



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2015
OF THE CONDITION AND AFFAIRS OF THE

Safe Harbor Insurance Company

NAIC Group Code 4051 4051 NAIC Company Code 12563 Employer's ID Number 59-3827386
(Current) (Prior)

Organized under the Laws of Florida, State of Domicile or Port of Entry FL
Country of Domicile United States of America

Incorporated/Organized 02/21/2006 Commenced Business 06/01/2006

Statutory Home Office 2549 Barrington Circle, Tallahassee, FL, US 32308
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 2549 Barrington Circle, Tallahassee, FL, US 32308
(Street and Number) (City or Town, State, Country and Zip Code)
850-386-1115 (Area Code) (Telephone Number)

Mail Address 2549 Barrington Circle, Tallahassee, FL, US 32308
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 2549 Barrington Circle, Tallahassee, FL, US 32308
(Street and Number) (City or Town, State, Country and Zip Code)
850-386-1115 (Area Code) (Telephone Number)

Internet Website Address www.oceanharbor-ins.com

Statutory Statement Contact Beth Ann McDougal, 850-386-1115
(Name) (Area Code) (Telephone Number)
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(E-mail Address) (FAX Number)

OFFICERS

President and Treasurer William Emerson Roche
Secretary Michael Keith Eigen

OTHER

Beth Ann McDougal, Vice President Philip John Milo, Vice President Michael Lee McNitt, Vice President

DIRECTORS OR TRUSTEES

Michael Keith Eigen Beth Ann McDougal Ralph Milo
William Emerson Roche Michael Lee McNitt

State of New York SS:
County of New York

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.

William Emerson Roche
President and Treasurer

Michael Keith Eigen
Secretary

Subscribed and sworn to before me this February 2016
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.....

Adina Eigen
Notary
8/14/2018

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**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) .....	48,899,376	0	48,899,376	41,965,502
2. Stocks (Schedule D):				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	487,483	0	487,483	516,898
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens .....	0	0	0	0
3.2 Other than first liens .....	0	0	0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$ .....0 encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ .....0 encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ .....0 encumbrances) .....	0	0	0	0
5. Cash (\$ .....5,948,664 , Schedule E - Part 1), cash equivalents (\$ .....0 , Schedule E - Part 2) and short-term investments (\$ .....9,662,074 , Schedule DA) .....	15,610,738	0	15,610,738	13,689,881
6. Contract loans (including \$ .....0 premium notes) .....	0	0	0	0
7. Derivatives (Schedule DB) .....	0	0	0	0
8. Other invested assets (Schedule BA) .....	0	0	0	0
9. Receivable for securities .....	0	0	0	0
10. Securities lending reinvested collateral assets (Schedule DL) .....	0	0	0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	64,997,598	0	64,997,598	56,172,281
13. Title plants less \$ .....0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	602,481	0	602,481	545,592
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	116,799	46,267	70,532	2,190,247
15.2 Deferred premiums and agents' balances and installments booked but deferred and not yet due (including \$ .....0 earned but unbilled premiums) .....	4,846,386	0	4,846,386	4,831,997
15.3 Accrued retrospective premiums (\$ .....0 ) and contracts subject to redetermination (\$ .....0 ) .....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	24,360	0	24,360	155,047
16.2 Funds held by or deposited with reinsured companies .....	0	0	0	0
16.3 Other amounts receivable under reinsurance contracts .....	0	0	0	0
17. Amounts receivable relating to uninsured plans .....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	0	0	0	545,915
18.2 Net deferred tax asset .....	2,278,791	220,558	2,058,233	1,920,491
19. Guaranty funds receivable or on deposit .....	0	0	0	12,189
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ .....0 ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates .....	0	0	0	0
24. Health care (\$ .....0 ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	543,177	8,836	534,341	269,865
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	73,409,592	275,661	73,133,931	66,643,625
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	73,409,592	275,661	73,133,931	66,643,625
<b>DETAILS OF WRITE-INS</b>				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	0	0	0	0
2501. Premium Taxes Recoverable .....	526,365	0	526,365	269,865
2502. Assessments Recoverable .....	16,812	8,836	7,976	0
2503. ....				
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	543,177	8,836	534,341	269,865

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8) .....	9,929,157	10,442,101
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6) .....	0	0
3. Loss adjustment expenses (Part 2A, Line 35, Column 9) .....	3,625,197	2,053,247
4. Commissions payable, contingent commissions and other similar charges .....	2,356,731	2,142,022
5. Other expenses (excluding taxes, licenses and fees) .....	63,949	71,253
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	1,343	237,599
7.1 Current federal and foreign income taxes (including \$ .....881 on realized capital gains (losses)) .....	109,797	0
7.2 Net deferred tax liability .....	0	0
8. Borrowed money \$ .....0 and interest thereon \$ .....0 .....	0	0
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$ .....7,435,497 and including warranty reserves of \$ .....0 and accrued accident and health experience rating refunds including \$ .....0 for medical loss ratio rebate per the Public Health Service Act) .....	25,434,374	23,948,470
10. Advance premium .....	1,652,768	1,398,786
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	6,622,359	5,617,756
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 .....	0	0
15. Remittances and items not allocated .....	76,700	273,495
16. Provision for reinsurance (including \$ .....0 certified) (Schedule F, Part 8) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	0	0
19. Payable to parent, subsidiaries and affiliates .....	136,279	132,948
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$ .....0 and interest thereon \$ .....0 .....	0	0
25. Aggregate write-ins for liabilities .....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	50,008,655	46,317,676
27. Protected cell liabilities .....	0	0
28. Total liabilities (Lines 26 and 27) .....	50,008,655	46,317,676
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	2,097,988	2,097,988
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....	0	0
34. Gross paid in and contributed surplus .....	4,542,012	4,542,012
35. Unassigned funds (surplus) .....	16,485,276	13,685,949
36. Less treasury stock, at cost:		
36.1 .....0 shares common (value included in Line 30 \$ .....0 ) .....	0	0
36.2 .....0 shares preferred (value included in Line 31 \$ .....0 ) .....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39) .....	23,125,276	20,325,949
38. TOTALS (Page 2, Line 28, Col. 3)	73,133,931	66,643,625
<b>DETAILS OF WRITE-INS</b>		
2501. ....		
2502. ....		
2503. ....		
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	0	0
2901. ....		
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	0
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page .....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298)(Line 32 above)	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**STATEMENT OF INCOME**

