Medical professional liability-claims-made	0	0	0	0
12.	Earthquake	0	0	0	0
13.	Group accident and health	0	0	0	0
14.	Credit accident and health (group and individual)	0	0	0	0
15.	Other accident and health	0	0	0	0
16.	Workers' compensation	0	0	0	0
17.1	Other liability-occurrence	0	0	0	0
17.2	Other liability-claims-made	0	0	0	0
17.3	Excess workers' compensation.....	0	0	0	0
18.1	Products liability-occurrence	0	0	0	0
18.2	Products liability-claims-made	0	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0	0
19.3,19.4	Commercial auto liability	0	0	0	0
21.	Auto physical damage	0	0	0	0
22.	Aircraft (all perils)	0	0	0	0
23.	Fidelity	0	0	0	0
24.	Surety	186,318	174,808	87,223	273,903
26.	Burglary and theft	0	0	0	0
27.	Boiler and machinery	0	0	0	0
28.	Credit	0	0	0	0
29.	International	0	0	0	0
30.	Warranty	0	0	0	0
31.	Reinsurance-nonproportional assumed property	0	0	0	0
32.	Reinsurance-nonproportional assumed liability	0	0	0	0
33.	Reinsurance-nonproportional assumed financial lines	0	0	0	0
34.	Aggregate write-ins for other lines of business	0	0	0	0
35.	TOTALS	12,977,569	8,277,512	8,390,437	12,864,644
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Sum. 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

Line of Business		1 Amount Unearned (Running One Year or Less from Date of Policy) (a)	2 Amount Unearned (Running More Than One Year from Date of Policy) (a)	3 Earned but Unbilled Premium	4 Reserve for Rate Credits and Retrospective Adjustments Based on Experience	5 Total Reserve for Unearned Premiums Cols. 1 + 2 + 3 + 4
1.	Fire	2,953,429				2,953,429
2.	Allied lines					0
3.	Farmowners multiple peril					0
4.	Homeowners multiple peril	5,349,785				5,349,785
5.	Commercial multiple peril					0
6.	Mortgage guaranty					0
8.	Ocean marine					0
9.	Inland marine					0
10.	Financial guaranty					0
11.1	Medical professional liability-occurrence					0
11.2	Medical professional liability-claims-made					0
12.	Earthquake					0
13.	Group accident and health					0
14.	Credit accident and health (group and individual)					0
15.	Other accident and health					0
16.	Workers' compensation					0
17.1	Other liability-occurrence					0
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	87,223				87,223
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	8,390,437	0	0	0	8,390,437
36.	Accrued retrospective premiums based on experience					
37.	Earned but unbilled premiums					
38.	Balance (Sum of Lines 35 through 37)					8,390,437
DETAILS OF WRITE-INS						
3401.	.....					0
3402.	.....					0
3403.	.....					0
3498.	Sum. 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. 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	24,602,476		311,820		20,176,647	4,737,649
2. Allied lines	4,486,966				4,486,966	.0
3. Farmowners multiple peril .....						.0
4. Homeowners multiple peril	45,006,942		306,246		37,259,586	8,053,602
5. Commercial multiple peril .....						.0
6. Mortgage guaranty .....						.0
8. Ocean marine .....						.0
9. Inland marine .....						.0
10. Financial guaranty .....						.0
11.1 Medical professional liability-occurrence .....						.0
11.2 Medical professional liability-claims-made .....						.0
12. Earthquake .....						.0
13. Group accident and health .....						.0
14. Credit accident and health (group and individual) .....						.0
15. Other accident and health .....						.0
16. Workers' compensation .....						.0
17.1 Other liability-occurrence .....						.0
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			186,318			186,318
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	74,096,384	0	804,384	0	61,923,199	12,977,569
DETAILS OF WRITE-INS						
3401. ....						.0
3402. ....						.0
3403. ....						.0
3498. Sum. 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 \$

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company, Inc

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	6,851,388	2,511	3,426,949	3,426,950	1,930,401	1,744,910	3,612,441	77.0
2. Allied lines				.0	0	0	0	.0
3. Farmowners multiple peril				.0	0	0	0	.0
4. Homeowners multiple peril	13,378,644	158,395	6,803,355	6,733,684	4,386,261	3,340,382	7,779,563	98.5
5. Commercial multiple peril				.0	0	0	0	.0
6. Mortgage guaranty				.0	0	0	0	.0
8. Ocean marine				.0	0	0	0	.0
9. Inland marine				.0	0	0	0	.0
10. Financial guaranty				.0	0	0	0	.0
11.1 Medical professional liability-occurrence				.0	0	0	0	.0
11.2 Medical professional liability-claims-made				.0	0	0	0	.0
12. Earthquake				.0	0	0	0	.0
13. Group accident and health				.0	0	0	0	.0
14. Credit accident and health (group and individual)				.0	0	0	0	.0
15. Other accident and health				.0	0	0	0	.0
16. Workers' compensation				.0	0	0	0	.0
17.1 Other liability-occurrence				.0	0	0	0	.0
17.2 Other liability-claims-made				.0	0	0	0	.0
17.3 Excess workers' compensation				.0	0	0	0	.0
18.1 Products liability-occurrence				.0	0	0	0	.0
18.2 Products liability-claims-made				.0	0	0	0	.0
19.1,19.2 Private passenger auto liability				.0	0	0	0	.0
19.3,19.4 Commercial auto liability				.0	0	0	0	.0
21. Auto physical damage				.0	0	0	0	.0
22. Aircraft (all perils)				.0	0	0	0	.0
23. Fidelity				.0	0	0	0	.0
24. Surety				.0	73,471	64,460	9,011	3.3
26. Burglary and theft				.0	0	0	0	.0
27. Boiler and machinery				.0	0	0	0	.0
28. Credit				.0	0	0	0	.0
29. International				.0	0	0	0	.0
30. Warranty				.0	0	0	0	.0
31. Reinsurance-nonproportional assumed property	XXX			.0	0	0	0	.0
32. Reinsurance-nonproportional assumed liability	XXX			.0	0	0	0	.0
33. Reinsurance-nonproportional assumed financial lines	XXX			.0	0	0	0	.0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0	0	0.0
35. TOTALS	20,230,032	160,906	10,230,304	10,160,634	6,390,133	5,149,752	11,401,015	88.6
DETAILS OF WRITE-INS								
3401.				.0	0	0	0	.0
3402.				.0	0	0	0	.0
3403.				.0	0	0	0	.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0	0	.0
3499. Totals (Lines 3401 through 3403 + 3498) (Line 34 above)	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company, Inc

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 Excl. Incurred But Not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire	2,468,218	7,000	1,237,609	1,237,609	1,286,726	98,859	692,793	1,930,401	297,291
2. Allied lines				.0				.0	
3. Farmowners multiple peril				.0				.0	
4. Homeowners multiple peril	5,433,669	72,010	2,724,336	2,781,343	2,941,351	18,487	1,354,920	4,386,261	545,089
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				(a) .0	
15. Other accident and health				.0				(a) .0	
16. Workers' compensation				.0				.0	
17.1 Other liability-occurrence				.0				.0	
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	2,400	71,071		73,471	
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	7,901,887	79,010	3,961,945	4,018,952	4,230,477	188,417	2,047,713	6,390,133	842,380
DETAILS OF WRITE-INS									
3401.				.0				.0	
3402.				.0				.0	
3403.				.0				.0	
3498. Sum. 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 + 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				0
1.2 Reinsurance assumed				0
1.3 Reinsurance ceded				0
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3)	0	0	0	0
2. Commission and brokerage:				
2.1 Direct, excluding contingent		8,938,801		8,938,801
2.2 Reinsurance assumed, excluding contingent		264,650		264,650
2.3 Reinsurance ceded, excluding contingent		23,725,095		23,725,095
2.4 Contingent-direct				0
2.5 Contingent-reinsurance assumed				0
2.6 Contingent-reinsurance ceded				0
2.7 Policy and membership fees		1,155,800		1,155,800
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7)	0	(13,365,844)	0	(13,365,844)
3. Allowances to manager and agents				0
4. Advertising	562	560		1,122
5. Boards, bureaus and associations	13,638	301,973		315,611
6. Surveys and underwriting reports				0
7. Audit of assureds' records				0
8. Salary and related items:				
8.1 Salaries	1,808,552	2,071,087		3,879,639
8.2 Payroll taxes	169,373	189,297		358,670
9. Employee relations and welfare	379,875	439,066		818,941
10. Insurance	16,232	87,325		103,557
11. Directors' fees				0
12. Travel and travel items	271,532	273,794		545,326
13. Rent and rent items	33,223	33,035		66,258
14. Equipment	354,207	352,204		706,411
15. Cost or depreciation of EDP equipment and software				0
16. Printing and stationery	33,449	34,947		68,396
17. Postage, telephone and telegraph, exchange and express	139,775	140,481		280,256
18. Legal and auditing	43,200	321,497		364,697
19. Totals (Lines 3 to 18)	3,263,618	4,245,266	0	7,508,884
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$		2,272,712		2,272,712
20.2 Insurance department licenses and fees		9,640		9,640
20.3 Gross guaranty association assessments				0
20.4 All other (excluding federal and foreign income and real estate)		121,690		121,690
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4)	0	2,404,042	0	2,404,042
21. Real estate expenses				0
22. Real estate taxes				0
23. Reimbursements by uninsured plans				0
24. Aggregate write-ins for miscellaneous expenses	0	1,206,739	0	1,206,739
25. Total expenses incurred	3,263,618	(5,509,797)	0	(a) (2,246,179)
26. Less unpaid expenses-current year	842,380	841,982		1,684,362
27. Add unpaid expenses-prior year	719,835	810,157		1,529,992
28. Amounts receivable relating to uninsured plans, prior year	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year				0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29)	3,141,073	(5,541,622)	0	(2,400,549)
DETAILS OF WRITE-INS				
2401. Miscellaneous		24,559		24,559
2402. Policy Processing & Production		1,182,180		1,182,180
2403.				0
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	1,206,739	0	1,206,739

(a) Includes management fees of \$ 16,644,505 to affiliates and \$to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 1,748	2,459
1.1 Bonds exempt from U.S. tax	(a)	
1.2 Other bonds (unaffiliated)	(a) 565,660	569,529
1.3 Bonds of affiliates	(a) 0	
2.1 Preferred stocks (unaffiliated)	(b) 0	
2.11 Preferred stocks of affiliates	(b) 0	
2.2 Common stocks (unaffiliated)	0	
2.21 Common stocks of affiliates	0	
3. Mortgage loans	(c)	
4. Real estate	(d)	
5. Contract loans		
6. Cash, cash equivalents and short-term investments	(e) 14,522	14,592
7. Derivative instruments	(f)	
8. Other invested assets		
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	581,930	586,580
11. Investment expenses		(g)
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)
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		0
17. Net investment income (Line 10 minus Line 16)		586,580
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
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above)		0

- (a) Includes \$ 175 accrual of discount less \$ 72 amortization of premium and less \$ 161 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ 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 \$ paid for accrued interest on purchases.
- (d) Includes \$ for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$ investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ 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			0		
1.1 Bonds exempt from U.S. tax			0		
1.2 Other bonds (unaffiliated)			0		
1.3 Bonds of affiliates	0	0	0	0	0
2.1 Preferred stocks (unaffiliated)	0	0	0	0	0
2.11 Preferred stocks of affiliates	0	0	0	0	0
2.2 Common stocks (unaffiliated)	0	0	0	0	0
2.21 Common stocks of affiliates	0	0	0	0	0
3. Mortgage loans	0	0	0	0	0
4. Real estate	0	0	0	0	0
5. Contract loans	0	0	0	0	0
6. Cash, cash equivalents and short-term investments	0	0	0	0	0
7. Derivative instruments	0	0	0	0	0
8. Other invested assets	0	0	0	0	0
9. Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10. Total capital gains (losses)	0	0	0	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

NONE

EXHIBIT OF NONADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....	.0	.0	.0
2. Stocks (Schedule D):			
2.1 Preferred stocks .....	.0	.0	.0
2.2 Common stocks .....	.0	.0	.0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens .....	.0	.0	.0
3.2 Other than first liens .....	.0	.0	.0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company .....	.0	.0	.0
4.2 Properties held for the production of income.....	.0	.0	.0
4.3 Properties held for sale .....	.0	.0	.0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....	.0	.0	.0
6. Contract loans .....	.0	.0	.0
7. Derivatives (Schedule DB).....	.0	.0	.0
8. Other invested assets (Schedule BA) .....	.0	.0	.0
9. Receivables for securities .....	.0	.0	.0
10. Securities lending reinvested collateral assets (Schedule DL).....	.0	.0	.0
11. Aggregate write-ins for invested assets .....	.0	.0	.0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	.0	.0	.0
13. Title plants (for Title insurers only).....	.0	.0	.0
14. Investment income due and accrued .....	.0	.0	.0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	23,976	21,313	(2,663)
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....	.0	.0	.0
15.3 Accrued retrospective premiums and contracts subject to redetermination .....	.0	.0	.0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers .....	.0	.0	.0
16.2 Funds held by or deposited with reinsured companies .....	.0	.0	.0
16.3 Other amounts receivable under reinsurance contracts .....	.0	.0	.0
17. Amounts receivable relating to uninsured plans .....	.0	.0	.0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	.0	.0	.0
18.2 Net deferred tax asset.....	.0	.0	.0
19. Guaranty funds receivable or on deposit .....	.0	.0	.0
20. Electronic data processing equipment and software.....	.0	.0	.0
21. Furniture and equipment, including health care delivery assets .....	.0	.0	.0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	.0	.0	.0
23. Receivables from parent, subsidiaries and affiliates .....	.0	.0	.0
24. Health care and other amounts receivable.....	.0	.0	.0
25. Aggregate write-ins for other-than-invested assets .....	.0	.0	.0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	23,976	21,313	(2,663)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
28. Total (Lines 26 and 27)	23,976	21,313	(2,663)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
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.			
2502.			
2503.			
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)	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

	<u>State of Domicile</u>	<u>2015</u>	<u>2014</u>
<u>NET INCOME</u>			
(1) Company state basis (Page 4, Line 20, Columns 1 & 2)	.....FL	\$ 3,284,235	\$ 5,029,537
(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)	.....FL	\$ <u>3,284,235</u>	\$ <u>5,029,537</u>
<u>SURPLUS</u>			
(5) Company state basis (Page 3, Line 37, Columns 1 & 2)	.....FL	\$ 26,058,657	\$ 22,903,744
(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)	.....FL	\$ <u>26,058,657</u>	\$ <u>19,631,245</u>

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

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Actual results could differ from those estimates. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period.

C. Accounting Policy

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premium reserves are maintained to cover the unexpired portion of premiums written. Such reserves are computed using pro-rata methods for direct business and are based on reports received from ceding entities for reinsurance. Expenses incurred in connection with acquiring new business are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable. In addition, the company uses the following accounting policies:

1. Short term investments are stated at amortized cost
2. Bonds not backed by other loans are stated at amortized cost using the pro-rata method
3. When applicable, common stocks are stated at market
4. When applicable, preferred stocks are stated at cost
5. The Company has no mortgage loans
6. The Company has no loan backed securities
7. The Company has no investments in subsidiaries, controlled or affiliated companies
8. The Company has no investments in joint ventures, partnerships or limited liability companies
9. The Company has no investments in derivatives
10. The Company has no premium deficiency calculations
11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss data and an amount based on historical data, for losses incurred but not reported. Such liabilities are based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be either in excess of, or less than the amount provided. The methodologies for making such estimates and for establishing the resulting liability are continually monitored and any adjustments are recorded in the period determined. The company has no environmental remediation, toxic waste or asbestos exposures.
12. The Company has not modified its capitalization policy from the prior period.
13. The Company has no pharmaceutical rebate receivables.

D. Going Concern

There are no issues that would cause management to believe there is any reason or doubt that the Company will continue as a going concern.

2. Accounting Changes and Corrections of Errors

- A. There were no material changes in accounting principles and/or corrections of errors during the current period.

3. Business Combinations and Goodwill

A. Statutory Purchase Method

The Company had no business combinations.

B. Statutory Merger

The Company had no business combinations taking the form of a statutory merger.

C. Impairment Loss

The Company had no business combinations.

4. Discontinued Operations

The Company had no discontinued operations.

5. Investments

A. Mortgage Loans, including Mezzanine Real Estate Loans

The Company has no mortgage loans.

B. Debt Restructuring

The Company has no restructured debt.

C. Reverse Mortgages

The Company has no reverse mortgages.

D. Loan-Backed Securities

The Company has no Loan-Backed securities.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company has no repurchase agreements.

F. Real Estate

1. The Company had no impairment losses related to owned real estate.
2. The Company has no real estate classified as "available for sale".
3. The Company has no real estate transactions related to the sale of real estate.
4. The Company does not participate in retail land sales operations.
5. The Company does not hold any real estate with participating mortgage loan features.

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

The Company has no investments in low income housing tax credits.

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.
NOTES TO FINANCIAL STATEMENTS**

H. Restricted Assets

(1) Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted					6	7	8	Percentage	
	Current Year								9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Account Activity (a)	Total Protected Cell Account Restricted Assets	Protected Cell Account Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
p. On deposit with states	754,963				754,963	755,025	(62)		1.4	0.0
n. Other restricted assets					0	0	0		0.0	0.0
o. Total Restricted Assets	\$ 754,963	\$ 0	\$ 0	\$ 0	\$ 754,963	\$ 755,025	\$ (62)	\$ 0	1.4%	%

(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

I. Working Capital Finance Investments

None

J. Offsetting and Netting of Assets and Liabilities

None

K. Structured Notes

None

6. Joint Ventures, Partnerships and Limited Liability Companies

A. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies that exceed 10% of its admitted assets.

B. The Company has no investments in Joint Ventures, Partnerships or Limited Liability Companies and had no impairment write downs.

7. Investment Income

A. No investment income was excluded from any investment income due and accrued.

B. None

8. Derivative Instruments

A. The Company has no derivative instruments.

B. The Company has no derivative instruments.

C. The Company has no derivative instruments.

D. The Company has no derivative instruments.

E. The Company has no derivative instruments.

F. The Company has no derivative instruments.

9. Income Taxes

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

1.