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	48,486,128	44,625,659
<b>DEDUCTIONS:</b>		
2. Losses incurred (Part 2, Line 35, Column 7).....	17,912,345	15,949,515
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	5,916,559	3,947,460
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	17,836,592	16,540,412
5. Aggregate write-ins for underwriting deductions.....	0	0
6. Total underwriting deductions (Lines 2 through 5).....	41,665,495	36,437,386
7. Net income of protected cells.....	0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 plus Line 7).....	6,820,632	8,188,272
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	1,402,386	1,100,436
10. Net realized capital gains or (losses) less capital gains tax of \$ .....24,019 (Exhibit of Capital Gains (Losses) ).....	49,592	24,258
11. Net investment gain (loss) (Lines 9 + 10).....	1,451,978	1,124,694
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$ .....0 amount charged off \$ .....77 ).....	(77)	(386)
13. Finance and service charges not included in premiums.....	0	0
14. Aggregate write-ins for miscellaneous income.....	250	0
15. Total other income (Lines 12 through 14).....	173	(386)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	8,272,784	9,312,580
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).....	8,272,784	9,312,580
19. Federal and foreign income taxes incurred.....	2,971,035	3,649,568
20. Net income (Line 18 minus Line 19)(to Line 22).....	5,301,749	5,663,012
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	20,325,949	16,378,421
22. Net income (from Line 20).....	5,301,749	5,663,012
23. Net transfers (to) from Protected Cell accounts.....	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ .....(128,922).....	(239,497)	(111,572)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0
26. Change in net deferred income tax.....	136,155	457,939
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Col. 3).....	(149,080)	(61,851)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	0	0
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.....	(2,250,000)	(2,000,000)
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....	0	0
37. Aggregate write-ins for gains and losses in surplus.....	0	0
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	2,799,327	3,947,528
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	23,125,276	20,325,949
<b>DETAILS OF WRITE-INS</b>		
0501. ....		
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598)(Line 5 above).....	0	0
1401. Miscellaneous Income.....	250	0
1402. ....		
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above).....	250	0
3701. ....		
3702. ....		
3703. ....		
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798)(Line 37 above).....	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**CASH FLOW**

	1	2
	Current Year	Prior Year
<b>Cash from Operations</b>		
1. Premiums collected net of reinsurance .....	53,126,163	52,271,561
2. Net investment income .....	2,114,569	1,622,287
3. Miscellaneous income .....	250	0
4. Total (Lines 1 through 3) .....	55,240,983	53,893,848
5. Benefit and loss related payments .....	18,293,843	11,762,073
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	22,468,601	18,457,493
8. Dividends paid to policyholders .....	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ .....0 tax on capital gains (losses) .....	2,339,342	4,518,935
10. Total (Lines 5 through 9) .....	43,101,786	34,738,501
11. Net cash from operations (Line 4 minus Line 10) .....	12,139,197	19,155,347
<b>Cash from Investments</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds .....	3,639,763	3,980,328
12.2 Stocks .....	0	1,075
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) .....	3,639,763	3,981,403
13. Cost of investments acquired (long-term only):		
13.1 Bonds .....	11,608,103	17,069,588
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) .....	11,608,103	17,069,588
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) .....	(7,968,340)	(13,088,185)
<b>Cash from Financing and Miscellaneous Sources</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes .....	0	0
16.2 Capital and paid in surplus, less treasury stock .....	0	0
16.3 Borrowed funds .....	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0
16.5 Dividends to stockholders .....	2,250,000	2,000,000
16.6 Other cash provided (applied) .....	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) .....	(2,250,000)	(2,000,000)
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	1,920,857	4,067,162
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year .....	13,689,881	9,622,719
19.2 End of period (Line 18 plus Line 19.1) .....	15,610,738	13,689,881

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

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ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1 - PREMIUMS EARNED

Line of Business		1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums Dec. 31 Prior Year - per Col. 3, Last Year's Part 1	3 Unearned Premiums Dec. 31 Current Year - per Col. 5 Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1.	Fire .....	2,140,969	923,620	1,010,327	2,054,262
2.	Allied lines .....	6,958,571	3,722,555	3,654,322	7,026,803
3.	Farmowners multiple peril .....	0	0	0	0
4.	Homeowners multiple peril .....	40,872,492	19,302,296	20,769,725	39,405,063
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 .....	0	0	0	0
26.	Burglary and theft .....	0	0	0	0
27.	Boiler and machinery .....	0	0	0	0
28.	Credit .....	0	0	0	0
29.	International .....	0	0	0	0
30.	Warranty .....	0	0	0	0
31.	Reinsurance - nonproportional assumed property .....	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.	<b>TOTALS</b>	<b>49,972,032</b>	<b>23,948,470</b>	<b>25,434,374</b>	<b>48,486,128</b>
<b>DETAILS OF WRITE-INS</b>					
3401.	.....				
3402.	.....				
3403.	.....				
3498.	Summary of remaining write-ins for Line 34 from overflow page .....	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**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 .....	1,010,327	0	0	0	1,010,327
2.	Allied lines .....	3,654,322	0	0	0	3,654,322
3.	Farmowners multiple peril .....	0	0	0	0	0
4.	Homeowners multiple peril .....	20,769,725	0	0	0	20,769,725
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	0	0	0	0
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 .....	0	0	0	0	0
32.	Reinsurance - nonproportional assumed liability .....	0	0	0	0	0
33.	Reinsurance - nonproportional assumed financial lines .....	0	0	0	0	0
34.	Aggregate write-ins for other lines of business .....	0	0	0	0	0
35.	<b>TOTALS</b>	<b>25,434,374</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25,434,374</b>
36.	Accrued retrospective premiums based on experience .....					0
37.	Earned but unbilled premiums .....					0
38.	Balance (Sum of Line 35 through 37)					25,434,374
<b>DETAILS OF WRITE-INS</b>						
3401.	.....					
3402.	.....					
3403.	.....					
3498.	Summary of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0
3499.	Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 1B - PREMIUMS WRITTEN