(a)	Gross Deferred Tax Assets	\$ 706,437	\$	\$ 706,437
(b)	Statutory Valuation Allowance Adjustments	\$	\$	\$ 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 706,437	\$ 0	\$ 706,437
(d)	Deferred Tax Assets Nonadmitted	\$	\$	\$ 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 706,437	\$ 0	\$ 706,437
(f)	Deferred Tax Liabilities	\$	\$	\$ 0
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 706,437	\$ 0	\$ 706,437

12/31/2015		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

\$	706,437	\$	0	\$	706,437
\$		\$		\$	0
\$	706,437	\$	0	\$	706,437
\$		\$		\$	0
\$	706,437	\$	0	\$	706,437
\$		\$		\$	0
\$	706,437	\$	0	\$	706,437

(a)	Gross Deferred Tax Assets	\$ 833,096	\$ 0	\$ 833,096
(b)	Statutory Valuation Allowance Adjustments	\$ 0	\$ 0	\$ 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 833,096	\$ 0	\$ 833,096
(d)	Deferred Tax Assets Nonadmitted	\$	\$	\$ 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 833,096	\$ 0	\$ 833,096
(f)	Deferred Tax Liabilities	\$ 0	\$ 0	\$ 0
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 833,096	\$ 0	\$ 833,096

12/31/2014		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

\$	833,096	\$	0	\$	833,096
\$	0	\$	0	\$	0
\$	833,096	\$	0	\$	833,096
\$		\$		\$	0
\$	833,096	\$	0	\$	833,096
\$	0	\$	0	\$	0
\$	833,096	\$	0	\$	833,096

(a)	Gross Deferred Tax Assets	\$ (126,659)	\$ 0	\$ (126,659)
(b)	Statutory Valuation Allowance Adjustments	\$ 0	\$ 0	\$ 0
(c)	Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ (126,659)	\$ 0	\$ (126,659)
(d)	Deferred Tax Assets Nonadmitted	\$	\$	\$ 0
(e)	Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ (126,659)	\$ 0	\$ (126,659)
(f)	Deferred Tax Liabilities	\$ 0	\$ 0	\$ 0
(g)	Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ (126,659)	\$ 0	\$ (126,659)

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

\$	(126,659)	\$	0	\$	(126,659)
\$	0	\$	0	\$	0
\$	(126,659)	\$	0	\$	(126,659)
\$		\$		\$	0
\$	(126,659)	\$	0	\$	(126,659)
\$	0	\$	0	\$	0
\$	(126,659)	\$	0	\$	(126,659)

2.

12/31/2015		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total

Admission Calculation Components SSAP No. 101

(a)	Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	\$	\$ 0
(b)	Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The	\$ 706,437	\$	\$ 706,437

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.
NOTES TO FINANCIAL STATEMENTS**

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)

1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 706,437	\$ XXX	\$ 706,437
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	3,742,843
(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.	\$ 0	\$ 0	\$ 0
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ 706,437	\$ 0	\$ 706,437
Total (2(a) + 2(b) + 2(c))			

12/31/2014		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	\$ 0	\$ 0
(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)	\$ 833,096	\$ 0	\$ 833,096
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ 833,096	\$ 0	\$ 833,096
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	3,312,721
(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.	\$ 0	\$ 0	\$ 0
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ 833,096	\$ 0	\$ 833,096
Total (2(a) + 2(b) + 2(c))			

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total

(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 0	\$ 0	\$ 0
(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)	\$ (126,659)	\$ 0	\$ (126,659)
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date.	\$ (126,659)	\$ 0	\$ (126,659)
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold.	XXX	XXX	
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 0	\$ 0	\$ 0
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101.	\$ (126,659)	\$ 0	\$ (126,659)
Total (2(a) + 2(b) + 2(c))			

	2015	2014
--	------	------

(a) Ratio Percentage Used To Determine Recovery Period And Threshold Limitation Amount.	0.000	818.000
(b) Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 24,952,288.000	\$ 22,084,806.000

12/31/2015	
(1)	(2)
Ordinary	Capital

Impact of Tax-Planning Strategies

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	0	0
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)	0	0
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies		

12/31/2014	
(3)	(4)
Ordinary	Capital

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	0	0
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.0	0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	0	0
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.0	0.0

Change	
(5)	(6)
(Col 1-3) Ordinary	(Col 2-4) Capital

(a) Determination Of Adjusted Gross Deferred Tax Assets And Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.		
1. Adjusted Gross DTAs Amount From Note 9A1(c)	0	0
2. Percentage Of Adjusted Gross DTAs By Tax Character Attributable To The Impact Of Tax Planning Strategies	0.0	0.0
3. Net Admitted Adjusted Gross DTAs Amount From Note 9A1(e)	0	0
4. Percentage Of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because Of The Impact Of Tax Planning Strategies	0.0	0.0

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

C. Current income taxes incurred consist of the following major components:

(1)	(2)	(3)
12/31/2015	12/31/2014	(Col 1-2) Change

1. Current Income Tax			
(a) Federal	\$ 1,115,549.0	\$ 112,239.0	\$ 1,003,310
(b) Foreign	\$ 0	\$ 0	\$ 0
(c) Subtotal	\$ 1,115,549.0	\$ 112,239.0	\$ 1,003,310
(d) Federal income tax on net capital gains	\$ 0	\$ 0	\$ 0
(e) Utilization of capital loss carry-forwards	\$ 0	\$ 0	\$ 0
(f) Other	\$ 0	\$ 0	\$ 0
(g) Federal and foreign income taxes incurred	\$ 1,115,549.0	\$ 112,239.0	\$ 1,003,310
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	\$ 84,107	\$ 81,772	\$ 2,335
(2) Unearned premium reserve	\$ 587,331	\$ 579,426	\$ 7,905
(3) Policyholder reserves	\$ 0	\$ 0	\$ 0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.

NOTES TO FINANCIAL STATEMENTS

(4)	Investments	\$	\$0	\$0
(5)	Deferred acquisition costs	\$	\$0	\$0
(6)	Policyholder dividends accrual	\$	\$0	\$0
(7)	Fixed assets	\$	\$0	\$0
(8)	Compensation and benefits accrual	\$	\$0	\$0
(9)	Pension accrual	\$	\$0	\$0
(10)	Receivables - nonadmitted	\$	\$0	\$0
(11)	Net operating loss carry-forward	\$0	\$153,874	\$(153,874)
(12)	Tax credit carry-forward	\$	\$	\$0
(13)	Other (including items <5% of total ordinary tax assets)	\$35,000	\$18,025	\$16,975
(99)	Subtotal	\$706,437	\$833,096	\$(126,659)
(b)	Statutory valuation allowance adjustment	\$	\$0	\$0
(c)	Nonadmitted	\$	\$	\$
(d)	Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$706,437	\$833,96	\$(126,659)
(e) Capital:				
(1)	Investments	\$	\$0	\$0
(2)	Net capital loss carry-forward	\$	\$0	\$0
(3)	Real estate	\$	\$0	\$0
(4)	Other (including items <5% of total capital tax assets)	\$	\$0	\$0
(99)	Subtotal	\$0	\$0	\$0
(f)	Statutory valuation allowance adjustment	\$	\$0	\$0
(g)	Nonadmitted	\$	\$0	\$0
(h)	Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$0	\$0	\$0
(i)	Admitted deferred tax assets (2d + 2h)	\$706,437	\$833,096	\$(126,659)
3.	Deferred Tax Liabilities:			
(a) Ordinary				
(1)	Investments	\$	\$0	\$0
(2)	Fixed assets	\$	\$0	\$0
(3)	Deferred and uncollected premium	\$	\$0	\$0
(4)	Policyholder reserves	\$	\$0	\$0
(5)	Other (including items <5% of total ordinary tax liabilities)	\$	\$0	\$0
(99)	Subtotal	\$0	\$0	\$0
(b) Capital:				
(1)	Investments	\$	\$0	\$0
(2)	Real estate	\$	\$0	\$0
(3)	Other (including items <5% of total capital tax liabilities)	\$	\$0	\$0
(99)	Subtotal	\$0	\$0	\$0
(c)	Deferred tax liabilities (3a99 + 3b99)	\$0	\$0	\$0
4.	Net deferred tax assets/liabilities (2i - 3c)	\$706,437	\$833,096	\$(126,659)

D Among the more significant book to tax adjustments were the following:

	Amount	Tax Effect	Effective Rate
Income before taxes			
Tax at statutory rates	\$4,399,784	\$1,539,925	35.00%
Effect of tax-sharing agreement with related parties	\$(439,640)		
Effect of increase in non-admitted deferred assets			
Effect of increase in DTA reversing within three years			
Effect of true-up to tax payable			
Credit for Prior Year Minimum Tax		(306,199)	(6.96%)
Permanent items	\$24,234	<u>\$ 8,482</u>	<u>.19%</u>
Total income tax expense		<u>\$1,242,207</u>	<u>28.23%</u>

E. Operating Loss and Tax Credit Carry-forward and Protective Tax Deposits:

- a. At December 31, 2015, the company had no operating loss carry-forwards originating in the following years available to offset against future taxable income.
- b. The company has no income taxes incurred in current or prior years that are available for recoupment in the event of future net losses.
- c. The company did not have any protective tax deposits under IRC Section 6603.

F. Consolidated Federal Income Tax Return

- a. The company's federal income tax return is consolidated with Preferred Holding Company Inc.
- b. The method of allocation between the Companies is adjusted to written agreements approved by the Board of Directors. Allocation is based upon separate return calculation with current credit for net loss. Any intercompany balances are settled as soon as practicable.

G. The Company has no tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A,B,C

On October 18, 2004, the Company issued Subordinated Surplus Debentures in the amounts of \$6,000,000, \$2,000,000 and \$400,000 to Pattco Inc., Preferred Managing Agency and Preferred Holding Company respectively. In addition, on December 23, 2004 issued a Subordinated Surplus Debenture to Alan Baker in the amount of \$400,000. During 2005, additional Subordinated Surplus Debentures in the aggregate amounts of \$6,840,000 were issued to Preferred Holding Company and additional Subordinated Surplus Debentures in the aggregate amount of \$1,710,000 were issued to Van Fishback. On July 22, 2005, with regulatory approval, the Surplus Note in the amount of \$2,000,000 originally issued to Preferred Managing Agency on October 18, 2004 was transferred to Pattco Inc. Effective January 1, 2009, with regulatory approval, the Company consolidated and exchanged several surplus notes and debentures with certain of the Company's investors. The interest rates were amended to the Long Term Applicable Federal Rates in effect which is more favorable to the Company than the original interest rate. The details of these transactions are reflected in Note 13 of these Financial Statements. The company received cash funds for the issuance of these Surplus Notes.

- D. At December 31, 2015 and 2014, \$7,263 and \$105,409, respectively was reported as commission payable to Preferred Managing Agency, Inc. There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that results in a material contingent exposure of the reporting entity's or any related party's assets or liabilities.
- E. There are no guarantees or undertakings, written or otherwise, for the benefit of an affiliate or related party that results in a material contingent exposure of the reporting entity's or any related party's assets or liabilities.
- F. The Company has a managing general agency agreement with Preferred Managing Agency, Inc.
- G. 80% of the outstanding shares of the Company are owned by Preferred Holding Company, Inc., a Florida Corporation.
- H. The Company has no stock ownership in any affiliated entity or parent.
- I. The Company has no investment in a SCA entity that exceeds 10% of admitted assets of the insurer.
- J. The Company has no investments in impaired SCA entities.
- K. The Company has no investments in a foreign insurance subsidiary.
- L. The company has no investments in any downstream non-insurance holding companies.
- M. The company has no SCA investments.
- N. The company has no SCA investments.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.

NOTES TO FINANCIAL STATEMENTS

11. Debt

The Company has the following outstanding surplus notes

Date Issued	Interest Rate	Par Value Face amount of Note	Carrying value of Note	Principal and/or interest paid CY	Total Principal and/or interest paid on Surplus Notes	Unapproved Principal and/or Interest	Date of Maturity	Holder
1/1/2009	3.57%	\$7,240,000	\$7,240,000	0	0	\$2,982,258	10/31/2029	Preferred Holding Company
1/1/2009	3.57%	\$6,000,000	\$6,000,000	0	0	\$2,721,260	10/31/2029	J.A. Pattco, Inc. f/k/a Pattco, LLC
1/1/2009	3.57%	\$3,235,000	\$3,235,000	0	0	\$1,391,328	10/31/2029	Van Fishback
1/1/2009	3.57%	\$625,000	\$625,000	0	0	\$283,465	10/31/2029	Robert Fishback
1/1/2009	3.57%	\$250,000	\$250,000	0	0	\$109,583	10/31/2029	Alan Baker
		\$17,350,000	\$17,350,000			\$7,487,894		

All above listed surplus notes were issued in exchange for cash.

All surplus notes have the following repayment condition and restrictions: Each payment of interest on and principal of the surplus notes may be made only with the prior approval of the Office of Insurance Regulation and only to the extent allowed by the Florida Insurance Code.

In the event of reorganization, dissolution, 100% reinsurance or liquidation of the Company, after the retirement of all of its outstanding obligations other than Subordinated Debentures, the holders of the Subordinated Debentures remaining unpaid shall be entitled to preferential right in remaining assets of the Company equal to the unpaid principal balance, plus accrued interest, before any distribution of such assets to shareholders or other owners pursuant to Section 631.271 Florida Statutes.

The surplus debentures in the above table issued to J.A. Pattco, Inc. and Preferred Holding Company Inc. may be deemed to be held by parent or affiliates with common ownership.

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

A.B.C.D. Defined Benefit Plan

None

E. Defined Contribution Plan

None

F. Multiemployer Plans

The Company does not have any multiemployer plans or benefits.

G. Consolidated/Holding Company Plans

The 401(K) Retirement plan under which the Company's employees can participate is sponsored by Pattco, LLC, the ultimate parent company. Under the plan, company employees are eligible to participate in a 401(K) Retirement Plan under which employees may contribute up to \$18,000 per year with the Company matching up to a maximum of 4% of each participating employee's compensation. The Company has no legal obligation for benefits under the plan.

H. Postemployment Benefits & Compensation Absences

The Company has no obligations for postemployment benefits or compensated absences.

I. Impact of Medicare Modernization Act on Postretirement Benefits

None.

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

1. The Company has 20,000 shares authorized and 18,750 shares issued and outstanding of its \$100 par value common stock. The company has 100,000 shares of authorized of \$100 par value preferred stock.

2. The Company has no preferred stock.

3. The maximum amount of dividends which can be paid by State of Florida insurance companies to shareholders without prior approval of the Insurance Commissioner is subject to restrictions relating to statutory surplus. Cash dividends may only be paid out of accumulated surplus funds derived from net operating profits and realized capital gains not exceeding 10% of such surplus in any one year, although there are no restrictions on cash dividend payments out of profits and gains derived during the immediately preceding calendar year.

4. No dividends have been paid by the Company.

5. Refer to the limitations of (3) above.

6. There were no restrictions placed on the Company's surplus, including for whom the surplus is being held.

7. Not applicable.

8. No stock is held by the Company, including stock of affiliated companies for special purposes.

a. none

b. none

c. none

9. No changes in balances of special surplus funds.

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

11. Surplus Notes

The Company has the following outstanding surplus notes

Date Issued	Interest Rate	Par Value Face amount of Note	Carrying value of Note	Principal and/or interest paid CY	Total Principal and/or interest paid on Surplus Notes	Unapproved Principal and/or Interest	Date of Maturity	Holder
1/1/2009	3.57%	\$7,240,000	\$7,240,000	0	0	\$2,982,258	10/31/2029	Preferred Holding Company
1/1/2009	3.57%	\$6,000,000	\$6,000,000	0	0	\$2,721,260	10/31/2029	J.A. Pattco, Inc. f/k/a Pattco, LLC
1/1/2009	3.57%	\$3,235,000	\$3,235,000	0	0	\$1,391,328	10/31/2029	Van Fishback
1/1/2009	3.57%	\$625,000	\$625,000	0	0	\$283,405	10/31/2029	Van Fishback
1/1/2009	3.57%	\$250,000	\$250,000	0	0	\$109,583	10/31/2029	Alan Baker
		\$17,350,000	\$17,350,000			\$7,487,894		

12 The impact of any restatement due to prior quasi-reorganizations is as follows:

None

13. The Company has had no quasi-reorganizations in the prior 10 years.

14. Liabilities, Contingencies and Assessments

A. Contingent Commitments

The company has no commitments or contingent commitments to a SCA entity, joint venture, partnership, or limited liability company.

B. Assessments

(2)

a. Assets recognized from paid and accrued premium tax offsets and policy surcharges prior year-end \$0

b. None

c. None

d. Assets recognized from paid and accrued premium tax offsets and policy surcharges current year-end \$0

C. Gain Contingencies

The Company had no gain contingencies during the periods covered by this statement.

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.

NOTES TO FINANCIAL STATEMENTS

Claims related ECO and bad faith losses paid during the reporting period	Direct
	\$0

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

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

Indicate whether claim count information is disclosed per claim or per claimant.

(f) Per Claim [x] (g) Per Claimant []

E. Product Warranties

The Company has no product warranty liabilities

F. Joint and Several Liabilities

None

G. All Other Contingencies

Various lawsuits against the Company have arisen in the normal course of the Company's business. Contingent liabilities from litigation and other matters are not considered material in relation to the financial position of the company.

15. Leases

A. Lessee Operating Lease

(1) None

(2)

a. At January 1, 2016, the minimum aggregate rental commitments are as follows:

	Year Ending <u>December 31</u>				<u>Operating Leases</u>
1.	2016	\$	.....	0	
2.	2017	\$	.....	0	
3.	2018	\$	.....	0	
4.	2019	\$	.....	0	
5.	2020	\$	.....	0	
6.	Total	\$	.....	0	

B. Lessor Leases

None

16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk

The Company has no financial instruments with off-balance sheet risk.

1. None
2. None
3. None
4. None

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

The Company had no transfers of receivables reported as sales.

B. Transfer and Servicing of Financial Assets

The Company had no transactions within this category.

C. Wash Sales

1. The Company had no securities sold and reacquired within 30 days of the sale date to enhance the Company's investment portfolio yield.
2. The Company had no NAIC designation 3 or below securities transactions during the reporting period.

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

A. ASO Plans

None

B. ASC Plans

None

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts

None

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

<u>MGA</u>	<u>FEIN</u>	<u>Excl Contract</u>	<u>Types of Bus Written</u>	<u>Types of Auth Granted</u>	<u>Total Direct Prem Written/Prod By</u>
Preferred Managing Agency Inc Tallahassee, FL	59-3480242	Y	HO/DF/Surety	U, CA, B, C	\$69,609,418

20. Fair Value Measurements

A.