Line of Business	1 Direct Business (a)	Reinsurance Assumed		Reinsurance Ceded		6 Net Premiums Written Cols. 1+2+3-4-5
		2 From Affiliates	3 From Non-Affiliates	4 To Affiliates	5 To Non-Affiliates	
1. Fire	2,148,455	0	(5)	0	7,481	2,140,969
2. Allied lines	9,762,094	0	(74)	0	2,803,450	6,958,571
3. Farmowners multiple peril	0	0	0	0	0	0
4. Homeowners multiple peril	55,801,303	0	0	0	14,928,811	40,872,492
5. Commercial multiple peril	0	0	0	0	0	0
6. Mortgage guaranty	0	0	0	0	0	0
8. Ocean marine	0	0	0	0	0	0
9. Inland marine	0	0	0	0	0	0
10. Financial guaranty	0	0	0	0	0	0
11.1 Medical professional liability - occurrence	0	0	0	0	0	0
11.2 Medical professional liability - claims-made	0	0	0	0	0	0
12. Earthquake	0	0	0	0	0	0
13. Group accident and health	0	0	0	0	0	0
14. Credit accident and health (group and individual)	0	0	0	0	0	0
15. Other accident and health	0	0	0	0	0	0
16. Workers' compensation	0	0	0	0	0	0
17.1 Other liability - occurrence	0	0	0	0	0	0
17.2 Other liability - claims-made	0	0	0	0	0	0
17.3 Excess workers' compensation	0	0	0	0	0	0
18.1 Products liability - occurrence	0	0	0	0	0	0
18.2 Products liability - claims-made	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability	0	0	0	0	0	0
21. Auto physical damage	0	0	0	0	0	0
22. Aircraft (all perils)	0	0	0	0	0	0
23. Fidelity	0	0	0	0	0	0
24. Surety	0	0	0	0	0	0
26. Burglary and theft	0	0	0	0	0	0
27. Boiler and machinery	0	0	0	0	0	0
28. Credit	0	0	0	0	0	0
29. International	0	0	0	0	0	0
30. Warranty	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property	XXX	0	0	0	0	0
32. Reinsurance - nonproportional assumed liability	XXX	0	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines	XXX	0	0	0	0	0
34. Aggregate write-ins for other lines of business	0	0	0	0	0	0
35. TOTALS	67,711,852	0	(79)	0	17,739,741	49,972,032
<b>DETAILS OF WRITE-INS</b>						
3401.						
3402.						
3403.						
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above)	0	0	0	0	0	0

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**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 .....	1,651,885	13,344	0	1,665,228	169,544	297,034	1,537,738	74.9
2. Allied lines .....	3,818,866	0	0	3,818,866	1,079,506	2,913,814	1,984,558	28.2
3. Farmowners multiple peril .....	0	0	0	0	0	0	0	0.0
4. Homeowners multiple peril .....	12,991,747	0	50,551	12,941,195	8,680,108	7,231,254	14,390,049	36.5
5. Commercial multiple peril .....	0	0	0	0	0	0	0	0.0
6. Mortgage guaranty .....	0	0	0	0	0	0	0	0.0
8. Ocean marine .....	0	0	0	0	0	0	0	0.0
9. Inland marine .....	0	0	0	0	0	0	0	0.0
10. Financial guaranty .....	0	0	0	0	0	0	0	0.0
11.1 Medical professional liability - occurrence .....	0	0	0	0	0	0	0	0.0
11.2 Medical professional liability - claims-made .....	0	0	0	0	0	0	0	0.0
12. Earthquake .....	0	0	0	0	0	0	0	0.0
13. Group accident and health .....	0	0	0	0	0	0	0	0.0
14. Credit accident and health (group and individual) .....	0	0	0	0	0	0	0	0.0
15. Other accident and health .....	0	0	0	0	0	0	0	0.0
16. Workers' compensation .....	0	0	0	0	0	0	0	0.0
17.1 Other liability - occurrence .....	0	0	0	0	0	0	0	0.0
17.2 Other liability - claims-made .....	0	0	0	0	0	0	0	0.0
17.3 Excess workers' compensation .....	0	0	0	0	0	0	0	0.0
18.1 Products liability - occurrence .....	0	0	0	0	0	0	0	0.0
18.2 Products liability - claims-made .....	0	0	0	0	0	0	0	0.0
19.1, 19.2 Private passenger auto liability .....	0	0	0	0	0	0	0	0.0
19.3, 19.4 Commercial auto liability .....	0	0	0	0	0	0	0	0.0
21. Auto physical damage .....	0	0	0	0	0	0	0	0.0
22. Aircraft (all perils) .....	0	0	0	0	0	0	0	0.0
23. Fidelity .....	0	0	0	0	0	0	0	0.0
24. Surety .....	0	0	0	0	0	0	0	0.0
26. Burglary and theft .....	0	0	0	0	0	0	0	0.0
27. Boiler and machinery .....	0	0	0	0	0	0	0	0.0
28. Credit .....	0	0	0	0	0	0	0	0.0
29. International .....	0	0	0	0	0	0	0	0.0
30. Warranty .....	0	0	0	0	0	0	0	0.0
31. Reinsurance - nonproportional assumed property .....	XXX	0	0	0	0	0	0	0.0
32. Reinsurance - nonproportional assumed liability .....	XXX	0	0	0	0	0	0	0.0
33. Reinsurance - nonproportional assumed financial lines .....	XXX	0	0	0	0	0	0	0.0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0	0	0.0
35. TOTALS .....	18,462,497	13,344	50,551	18,425,289	9,929,157	10,442,101	17,912,345	36.9
<b>DETAILS OF WRITE-INS</b>								
3401. ....								
3402. ....								
3403. ....								
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0	0	0	0.0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	0	0	0	0	0	0	0	0.0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**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 .....	169,544	0	0	169,544	0	0	0	169,544	17,036
2. Allied lines .....	1,079,506	0	0	1,079,506	0	0	0	1,079,506	180,316
3. Farmowners multiple peril .....	0	0	0	0	0	0	0	0	0
4. Homeowners multiple peril .....	4,030,108	0	0	4,030,108	4,650,000	0	0	8,680,108	3,427,846
5. Commercial multiple peril .....	0	0	0	0	0	0	0	0	0
6. Mortgage guaranty .....	0	0	0	0	0	0	0	0	0
8. Ocean marine .....	0	0	0	0	0	0	0	0	0
9. Inland marine .....	0	0	0	0	0	0	0	0	0
10. Financial guaranty .....	0	0	0	0	0	0	0	0	0
11.1 Medical professional liability - occurrence .....	0	0	0	0	0	0	0	0	0
11.2 Medical professional liability - claims-made .....	0	0	0	0	0	0	0	0	0
12. Earthquake .....	0	0	0	0	0	0	0	0	0
13. Group accident and health .....	0	0	0	0	0	0	0	(a) 0	0
14. Credit accident and health (group and individual) .....	0	0	0	0	0	0	0	0	0
15. Other accident and health .....	0	0	0	0	0	0	0	(a) 0	0
16. Workers' compensation .....	0	0	0	0	0	0	0	0	0
17.1 Other liability - occurrence .....	0	0	0	0	0	0	0	0	0
17.2 Other liability - claims-made .....	0	0	0	0	0	0	0	0	0
17.3 Excess workers' compensation .....	0	0	0	0	0	0	0	0	0
18.1 Products liability - occurrence .....	0	0	0	0	0	0	0	0	0
18.2 Products liability - claims-made .....	0	0	0	0	0	0	0	0	0
19.1, 19.2 Private passenger auto liability .....	0	0	0	0	0	0	0	0	0
19.3, 19.4 Commercial auto liability .....	0	0	0	0	0	0	0	0	0
21. Auto physical damage .....	0	0	0	0	0	0	0	0	0
22. Aircraft (all perils) .....	0	0	0	0	0	0	0	0	0
23. Fidelity .....	0	0	0	0	0	0	0	0	0
24. Surety .....	0	0	0	0	0	0	0	0	0
26. Burglary and theft .....	0	0	0	0	0	0	0	0	0
27. Boiler and machinery .....	0	0	0	0	0	0	0	0	0
28. Credit .....	0	0	0	0	0	0	0	0	0
29. International .....	0	0	0	0	0	0	0	0	0
30. Warranty .....	0	0	0	0	0	0	0	0	0
31. Reinsurance - nonproportional assumed property .....	XXX	0	0	0	XXX	0	0	0	0
32. Reinsurance - nonproportional assumed liability .....	XXX	0	0	0	XXX	0	0	0	0
33. Reinsurance - nonproportional assumed financial lines .....	XXX	0	0	0	XXX	0	0	0	0
34. Aggregate write-ins for other lines of business .....	0	0	0	0	0	0	0	0	0
35. TOTALS .....	5,279,157	0	0	5,279,157	4,650,000	0	0	9,929,157	3,625,197
<b>DETAILS OF WRITE-INS</b>									
3401. ....									
3402. ....									
3403. ....									
3498. Summary of remaining write-ins for Line 34 from overflow page .....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498)(Line 34 above) .....	0	0	0	0	0	0	0	0	0