(1) Fair Value Measurements at Reporting Date

Description for each class of asset or liability	(Level 1)	(Level 2)	(Level 3)	Total
Preferred Stock	0	0	0	0
Common Stock	0	0	0	0
Industrial & Misc	0	0	0	0
Derivative Assets	0	0	0	0
Separate Account Assets	0	0	0	0
Total Assets at Fair Value	0	0	0	0
Liabilities at Fair Value	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.

NOTES TO FINANCIAL STATEMENTS

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

	Balance 1/1/2015	Transfers in Level 3	Transfers out of Level 3	Total gains (losses) in net income	Total gains (losses) in surplus	Purchases, issuance, settlements	Balance 12/31/2015
Equity Securities	0	0	0	0	0	0	0
Separate account assets	0	0	0	0	0	0	0
Derivative Liabilities	0	0	0	0	0	0	0

B. None

C. The Company's policy is to recognize transfers in and out as of the actual date of the event or change in circumstances.

D. Not Practicable to Estimate Fair Value

21. Other Items

A. Unusual or Infrequent Items

There were no unusual or infrequent items during 2015 and 2014.

B. Troubled Debt Restructuring

The Company had no troubled debt restructuring.

C. Other Disclosures

Assets, consisting of certificates of deposit, money markets, and US Treasury Notes in the amounts of \$754,963 and \$755,025 at December 31, 2015 and 2014, respectively, were on deposit with the State of Florida and Insurance Commissioners of Georgia, Louisiana, and South Carolina as required for statutory deposits as required by law. These are reported in Schedule E Part 3 Special Deposits.

Agents' Balances

Agents' Balances or Uncollected Premiums per Statement- before reduction for ceded reinsurance balances payable	\$378,212
Premiums Collected from "Controlled" or "Controlling" persons	\$0
Premiums Collected from "Controlled" or "Controlling" persons within 15 working days immediately preceding reporting period; F.S. 625.012 (5) (a) 1.	\$0
*Amount if Applicable	
Trust Fund	\$0
Letter of Credit	\$0
Financial Guaranty Bond	\$0
Total of lines (4), (5) & (6)	\$0
(2) minus (3) minus (7); should not exceed zero	\$0

Build up funds in the aggregate amount of \$496 are maintained in trust funds on behalf of bail bond agents are held by the Company in a fiduciary capacity to indemnify the Company for losses and any other agreed upon costs related to a bail bond executed by a bail bond agent.

D. Business Interruption Insurance Recoveries

The Company had no business interruption recoveries during the reporting period.

E. State Transferable Tax Credit

The Company does not have any transferable tax credits.

F. Subprime Mortgage Related Risk Exposure

The Company has no direct or indirect investments in subprime or subprime backed securities

G. The company has no insurance-link securities.

22. Events Subsequent

There have been no known events subsequent to December 31, 2015 which may have a material effect on the financial condition of the Company.

23. Reinsurance

A. Unsecured Reinsurance Recoverable

Company	Recoverable
FEMA	\$2,451,808
Florida Hurricane CAT Fund	\$ 1,637,408

B. Reinsurance Recoverable in Dispute

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	\$984,073	\$200,045	\$29,799,491	\$9,358,360	\$28,815,418	\$9,158,315
c. TOTAL	\$984,073	\$200,045	\$29,799,491	\$9,358,360	\$28,815,418	\$9,158,315
d. Direct Unearned Premium Reserve			\$37,205,855			

Line (c) of Ceded Reinsurance Premium Reserve Column must equal Page 3, Line 9, first inside amount.

(2)

REINSURANCE

	Direct	Assumed	Ceded	Net
a. Contingent Commission	\$	\$	\$451,936	\$451,936
b. Sliding Scale Adjustments	\$	\$	\$	\$
c. Other Profit Commission Arrangements	\$	\$	\$	\$
d. TOTAL	\$0	\$0	\$451,936	\$451,936

(3)

D. Uncollectible Reinsurance

(1) The Company has written off in the current year reinsurance balances due (from the companies listed below) in the amount of: \$, which is reflected as:

a. Losses incurred	\$
b. Loss adjustment expenses incurred	\$
c. Premiums earned	\$
d. Other	\$

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.
NOTES TO FINANCIAL STATEMENTS**

E. Commutation of Ceded Reinsurance

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

(1) Losses incurred	\$
(2) Loss adjustment expenses incurred	\$
(3) Premiums earned	\$
(4) Other	\$

F. Retroactive Reinsurance

The Company has no retroactive reinsurance agreements.

G. Reinsurance Accounted for as a Deposit

None

H. Disclosures for the transfer of property and casualty run-off agreements

None

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

- (1) Reporting Entity Ceding to Certified Reinsurer Whose Rating Was Downgraded or Status Subject to Revocation
 - a. None
- (2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation
 - a. None

J. Reinsurance Agreements Qualifying for Reinsurance

The company has no retroactive reinsurance agreements covering asbestos and pollution liabilities which qualify for reinsurer aggregation in accordance with SSAP No.62R- Property Casualty Reinsurance.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination

The Company has no retrospectively rated contracts

25. Changes in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2014 were \$5,869,587. As of December 31, 2015, \$3,560,470 has been paid for incurred loss and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$2,017,318 as a result of re-estimation of unpaid claims and claims adjustment expenses. Therefore, there has been \$291,799 positive (negative) prior-year development since December 31, 2014. This is generally the result of ongoing analysis of recent loss development trends and original estimates are increased or decreased as additional information becomes available.

26. Intercompany Pooling Arrangements

The Company has no intercompany pooling arrangements.

27. Structured Settlements

A.

<u>Loss Reserves Eliminated by Annuities</u>	<u>Unrecorded Loss Contingencies</u>
\$ 0	\$ 0

28. Health Care Receivables

The Company has no health care receivables.

29. Participating Policies

The Company has no participating policies.

30. Premium Deficiency Reserves

- 1. Liability carried for premium deficiency reserves \$ 0
- 2. Date of the most recent evaluation of this liability 12/31/2015
- 3. Was anticipated investment income utilized in the calculation? Yes [x] No []

31. High Deductibles

The Company has no reserve credits recorded for high deductibles on unpaid claims and no amounts have been billed or are recoverable.

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

A. Tabular Discount

None

B. Nontabular Discount

None

33. Asbestos/Environmental Reserves

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

(1) Direct -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
b. Incurred losses and loss adjustment expense:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
c. Calendar year payments for losses and loss adjustment expenses:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
d. Ending reserves:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
(2) Assumed Reinsurance -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
b. Incurred losses and loss adjustment expense:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
c. Calendar year payments for losses and loss adjustment expenses:	\$	0 \$	0 \$	0 \$	0 \$	0 \$
d. Ending reserves:	\$	0 \$	0 \$	0 \$	0 \$	0 \$

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company Inc.
NOTES TO FINANCIAL STATEMENTS**

(3) Net of Ceded Reinsurance -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$.....	0	\$.....	0	\$.....	0
b. Incurred losses and loss adjustment expense:	.....	0	.....	0	.....	0
c. Calendar year payments for losses and loss adjustment expenses:	.....	0	.....	0	.....	0
d. Ending reserves:	\$.....	0	\$.....	0	\$.....	0

B. State the amount of the ending reserves for Bulk + IBNR included in A (Loss & LAE):

(1) Direct Basis:	\$.....
(2) Assumed Reinsurance Basis:	\$.....
(3) Net of Ceded Reinsurance Basis:	\$.....

C. State the amount of the ending reserves for loss adjustment expenses included in A (Case, Bulk + IBNR):

(1) Direct Basis:	\$.....
(2) Assumed Reinsurance Basis:	\$.....
(3) Net of Ceded Reinsurance Basis:	\$.....

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

(1) Direct -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$.....	0	\$.....	0	\$.....	0
b. Incurred losses and loss adjustment expense:	\$.....	0	\$.....	0	\$.....	0
c. Calendar year payments for losses and loss adjustment expenses:	\$.....	0	\$.....	0	\$.....	0
d. Ending reserves:	\$.....	0	\$.....	0	\$.....	0
(2) Assumed Reinsurance -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$.....	0	\$.....	0	\$.....	0
b. Incurred losses and loss adjustment expense:	\$.....	0	\$.....	0	\$.....	0
c. Calendar year payments for losses and loss adjustment expenses:	\$.....	0	\$.....	0	\$.....	0
d. Ending reserves:	\$.....	0	\$.....	0	\$.....	0
(3) Net of Ceded Reinsurance -		<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2014</u>	<u>2015</u>
a. Beginning reserves:	\$.....	0	\$.....	0	\$.....	0
b. Incurred losses and loss adjustment expense:	.....	0	.....	0	.....	0
c. Calendar year payments for losses and loss adjustment expenses:	.....	0	.....	0	.....	0
d. Ending reserves:	\$.....	0	\$.....	0	\$.....	0

E. State the amount of the ending reserves for Bulk + IBNR included in D (Loss & LAE):

(1) Direct Basis:	\$.....
(2) Assumed Reinsurance Basis:	\$.....
(3) Net of Ceded Reinsurance Basis:	\$.....

F. State the amount of the ending reserves for loss adjustment expenses included in D (Case, Bulk + IBNR):

(1) Direct Basis:	\$.....
(2) Assumed Reinsurance Basis:	\$.....
(3) Net of Ceded Reinsurance Basis:	\$.....

34. Subscriber Savings Accounts

Not Applicable

35. Multiple Peril Crop Insurance

The Company has no multi-peril crop insurance policies.

36. Financial Guaranty Insurance

The Company has no financial guaranty insurance contracts.

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.12/31/2013
- 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.12/31/2013
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).05/22/2015
- 3.4 By what department or departments? Florida Office of Insurance Regulations.....
- 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 [X] No []
- 4.12 renewals? Yes [X] No []
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [] No [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 the entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC 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
.....
.....
.....
.....
.....

GENERAL INTERROGATORIES

- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide 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?
Mountjoy, Chilton, & Medley, Louisville KY.....
- 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 the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [] No [X]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [X] No [] N/A []
- 10.6 If the response to 10.5 is no or n/a, please explain

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?
Arthur Randolph, Senior Consulting Actuary, Pinnacle Actuarial Resources, Atlanta, GA.....
- 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 \$.....
- 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?
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).

GENERAL INTERROGATORIES

- 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 subordinate 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 reported 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 [] No [X]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$.....

INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes [X] No []
- 24.02 If no, give full and complete information, relating thereto
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)
- 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 [] NA [X]
- 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 [] NA [X]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes [] No [] NA [X]
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes [] No [] NA [X]
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 - 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2 \$.....
 - 24.103 Total payable for securities lending reported on the liability page \$.....

GENERAL INTERROGATORIES

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

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

- 25.21 Subject to repurchase agreements \$.....
- 25.22 Subject to reverse repurchase agreements \$.....
- 25.23 Subject to dollar repurchase agreements \$.....
- 25.24 Subject to reverse dollar repurchase agreements \$.....
- 25.25 Placed under option agreements \$.....
- 25.26 Letter stock or securities restricted as to sale – excluding FHLB Capital Stock \$.....
- 25.27 FHLB Capital Stock \$.....
- 25.28 On deposit with states \$.....754,963
- 25.29 On deposit with other regulatory bodies \$.....
- 25.30 Pledged as collateral – excluding collateral pledged to an FHLB \$.....
- 25.31 Pledged as collateral to FHLB – including assets backing funding agreements \$.....
- 25.32 Other \$.....

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? If no, attach a description with this statement. Yes No N/A

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 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
SunTrust Capital Markets.....	200 South Orange Avenue, Orlando, FL.....
Merrill Lynch.....	215 South Monroe Street, Tallahassee, FL.....

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

GENERAL INTERROGATORIES

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

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

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		0

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

1 Name of Mutual Fund (from above table)	2 Name of Significant Holding of the Mutual Fund	3 Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the 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.....	41,336,964	40,766,571	(570,393)
30.2 Preferred Stocks.....	0		0
30.3 Totals	41,336,964	40,766,571	(570,393)

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

Fair Value Provided by National Financial Service.....

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:

GENERAL INTERROGATORIES

OTHER

- 33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$288,411
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Insurance Services Offices.....	\$.....232,867

- 34.1 Amount of payments for legal expenses, if any? \$35,328
- 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
Bincham Greenbaum Doll LLP.....	\$.....27,829

- 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? \$

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. \$
 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

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

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

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

2. Health Test:

		1		2
		Current Year		Prior Year
2.1	Premium Numerator	\$0	\$	.....0
2.2	Premium Denominator	\$12,864,644	\$	.....10,110,705
2.3	Premium Ratio (2.1/2.2)	.....0.000		.....0.000
2.4	Reserve Numerator	\$0	\$	.....0
2.5	Reserve Denominator	\$15,622,950	\$	.....14,147,099
2.6	Reserve Ratio (2.4/2.5)	.....0.000		.....0.000

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

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

3.21 Participating policies \$
 3.22 Non-participating policies \$

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. \$

5. For Reciprocal Exchanges Only:

5.1 Does the exchange appoint local agents?..... Yes [] No []
 5.2 If yes, is the commission paid:
 5.21 Out of Attorney's-in-fact compensation..... Yes [] No [] N/A []
 5.22 As a direct expense of the exchange..... Yes [] No [] N/A []

5.3 What expenses of the Exchange are not paid out of the compensation of the Attorney-in-fact?

5.4 Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?..... Yes [] No []

5.5 If yes, give full information

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss:
 Company does not write this coverage.....
- 6.2 Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process:
 The company purchases 1/100 year event coverage derived from the company's database of exposure by location, construction and value.....
- 6.3 What provision has this reporting entity made (such as a catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss?.....
 The company maintains 100% CAT protection in excess and \$2million each occurrence by combination of reinsurance covers.....
- 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 uninsured catastrophic loss.....
- 7.1 Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?..... Yes [] No [X]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions.....
- 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 [X] No []
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:
 (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or
 (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract..... Yes [] No [X]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:
 (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;
 (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and
 (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either:
 (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or
 (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?..... Yes [] No [X]
- 9.5 If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.
- 9.6 The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:
 (a) The entity does not utilize reinsurance; or,..... Yes [] No [X]
 (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or..... Yes [] No [X]
 (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement..... Yes [] No [X]
10. If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?..... Yes [X] No [] N/A []

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

- 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 asset schedule, Page 2, state the amount of corresponding liabilities recorded for:
 12.11 Unpaid losses..... \$
 12.12 Unpaid underwriting expenses (including loss adjustment expenses)..... \$
 12.2 Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?..... \$
 12.3 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..... \$0
 12.62 Collateral and other funds..... \$0
 13.1 Largest net aggregate amount insured in any one risk (excluding workers' compensation): \$350,000
 13.2 Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision? Yes [] 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.2
 14.1 Is the company 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 Direct Losses Incurred	2 Direct Losses Unpaid	3 Direct Written Premium	4 Direct Premium Unearned	5 Direct Premium Earned
16.11 Home	\$	\$	\$	\$	\$
16.12 Products	\$	\$	\$	\$	\$
16.13 Automobile	\$	\$	\$	\$	\$
16.14 Other*	\$	\$	\$	\$	\$

* Disclose type of coverage:

GENERAL INTERROGATORIES
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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..... \$.....
- 17.19 Unfunded portion of Interrogatory 17.18..... \$.....
- 17.20 Paid losses and loss adjustment expenses portion of Interrogatory 17.18 \$.....
- 17.21 Case reserves portion of Interrogatory 17.18..... \$.....
- 17.22 Incurred but not reported portion of Interrogatory 17.18..... \$.....
- 17.23 Unearned premium portion of Interrogatory 17.18..... \$.....
- 17.24 Contingent commission portion of Interrogatory 17.18..... \$.....

- 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. \$.....
- 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. \$.....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company, Inc

FIVE-YEAR HISTORICAL DATA

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

	1 2015	2 2014	3 2013	4 2012	5 2011
Gross Premiums Written (Page 8, Part 1B, Cols. 1, 2 & 3)					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	29,401,262	29,365,997	29,356,589	29,947,107	26,625,376
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	45,313,188	45,908,914	45,989,877	48,675,692	46,235,411
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	186,318	200,651	325,281	301,189	490,014
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	74,900,768	75,475,562	75,671,747	78,923,988	73,350,801
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)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	4,737,649	4,703,513	3,532,769	3,444,960	4,753,373
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	8,053,602	7,924,853	4,927,526	2,335,250	6,954,001
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	186,318	200,651	325,281	301,189	490,014
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	12,977,569	12,829,017	8,785,576	6,081,399	12,197,388
Statement of Income (Page 4)					
13. Net underwriting gain (loss) (Line 8)	3,709,808	4,466,241	1,810,752	1,701,257	(50,735)
14. Net investment gain (loss) (Line 11)	586,580	559,210	551,794	563,060	561,009
15. Total other income (Line 15)	103,396	116,325	184,715	111,475	56,947
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	1,115,549	112,239	53,467	31,815	0
18. Net income (Line 20)	3,284,235	5,029,537	2,493,794	2,343,977	567,221
Balance Sheet Lines (Pages 2 and 3)					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	54,798,487	47,574,428	37,903,146	44,161,843	41,057,326
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	378,212	507,028	438,438	538,404	397,456
20.2 Deferred and not yet due (Line 15.2)	2,980,028	2,851,483	2,774,415	2,848,402	2,474,521
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	28,739,830	24,670,684	18,271,901	27,505,432	27,175,541
22. Losses (Page 3, Line 1)	6,390,133	5,149,752	4,882,678	5,751,696	6,986,759
23. Loss adjustment expenses (Page 3, Line 3)	842,380	719,835	622,216	690,836	704,578
24. Unearned premiums (Page 3, Line 9)	8,390,437	8,277,512	5,559,200	4,754,102	8,672,876
25. Capital paid up (Page 3, Lines 30 & 31)	1,875,000	1,875,000	1,875,000	1,875,000	1,875,000
26. Surplus as regards policyholders (Page 3, Line 37)	26,058,657	22,903,744	19,631,245	16,656,411	13,881,785
Cash Flow (Page 5)					
27. Net cash from operations (Line 11)	7,510,256	11,221,511	(6,256,732)	4,570,005	3,351,239
Risk-Based Capital Analysis					
28. Total adjusted capital	26,058,657	22,903,744	19,631,245	16,656,411	13,881,785
29. Authorized control level risk-based capital	2,352,192	2,144,812	2,084,547	2,211,909	2,001,010
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)	37.1	42.2	55.4	45.6	46.5
31. Stocks (Lines 2.1 & 2.2)	0.0	0.0	0.0	0.0	0.0
32. Mortgage loans on real estate (Lines 3.1 and 3.2)	0.0	0.0	0.0	0.0	0.0
33. Real estate (Lines 4.1, 4.2 & 4.3)	0.0	0.0	0.0	0.0	0.0
34. Cash, cash equivalents and short-term investments (Line 5)	62.9	57.8	44.6	54.4	53.5
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	0.0	0.0	0.0	0.0
38. Receivables for securities (Line 9)	0.0	0.0	0.0	0.0	0.0
39. Securities lending reinvested collateral assets (Line 10)	0.0	0.0	0.0	0.0	0.0
40. Aggregate write-ins for invested assets (Line 11)	0.0	0.0	0.0	0.0	0.0
41. Cash, cash equivalents and invested assets (Line 12)	100.0	100.0	100.0	100.0	100.0
Investments in Parent, Subsidiaries and Affiliates					
42. Affiliated bonds, (Sch. D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1)	0	0	0	0	0
45. Affiliated short-term investments (subtotals included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
46. Affiliated mortgage loans on real estate	0	0	0	0	0
47. All other affiliated	0	0	0	0	0
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	0	0	0	0	0
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0)	0.0	0.0	0.0	0.0	0.0