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**UNDERWRITING AND INVESTMENT EXHIBIT**

PART 3 - EXPENSES

	1	2	3	4
	Loss Adjustment Expenses	Other Underwriting Expenses	Investment Expenses	Total
1. Claim adjustment services:				
1.1 Direct .....	5,966,642	0	0	5,966,642
1.2 Reinsurance assumed .....	1,711	0	0	1,711
1.3 Reinsurance ceded .....	51,794	0	0	51,794
1.4 Net claim adjustment service (1.1 + 1.2 - 1.3) .....	5,916,559	0	0	5,916,559
2. Commission and brokerage:				
2.1 Direct excluding contingent .....	0	13,154,423	0	13,154,423
2.2 Reinsurance assumed, excluding contingent .....	0	(16)	0	(16)
2.3 Reinsurance ceded, excluding contingent .....	0	0	0	0
2.4 Contingent - direct .....	0	0	0	0
2.5 Contingent - reinsurance assumed .....	0	0	0	0
2.6 Contingent - reinsurance ceded .....	0	0	0	0
2.7 Policy and membership fees .....	0	1,939,661	0	1,939,661
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7) .....	0	15,094,068	0	15,094,068
3. Allowances to managers and agents .....	0	0	0	0
4. Advertising .....	0	42,460	0	42,460
5. Boards, bureaus and associations .....	0	112,962	0	112,962
6. Surveys and underwriting reports .....	0	5,285	0	5,285
7. Audit of assureds' records .....	0	0	0	0
8. Salary and related items:				
8.1 Salaries .....	0	962,556	35,493	998,049
8.2 Payroll taxes .....	0	23,676	1,423	25,100
9. Employee relations and welfare .....	0	32,923	5,278	38,201
10. Insurance .....	0	3,185	357	3,542
11. Directors' fees .....	0	0	0	0
12. Travel and travel items .....	0	4,052	104	4,156
13. Rent and rent items .....	0	36,458	4,090	40,548
14. Equipment .....	0	50	6	56
15. Cost or depreciation of EDP equipment and software .....	0	12,565	1,298	13,863
16. Printing and stationery .....	0	16,338	802	17,140
17. Postage, telephone and telegraph, exchange and express .....	0	10,186	1,364	11,550
18. Legal and auditing .....	0	69,108	0	69,108
19. Totals (Lines 3 to 18) .....	0	1,331,805	50,214	1,382,018
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$ .....	0	1,301,240	0	1,301,240
20.2 Insurance department licenses and fees .....	0	88,326	0	88,326
20.3 Gross guaranty association assessments .....	0	0	0	0
20.4 All other (excluding federal and foreign income and real estate) .....	0	0	0	0
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4) .....	0	1,389,566	0	1,389,566
21. Real estate expenses .....	0	0	0	0
22. Real estate taxes .....	0	0	0	0
23. Reimbursements by uninsured plans .....	0	0	0	0
24. Aggregate write-ins for miscellaneous expenses .....	0	21,154	2,290	23,444
25. Total expenses incurred .....	5,916,559	17,836,592	52,504 (a)	23,805,655
26. Less unpaid expenses - current year .....	3,625,197	(332,770)	0	3,292,428
27. Add unpaid expenses - prior year .....	2,053,247	171,934	0	2,225,181
28. Amounts receivable relating to uninsured plans, prior year .....	0	0	0	0
29. Amounts receivable relating to uninsured plans, current year .....	0	0	0	0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29) .....	4,344,608	18,341,296	52,504	22,738,408
<b>DETAILS OF WRITE-INS</b>				
2401. Consultant's and Services .....	0	21,154	2,290	23,444
2402. ....				
2403. ....				
2498. Summary of remaining write-ins for Line 24 from overflow page .....	0	0	0	0
2499. Totals (Lines 2401 thru 2403 plus 2498)(Line 24 above) .....	0	21,154	2,290	23,444

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**EXHIBIT OF NET INVESTMENT INCOME**