FIVE-YEAR HISTORICAL DATA

(Continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
Capital and Surplus Accounts (Page 4)					
51. Net unrealized capital gains (losses) (Line 24)	0	0	0	0	0
52. Dividends to stockholders (Line 35)	0	0	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	3,154,913	3,272,499	2,974,834	2,774,626	1,187,922
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)	0	0	0	0	0
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	6,853,899	6,124,235	7,156,237	8,357,801	7,209,809
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	13,537,039	14,241,270	16,081,568	15,847,736	15,544,771
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
58. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
59. Total (Line 35)	20,390,938	20,365,505	23,237,805	24,205,537	22,754,580
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)	0	0	0	0	0
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	3,426,950	3,062,118	3,570,351	4,190,493	3,640,216
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	6,733,684	7,101,067	8,016,758	7,922,973	7,758,961
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
64. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
65. Total (Line 35)	10,160,634	10,163,185	11,587,109	12,113,466	11,399,177
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)	88.6	103.2	134.3	108.8	113.6
68. Loss expenses incurred (Line 3)	25.4	28.8	34.4	33.2	28.6
69. Other underwriting expenses incurred (Line 4)	(42.8)	(76.1)	(91.4)	(59.0)	(41.7)
70. Net underwriting gain (loss) (Line 8)	28.8	44.2	22.7	17.0	(0.5)
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)	(43.3)	(60.9)	(85.1)	(98.8)	(37.6)
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	114.0	131.9	168.7	141.9	142.2
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)	49.8	56.0	44.8	36.5	87.9
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)	(152)	(297)	(309)	(1,186)	(245)
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 100.0)	(0.7)	(1.5)	(1.9)	(8.5)	(1.9)
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)	307	190	(1,225)	(78)	(963)
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)	1.6	1.1	(8.8)	(0.6)	(8.4)

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

Yes [] No []

If no, please explain

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES
SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments							12 Number of Claims Reported Direct and Assumed	
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received		11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 2006	43,347	33,054	10,293	14,403	6,675	0	0	1,255	0	188	8,983	XXX
3. 2007	63,660	47,681	15,979	23,179	11,208	0	0	1,867	0	124	13,838	XXX
4. 2008	58,522	47,108	11,414	19,202	9,742	0	0	1,793	5	32	11,248	XXX
5. 2009	55,064	43,034	12,030	23,147	11,769	0	0	2,039	16	84	13,401	XXX
6. 2010	65,299	53,875	11,424	26,435	13,240	5	0	2,777	44	43	15,933	XXX
7. 2011	63,812	53,032	10,780	22,456	11,236	0	0	2,872	53	115	14,039	XXX
8. 2012	76,710	66,710	10,000	23,495	11,746	326	0	3,407	331	147	15,151	XXX
9. 2013	78,151	70,171	7,980	19,518	9,767	193	0	2,579	0	109	12,523	XXX
10. 2014	74,635	64,524	10,111	19,469	9,756	276	0	1,983	0	45	11,972	XXX
11. 2015	75,244	62,380	12,864	13,979	7,005	11	0	2,757	0	44	9,742	XXX
12. Totals	XXX	XXX	XXX	205,283	102,144	811	0	23,329	449	931	126,830	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.	57	0	0	0	0	0	0	0	5	0	0	62	XXX
2.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6.	0	0	0	0	0	0	0	0	0	0	0	0	XXX
7.	407	203	20	10	0	0	0	0	33	0	0	247	XXX
8.	168	84	45	22	0	0	0	0	15	0	0	122	XXX
9.	1,156	579	101	51	19	0	7	0	95	0	0	748	XXX
10.	944	472	529	264	7	0	4	0	90	0	0	838	XXX
11.	5,249	2,624	3,723	1,700	28	0	19	0	520	0	0	5,215	XXX
12.	7,981	3,962	4,418	2,047	54	0	30	0	758	0	0	7,232	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.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	57	5
2.	15,658	6,675	8,983	36.1	20.2	87.3	0	0		0	0
3.	25,046	11,208	13,838	39.3	23.5	86.6	0	0		0	0
4.	20,995	9,747	11,248	35.9	20.7	98.5	0	0		0	0
5.	25,186	11,785	13,401	45.7	27.4	111.4	0	0		0	0
6.	29,217	13,284	15,933	44.7	24.7	139.5	0	0		0	0
7.	25,788	11,502	14,286	40.4	21.7	132.5	0	0		214	33
8.	27,456	12,183	15,273	35.8	18.3	152.7	0	0		107	15
9.	23,668	10,397	13,271	30.3	14.8	166.3	0	0		627	121
10.	23,302	10,492	12,810	31.2	16.3	126.7	0	0		737	101
11.	26,286	11,329	14,957	34.9	18.2	116.3	0	0		4,648	567
12.	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	6,390	842

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.

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE Capitol Preferred Insurance Company, Inc

SCHEDULE P - PART 2 - SUMMARY

Years in Which Losses Were Incurred	INCURRED NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										DEVELOPMENT		
	1	2	3	4	5	6	7	8	9	10	11	12	
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	One Year	Two Year	
1. Prior	325	599	885	1,621	1,537	1,582	1,540	1,510	1,517	1,567	50	57	
2. 2006	9,251	8,320	7,785	7,741	7,742	7,778	7,728	7,728	7,728	7,728	0	0	
3. 2007	XXX	13,745	11,843	11,992	12,106	12,141	11,971	11,971	11,971	11,971	0	0	
4. 2008	XXX	XXX	10,700	9,802	9,568	9,516	9,493	9,472	9,460	9,460	0	(12)	
5. 2009	XXX	XXX	XXX	12,158	11,211	11,334	11,442	11,335	11,321	11,378	57	43	
6. 2010	XXX	XXX	XXX	XXX	13,109	12,677	13,021	13,118	13,223	13,200	(23)	82	
7. 2011	XXX	XXX	XXX	XXX	XXX	12,585	11,232	11,254	11,287	11,434	147	180	
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	12,064	11,794	12,174	12,182	8	388	
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,028	10,232	10,597	365	(431)	
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,493	10,737	(756)	XXX	
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,680	XXX	XXX	
											12. Totals	(152)	307

SCHEDULE P - PART 3 - SUMMARY

Years in Which Losses Were Incurred	CUMULATIVE PAID NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015		
1. Prior	000	346	667	1,157	1,507	1,532	1,540	1,510	1,510	1,510	XXX	XXX
2. 2006	6,095	7,765	7,720	7,729	7,729	7,728	7,728	7,728	7,728	7,728	XXX	XXX
3. 2007	XXX	9,565	11,520	11,598	11,919	11,972	11,971	11,971	11,971	11,971	XXX	XXX
4. 2008	XXX	XXX	7,291	9,023	9,326	9,432	9,441	9,460	9,460	9,460	XXX	XXX
5. 2009	XXX	XXX	XXX	7,535	10,786	10,965	11,235	11,276	11,296	11,378	XXX	XXX
6. 2010	XXX	XXX	XXX	XXX	7,962	11,312	12,374	12,946	13,103	13,200	XXX	XXX
7. 2011	XXX	XXX	XXX	XXX	XXX	7,686	10,343	10,801	11,064	11,220	XXX	XXX
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	8,108	11,106	11,794	12,075	XXX	XXX
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,528	9,401	9,944	XXX	XXX
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,825	9,989	XXX	XXX
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	6,985	XXX	XXX

SCHEDULE P - PART 4 - SUMMARY

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1	2	3	4	5	6	7	8	9	10
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
1. Prior	140	58	0	0	0	0	0	0	0	0
2. 2006	1,344	288	53	0	0	0	0	0	0	0
3. 2007	XXX	1,903	154	60	0	0	0	0	0	0
4. 2008	XXX	XXX	1,465	223	52	0	0	0	0	0
5. 2009	XXX	XXX	XXX	1,890	102	18	0	0	0	0
6. 2010	XXX	XXX	XXX	XXX	1,800	118	53	0	8	0
7. 2011	XXX	XXX	XXX	XXX	XXX	1,769	250	41	20	10
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	1,379	87	72	23
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,452	164	57
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	1,480	269
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,042