	1 Collected During Year	2 Earned During Year
1. U.S. Government bonds	(a) 1,827	1,993
1.1 Bonds exempt from U.S. tax	(a) 96,933	69,065
1.2 Other bonds (unaffiliated)	(a) 1,278,740	1,363,332
1.3 Bonds of affiliates	(a) 0	0
2.1 Preferred stocks (unaffiliated)	(b) 0	0
2.11 Preferred stocks of affiliates	(b) 0	0
2.2 Common stocks (unaffiliated)	21,280	21,280
2.21 Common stocks of affiliates	0	0
3. Mortgage loans	(c) 0	0
4. Real estate	(d) 0	0
5. Contract loans	0	0
6. Cash, cash equivalents and short-term investments	(e) 1,202	1,202
7. Derivative instruments	(f) 0	0
8. Other invested assets	0	0
9. Aggregate write-ins for investment income	0	0
10. Total gross investment income	1,399,983	1,456,872
11. Investment expenses		(g) 52,504
12. Investment taxes, licenses and fees, excluding federal income taxes		(g) 0
13. Interest expense		(h) 1,982
14. Depreciation on real estate and other invested assets		(i) 0
15. Aggregate write-ins for deductions from investment income		0
16. Total deductions (Lines 11 through 15)		54,486
17. Net investment income (Line 10 minus Line 16)		1,402,386
<b>DETAILS OF WRITE-INS</b>		
0901.		
0902.		
0903.		
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0
1501.		
1502.		
1503.		
1598. Summary of remaining write-ins for Line 15 from overflow page		0
1599. Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)		0

- (a) Includes \$ 27,482 accrual of discount less \$ 796,555 amortization of premium and less \$ 126,737 paid for accrued interest on purchases.
- (b) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued dividends on purchases.
- (c) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (d) Includes \$ 0 for company's occupancy of its own buildings; and excludes \$ 0 interest on encumbrances.
- (e) Includes \$ 0 accrual of discount less \$ 0 amortization of premium and less \$ 0 paid for accrued interest on purchases.
- (f) Includes \$ 0 accrual of discount less \$ 0 amortization of premium.
- (g) Includes \$ 52,504 investment expenses and \$ 0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ 0 interest on surplus notes and \$ 0 interest on capital notes.
- (i) Includes \$ 0 depreciation on real estate and \$ 0 depreciation on other invested assets.

**EXHIBIT OF CAPITAL GAINS (LOSSES)**

	1	2	3	4	5
	Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. Government bonds	0	0	0	0	0
1.1 Bonds exempt from U.S. tax	600	3,087	3,687	100,432	0
1.2 Other bonds (unaffiliated)	73,011	(3,087)	69,924	(439,436)	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	(29,415)	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)	73,611	0	73,611	(368,419)	0
<b>DETAILS OF WRITE-INS</b>					
0901.					
0902.					
0903.					
0998. Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999. Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**EXHIBIT OF NON-ADMITTED 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 .....	8,836	0	(8,836)
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	8,836	0	(8,836)
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 .....	46,267	33,357	(12,909)
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 .....	220,558	93,223	(127,335)
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) .....	275,661	126,580	(149,080)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
28. Total (Lines 26 and 27) .....	275,661	126,580	(149,080)
<b>DETAILS OF WRITE-INS</b>			
1101. Assessments Recoverable .....	8,836	0	(8,836)
1102. ....			
1103. ....			
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above) .....	8,836	0	(8,836)
2501. ....			
2502. ....			
2503. ....			
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above) .....	0	0	0

## NOTES TO FINANCIAL STATEMENTS

## Note 1 – Summary of Significant Accounting Policies and Going Concern

## A. Accounting Practices

The accompanying financial statements of Safe Harbor Insurance Company (Company) have been prepared on the basis of accounting practices prescribed or permitted by the State of Florida, Office of Insurance Regulation. The State of Florida requires insurance companies domiciled in the State of Florida to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* subject to any deviations prescribed or permitted by the Florida Office of Insurance Regulation.

Reconciliations of net income and policyholders' surplus between the amounts presented in the accompanying financial statements (Florida basis) and NAIC Statutory Accounting Principles (NAIC SAP) follow:

Description	Domicile	2015	2014
Net Income, State Basis	FL	5,301,749	5,663,012
State Prescribed Practices that Increase (Decrease) NAIC SAP		0	0
State Permitted Practices that Increase (Decrease) NAIC SAP		0	0
Net Income, NAIC SAP Basis	FL	5,301,749	5,663,012
<hr/>			
Policyholders' Surplus, State Basis	FL	23,125,276	20,325,949
State Prescribed Practices that Increase (Decrease) NAIC SAP		0	0
State Permitted Practices that Increase (Decrease) NAIC SAP		0	0
Policyholders' Surplus, NAIC SAP Basis	FL	23,125,276	20,325,949

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

The preparation of financial statements in conformity with the *Annual Statement Instructions* and the *Accounting Practices and Procedures Manual* requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

## C. Accounting Policies

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed on a pro-rata basis for direct and ceded business and are based on reports received from ceding companies for reinsurance assumed (if applicable). Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as commissions, are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

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

In addition, the Company uses the following accounting policies in accordance with NAIC SAP:

1. Short-term investments consist of all investments with remaining maturities of one year or less at the time of acquisition (excluding cash equivalents); and are stated at amortized value using the interest method. Non-investment grade short-term investments are stated at the lower of amortized value or fair value.
2. Investment grade bonds (NAIC designation 1 to 2) not backed by other loans or assets are stated at amortized value using the interest method. Non-investment grade bonds (NAIC designation 3 to 6) are stated at the lower of amortized value or fair value.
3. Common stocks, other than investments in stock of subsidiaries and affiliates, are stated at fair value.
4. Investment grade redeemable preferred stocks are stated at amortized value. Investment grade perpetual preferred stocks are stated at fair value. Non-investment grade preferred stocks are stated at the lower of amortized value or fair value.
5. Mortgage loans – Not Applicable.
6. Loan-backed securities – Investment grade loan-backed securities are stated at amortized value. The retrospective adjustment method is used to determine amortized value for all loan-backed securities. Non-investment grade loan-backed securities (NAIC designation 3 to 6) are stated at the lower of amortized value or fair value.

**NOTES TO FINANCIAL STATEMENTS**

- 7. Investments in subsidiary and affiliated companies – Not Applicable.
- 8. Investments in joint ventures, partnerships and limited liability companies – Not Applicable.
- 9. Derivatives – Not Applicable.
- 10. The Company utilizes anticipated investment income as a factor in premium deficiency calculations.
- 11. Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.
- 12. The Company has a written capitalization policy for prepaid expenses and purchases of items such as electronic data processing equipment, software, furniture, vehicles, other equipment and leasehold improvements. The predefined capitalization thresholds under this policy have not changed from those of the prior year.
- 13. Pharmaceutical rebate receivables – Not Applicable.

D. Going Concern – Not Applicable.

**Note 2 – Accounting Changes and Corrections of Errors** – Not Applicable.

**Note 3 – Business Combinations and Goodwill**

- A. Statutory Purchase Method – Not Applicable.
- B. Statutory Merger – Not Applicable.
- C. Impairment Loss – Not Applicable.

**Note 4 – Discontinued Operations** – Not Applicable.

**Note 5 – Investments**

- A. Mortgage Loans, including Mezzanine Real Estate Loans – Not Applicable.
- B. Debt Restructuring – Not Applicable.
- C. Reverse Mortgages – Not Applicable.
- D. Loan-Backed Securities and Structured Securities
  - 1. Prepayment assumptions for loan-backed and structured securities were obtained from broker dealer survey values or internal estimates.
  - 2. Other-than-temporary impairments resulting from the intent to sell or the inability or lack of intent to hold - Not Applicable.
  - 3. Current year other-than-temporary impairments for loan-backed and structured securities held at the end of the year recorded based on the fact that the present value of projected cash flows expected to be collected was less than the amortized cost of the securities – Not Applicable.
  - 4. Loan-backed and structured securities in unrealized loss positions as of year-end, stratified based on length of time continuously in these unrealized loss positions are as follows:

Aggregate Amount of Unrealized Loss	
Less than Twelve Months	0
Twelve Months or Longer	0
Total	0
Aggregate Fair Value of Securities with Unrealized Loss	
Less than Twelve Months	0
Twelve Months or Longer	0
Total	0

- 5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the

## NOTES TO FINANCIAL STATEMENTS

intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by a detailed analysis of the underlying credit and cash flows of each security. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities, if future events, information and the passage of time cause it to conclude that declines in value are other-than temporary.

- E. Repurchase Agreements and/or Securities Lending Transactions – Not Applicable.
- F. Write Downs for Impairments of Real Estate and Retail Land Sales – Not Applicable.
- G. Low Income Housing Tax Credits – Not Applicable.
- H. Restricted Assets

Restricted assets (including pledged) consists wholly of general account assets on deposit with states as of the end of the current year and prior year as follows:

			Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
2015	2014	Incr (Decr)			
533,947	534,567	(620)	533,947	0.727%	0.730%

- I. Working Capital Finance Investments – Not Applicable.
- J. Offsetting and Netting of Assets and Liabilities – Not Applicable.
- K. Structured Notes – Not Applicable.

### Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

- A. Detail for Those Greater than 10% of Admitted Assets – Not Applicable.
- B. Write-downs for Impairments – Not Applicable.

### Note 7 – Investment Income

- A. Accrued Investment Income

The Company non-admits investment income due and accrued if amounts are over 90 days past due (180 days for mortgage loans or amounts on mortgage loans in default).

- B. Amounts Non-admitted – Not Applicable.

### Note 8 – Derivative Instruments – Not Applicable.

### Note 9 – Income Taxes

- A. Components of the Net Deferred Tax Asset recognized in the Company's Assets, Liabilities, Surplus and Other Funds:

1. The total of all DTA's and DTL's by tax character and the net change by component:

Description	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
Gross Deferred Tax Assets	2,075,816	220,558	2,296,374	1,929,616	93,223	2,022,839	146,200	127,335	273,535
Statutory Valuation Allowance Adjustment	0	0	0	0	0	0	0	0	0
Adjusted Gross Deferred Tax Assets	2,075,816	220,558	2,296,374	1,929,616	93,223	2,022,839	146,200	127,335	273,535
Deferred Tax Assets Nonadmitted	0	220,558	220,558	0	93,223	93,223	0	127,335	127,335
Subtotal (Net Admitted Deferred Tax Assets)	2,075,816	0	2,075,816	1,929,616	0	1,929,616	146,200	0	146,200
Deferred Tax Liabilities	17,583	0	17,583	9,125	0	9,125	8,458	0	8,458
Net Admitted Deferred Tax Assets	2,058,233	0	2,058,233	1,920,491	0	1,920,491	137,742	0	137,742

## NOTES TO FINANCIAL STATEMENTS

## 2. Admission Calculation Components:

Description	2015			2014			Change		
	Ordinary	Capital	Total	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Federal Income Taxes Paid in Prior Years Recoverable Through Loss Carrybacks	2,043,063	0	2,043,063	1,865,476	0	1,865,476	177,587	0	177,587
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) Below)	27,686	0	27,686	60,189	0	60,189	(32,503)	0	(32,503)
b.1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	27,686	0	27,686	60,189	0	60,189	(32,503)	0	(32,503)
b.2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	-	-	3,160,056	-	-	2,760,819	-	-	399,237
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	5,067	0	5,067	3,950	0	3,950	1,117	0	1,117
d. Deferred Tax Assets Admitted as the Result of Application of SSAP No. 101. Total 2(a)+2(b)+2(c)	2,075,816	0	2,075,816	1,929,616	0	1,929,616	146,200	0	146,200

## 3. Other Admissibility Criteria:

Description	2015	2014
a. Ratio Percentage Used to Determine Recovery Period and Threshold Limitation Amount	797.677	337.683
b. Amount of Adjusted Capital and Surplus Used to Determine Recovery Period and Threshold Limitation in 2(b)2 Above.	21,067,043	18,405,458

## 4. Impact of Tax Planning Strategies:

Description	2015		2014		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
a. Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character, as a percentage.						
1. Adjusted Gross DTAs amount from Note 9A.1	2,075,816	220,558	1,929,616	93,223	146,200	127,335
2. Percentage of Adjusted Grrs DTAs by tax character attributable to the impact of tax planning strategies	0%	0%	0%	0%	0%	0%
3. Net Admitted Adjusted Gross DTAs amount from Note 9A.1	2,075,816	0	1,929,616	0	146,200	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%	0%	0%
b. Do the Company's tax-planning strategies include the use of reinsurance? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>						