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 Premium Written for Federal Purchasing Groups (Included in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama	AL	N	.0	.0	.0	.0	.0	.0	.0
2. Alaska	AK	N	.0	.0	.0	.0	.0	.0	.0
3. Arizona	AZ	N	.0	.0	.0	.0	.0	.0	.0
4. Arkansas	AR	N	.0	.0	.0	.0	.0	.0	.0
5. California	CA	N	.0	.0	.0	.0	.0	.0	.0
6. Colorado	CO	N	.0	.0	.0	.0	.0	.0	.0
7. Connecticut	CT	N	.0	.0	.0	.0	.0	.0	.0
8. Delaware	DE	N	.0	.0	.0	.0	.0	.0	.0
9. Dist. Columbia	DC	N	.0	.0	.0	.0	.0	.0	.0
10. Florida	FL	L	55,705,911	55,269,333	14,967,562	16,722,182	8,559,044	76,653	
11. Georgia	GA	L	3,537	3,347	.0	.0	.0	.0	
12. Hawaii	HI	N	.0	.0	.0	.0	.0	.0	.0
13. Idaho	ID	N	.0	.0	.0	.0	.0	.0	.0
14. Illinois	IL	N	.0	.0	.0	.0	.0	.0	.0
15. Indiana	IN	N	.0	.0	.0	.0	.0	.0	.0
16. Iowa	IA	N	.0	.0	.0	.0	.0	.0	.0
17. Kansas	KS	N	.0	.0	.0	.0	.0	.0	.0
18. Kentucky	KY	N	.0	.0	.0	.0	.0	.0	.0
19. Louisiana	LA	L	3,186,259	2,852,698	589,579	676,066	468,405	8,992	
20. Maine	ME	N	.0	.0	.0	.0	.0	.0	.0
21. Maryland	MD	N	.0	.0	.0	.0	.0	.0	.0
22. Massachusetts	MA	N	.0	.0	.0	.0	.0	.0	.0
23. Michigan	MI	N	.0	.0	.0	.0	.0	.0	.0
24. Minnesota	MN	N	.0	.0	.0	.0	.0	.0	.0
25. Mississippi	MS	N	.0	.0	.0	.0	.0	.0	.0
26. Missouri	MO	N	.0	.0	.0	.0	.0	.0	.0
27. Montana	MT	N	.0	.0	.0	.0	.0	.0	.0
28. Nebraska	NE	N	.0	.0	.0	.0	.0	.0	.0
29. Nevada	NV	N	.0	.0	.0	.0	.0	.0	.0
30. New Hampshire	NH	N	.0	.0	.0	.0	.0	.0	.0
31. New Jersey	NJ	N	.0	.0	.0	.0	.0	.0	.0
32. New Mexico	NM	N	.0	.0	.0	.0	.0	.0	.0
33. New York	NY	N	.0	.0	.0	.0	.0	.0	.0
34. No. Carolina	NC	N	.0	.0	.0	.0	.0	.0	.0
35. No. Dakota	ND	N	.0	.0	.0	.0	.0	.0	.0
36. Ohio	OH	N	.0	.0	.0	.0	.0	.0	.0
37. Oklahoma	OK	N	.0	.0	.0	.0	.0	.0	.0
38. Oregon	OR	N	.0	.0	.0	.0	.0	.0	.0
39. Pennsylvania	PA	N	.0	.0	.0	.0	.0	.0	.0
40. Rhode Island	RI	N	.0	.0	.0	.0	.0	.0	.0
41. So. Carolina	SC	L	15,200,677	15,919,556	4,672,891	5,142,254	3,104,855	42,351	
42. So. Dakota	SD	N	.0	.0	.0	.0	.0	.0	.0
43. Tennessee	TN	N	.0	.0	.0	.0	.0	.0	.0
44. Texas	TX	N	.0	.0	.0	.0	.0	.0	.0
45. Utah	UT	N	.0	.0	.0	.0	.0	.0	.0
46. Vermont	VT	N	.0	.0	.0	.0	.0	.0	.0
47. Virginia	VA	N	.0	.0	.0	.0	.0	.0	.0
48. Washington	WA	N	.0	.0	.0	.0	.0	.0	.0
49. West Virginia	WV	N	.0	.0	.0	.0	.0	.0	.0
50. Wisconsin	WI	N	.0	.0	.0	.0	.0	.0	.0
51. Wyoming	WY	N	.0	.0	.0	.0	.0	.0	.0
52. American Samoa	AS	N	.0	.0	.0	.0	.0	.0	.0
53. Guam	GU	N	.0	.0	.0	.0	.0	.0	.0
54. Puerto Rico	PR	N	.0	.0	.0	.0	.0	.0	.0
55. U.S. Virgin Islands	VI	N	.0	.0	.0	.0	.0	.0	.0
56. Northern Mariana Islands	MP	N	.0	.0	.0	.0	.0	.0	.0
57. Canada	CAN	N	.0	.0	.0	.0	.0	.0	.0
58. Aggregate other alien	OT	XXX	.0	.0	.0	.0	.0	.0	.0
59. Totals	(a) 4		74,096,384	74,044,934	20,230,032	22,540,502	12,132,304	127,996	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Sum. of remaining write-ins for Line 58 from overflow page	XXX		.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 through 58003 + 58998) (Line 58 above)	XXX		0	0	0	0	0	0	0

(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.

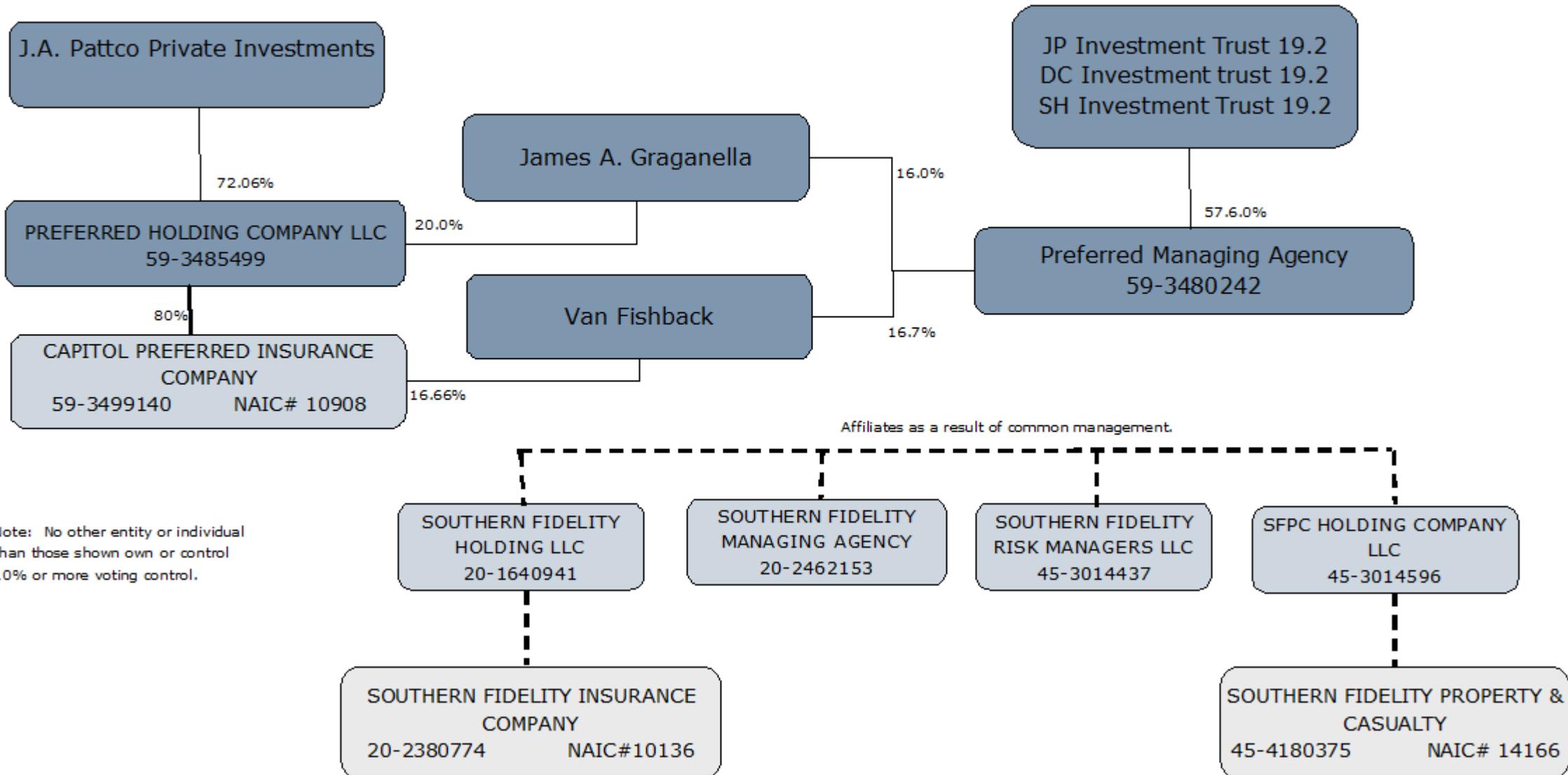
Explanation of basis of allocation of premiums by states, etc.

Risk location at inception of policy.

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

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

Capitol Preferred Insurance Company



Note: No other entity or individual than those shown own or control 10% or more voting control.

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