B. Unrecognized Deferred Tax Liabilities – Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

## C. Current Tax and Change in Deferred Tax

1. The provisions for income taxes incurred on earnings for the periods ended December 31, are:

Description	2015	2014	Change
Federal	2,971,035	3,649,568	(678,533)
Foreign	0	0	0
Subtotal	2,971,035	3,649,568	(678,533)
Federal Income Tax on Net Capital Gains	24,019	12,199	11,820
Utilization of Capital Loss Carry-forwards	0	0	0
Other	0	0	0
Federal and Foreign Income Taxes Incurred	2,995,054	3,661,767	(666,713)

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

Description	2015	2014	Change
<b>Deferred Tax Assets:</b>			
<b>Ordinary:</b>			
Discounted Loss Reserves	162,936	143,633	19,303
Unearned Premium Reserves	1,896,100	1,774,308	121,792
Investments	587	0	587
Fixed Assets	0	0	0
Deferred Ceding Commissions	0	0	0
Receivables - Nonadmitted	16,193	11,675	4,518
Other	0	0	0
Subtotal	2,075,816	1,929,616	146,200
Statutory Valuation Allowance Adjustment Nonadmitted	0	0	0
Admitted Ordinary Deferred Tax Assets	2,075,816	1,929,616	146,200
<b>Capital:</b>			
Investments	220,558	93,223	127,335
Net Capital Loss Carry-forward	0	0	0
Other	0	0	0
Subtotal	220,558	93,223	127,335
Statutory Valuation Allowance Adjustment Nonadmitted	0	0	0
Admitted Capital Deferred Tax Assets	0	0	0
Admitted Deferred Tax Assets	2,075,816	1,929,616	146,200
<b>Deferred Tax Liabilities</b>			
<b>Ordinary:</b>			
Investments	17,583	9,125	8,458
Other	0	0	0
Ordinary Deferred Tax Liabilities	17,583	9,125	8,458
<b>Capital:</b>			
Investments	0	0	0
Other	0	0	0
Capital Deferred Tax Liabilities	0	0	0
Deferred Tax Liabilities	17,583	9,125	8,458
<b>Net Deferred Tax Assets (Liabilities)</b>	<b>2,058,233</b>	<b>1,920,491</b>	<b>137,742</b>

## NOTES TO FINANCIAL STATEMENTS

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

The significant items causing a difference between the statutory federal income tax rate and the Company's effective tax rate are as follows:

Description	2015	Effective Tax Rate
Provision Computed at Statutory Rate	2,903,881	35.0%
Tax Exempt Income Deduction	(24,173)	-0.3%
Proration of Tax Exempt Investment Income	3,456	0.0%
Change in Nonadmitted Assets	(4,518)	-0.1%
Accrual Adjustment - Prior Year	(20,742)	-0.2%
Other	995	0.0%
<b>Totals</b>	<b>2,858,899</b>	<b>34.5%</b>
Federal and Foreign Income Taxes Incurred	2,971,035	35.8%
Realized Capital Gains Tax	24,019	0.3%
Change in net Deferred Income Taxes	(136,155)	-1.6%
<b>Total Statutory Income Taxes</b>	<b>2,858,899</b>	<b>34.5%</b>

## E. Operating Loss and Tax Credit Carryforwards

- At the current year-end, the Company did not have any unused operating loss carryforwards available to offset against future taxable income.
- The following is income tax expense for the current year and prior year that is available for recoupment in the event of future net losses:

Year	Amount
2015	3,015,796
2014	3,630,342

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

## F. Consolidated Federal Income Tax Return

- The Company's federal income tax return is consolidated with the following entities:

RM Ocean Harbor Holding, Inc. (parent)  
GNW Holding, Inc.  
Heartland General Agency, Inc.  
Ocean Harbor Casualty Insurance Company  
Great Northwest Insurance Company  
Hawaiian Insurance and Guaranty Company, Limited  
Uni-Ter International Insurance Company, Ltd. Separate Account No. 018

- The method of allocation among the companies is subject to a written agreement, approved by the Boards of Directors. Under the terms of the tax sharing agreement, the Company computes its tax provision on a separate return basis and is charged its share of tax resulting from its taxable gain from operations, and is reimbursed for its tax credit resulting from its operating loss on the same basis. All settlements under this agreement are due on the due date of the applicable estimated income tax installment or actual consolidated federal corporate income tax return with the Internal Revenue Service, except where a refund is due from the Internal Revenue Service. In that instance, settlements are made within 30 days of receipt of the refund.

## G. Federal or Foreign Federal Income Tax Loss Contingencies

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

## NOTES TO FINANCIAL STATEMENTS

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

#### A. Nature of Relationships

The Company is a majority owned (83.02%) subsidiary of RM Ocean Harbor Holding, Inc., an insurance and financial services corporation domiciled in Delaware, and a member of the Ocean Harbor Insurance Group. Ocean Harbor Insurance Group includes five insurance companies writing primarily personal auto and residential property insurance in thirteen states. See Schedule Y, Part 1 of this statement for all corporate affiliations.

#### B. Detail of Transactions Greater than ½% of Admitted Assets

The Company paid \$15,094,068 and \$14,192,871 in the current and prior year, respectively, to related parties for commissions and policy fees under managing general agent agreements.

The Company paid \$2,271,935 and \$1,869,309 in the current and prior year, respectively, to related parties for claims adjusting fees under third party administrator agreements.

The Company incurred \$2,995,054 and \$3,661,767 in federal income taxes in the current and prior year, respectively, payable to its parent under the tax sharing agreement.

#### C. Change in Terms of Intercompany Arrangements – Not Applicable.

#### D. Amounts Due to or from Related Parties

The Company reported a payable of \$136,279 and \$132,948 to its affiliate, Ocean Harbor Casualty Insurance Company, as of the current and prior year-end, respectively. These arrangements are subject to written agreements which require quarterly settlements of intercompany balances. Payments are made within 30 days of the end of the quarter.

The Company reported a net (payable to) and receivable from its managing general agent in the amounts of (\$2,356,731) and \$41,940 as of the current and prior year-end, respectively, and a net payable to its claims administrator of \$276,786 and \$179,214 as of the current and prior year-end, respectively. Amounts due between these parties are settled monthly.

#### E. Guarantees or Contingencies for Related Parties – Not Applicable.

#### F. Management, Service Contracts, Cost Sharing Arrangements

The Company has a Cost Allocation Agreement with its parent, RM Ocean Harbor Holding, Inc. and its subsidiaries for expenses shared between companies. Expenses allocated to the Company during the current year and prior year from its affiliate, Ocean Harbor Casualty Insurance Company, were \$1,241,451 and \$884,694, respectively. Amounts are settled on a quarterly basis.

#### G. Nature of Relationships that Could Affect Operations – Not Applicable.

#### H. Amount Deducted for Investment in Upstream Company – Not Applicable.

#### I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets – Not Applicable.

#### J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies – Not Applicable.

#### K. Foreign Subsidiary Valued Using CARVM – Not Applicable

#### L. Downstream Holding Company Valued Using Look-Through Method – Not applicable.

### Note 11 – Debt

#### A. Debt including Capital Notes – Not Applicable.

#### B. Funding Agreements with Federal Home Loan Banks (FHLB) – Not Applicable.

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

#### A. Defined Benefit Plans – Not Applicable.

#### B. Defined Contribution Plans – Not Applicable.

#### C. Multiemployer Plans – Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

### D. Consolidated/Holding Company Plans

The Company's parent, RM Ocean Harbor Holding, Inc., provides a 401(k) defined contribution and profit sharing plan covering the employees of Ocean Harbor Casualty Insurance Company and its subsidiaries and Safe Harbor Insurance Company. The plan provides for matching of employee contributions on a dollar for dollar basis up to 6% of compensation. The parent's match is funded on a monthly basis and allocated to the subsidiaries, as applicable. The plan also provides for a discretionary profit sharing contribution. The Company's share of the 401(k) contribution costs was \$13,640 and \$11,455 for the current year and prior year, respectively. The Company has no legal obligation for benefits under this plan.

E. Postemployment Benefits and Compensated Absences – Not Applicable.

F. Impact of Medicare Modernization Act on Postretirement Benefits – Not Applicable.

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

#### A. Outstanding Shares

The Company has 2,500,000 shares of \$1 par value common stock authorized; 2,097,988 shares issued and outstanding. The Company has no preferred stock authorized, issued or outstanding.

B. Dividend Rate of Preferred Stock – Not Applicable.

#### C. Dividend Restrictions

The maximum amount of dividends which can be paid by the Company to shareholders without prior approval of the Insurance Commissioner of the State of Florida is subject to restrictions relating to statutory surplus, net income, net investment income and/or net operating profit. Dividends are not considered to be extraordinary and may be paid without prior approval if the dividends declared do not exceed the lesser of (i) 10% of surplus or net income excluding capital gains, plus a 2 year carry forward or (ii) 10% of surplus, with dividends payable constrained to unassigned surplus, less 25% of unrealized capital gains, or (iii) the lesser of 10% of surplus or net investment income plus a 3 year carry forward with dividends payable constrained to unassigned surplus less 25% of unrealized capital gains.

In lieu of the provisions, a dividend may be paid without prior approval if it is less than the greater of (i) 10% of surplus derived from net operating profits and realized gains or (ii) the preceding year's net operating profit plus realized gains, and surplus is equal or exceeds 115% of the minimum surplus requirements after the dividend payments. Accordingly, as of the current year-end, approximately \$5,663,000 would be available for payment of dividends without prior regulatory approval.

#### D. Dates and Amounts of Dividends Paid

The Company declared an ordinary dividend of \$2,250,000 on December 11, 2015 which was paid on December 17, 2015. Stockholder dividends are accrued and charged to unassigned funds based on the declaration date as approved by the Board of Directors of the Company.

#### E. Restrictions on Unassigned Funds

There are no restrictions on the unassigned funds of the Company other than those described above in footnote 13C and these unassigned funds are held for the benefit of the owners and policyholders.

F. Mutual Fund Advances – Not Applicable.

G. Company Stock Held for Special Purposes – Not Applicable.

H. Changes in Special Surplus Funds – Not Applicable.

#### I. Changes in Unassigned Funds

The portion of unassigned funds/surplus represented by (reduced by) cumulative net unrealized capital gains (losses) is (\$ 628,742). This surplus reduction is gross of the corresponding tax benefit on the unrealized capital loss of \$220,060 as this amount is non-admitted.

J. Surplus Notes – Not Applicable.

K. Quasi-Reorganizations – Not Applicable.

### Note 14 – Contingencies

A. Contingent Commitments – Not Applicable.

**NOTES TO FINANCIAL STATEMENTS****B. Guaranty Fund and Other Assessments****1. Liability and Related Asset**

The Company is subject to guaranty fund and other assessments by the states in which it writes business. The Company is currently subject to assessments by the Florida Insurance Guaranty Association (FIGA). Most assessments are recorded either at the time the assessments are levied or in the case of premium-based assessments, at the time the premiums are written, or, in the case of loss-based assessments, at the time the losses are incurred. Insurance company insolvencies in states where the Company writes business may result in guaranty fund assessments on future premiums. These assessments will be recorded as future premiums are written.

At this time, the Company is unable to estimate its potential liability for assessments resulting from insolvencies occurring in the current year or if FIGA will require assessments for insolvencies occurring in the current year. FIGA did not levy any assessments in the current year or prior year. However assessments levied by FIGA and paid by the Company can be recouped through policyholder surcharges and therefore do not affect surplus.

**2. Rollforward of Related Asset**

Description	Amount
Assets Recognized from Paid and Accrued Premium Tax Offsets and Policy Surcharges Prior Year End	12,189
Decreases Current Year:	
Policy Surcharges Collected	12,500
Policy Surcharges Charged Off	754
Increases Current Year:	
Policy Surcharges Accrued	0
Excess Policy Surcharges Paid to FIGA	1,065
Policy Surcharges Repaid to Policyholders	0
Assets Recognized from Paid and Accrued Premium Tax Offsets and Policy Surcharges Current Year End	0

**C. Gain Contingencies – Not Applicable.****D. Claims Related Extra Contractual Obligations and Bad Faith Losses Stemming from Lawsuits**

During the current year, the Company paid \$2,250,000 on one claim to settle a claims-related extra contractual obligation resulting from a lawsuit. Claim count information is disclosed per claim, not per claimant

**E. Product Warranties – Not Applicable.****F. Joint and Several Liabilities – Not Applicable.****G. Other Contingencies**

1. Uncollectible Premiums Receivable – The Company's MGA agreement with Cabrillo provides that the MGA is responsible for uncollected premium. The Company and the MGA settle outstanding balances on terminated policies over 90 days on an annual basis, net of commission.

2. Lawsuits arise against the Company in the normal course of business. Contingent liabilities arising from litigation, income taxes and other matters are not considered material in relation to the financial position of the Company.

**Note 15 – Leases**

A. Lessee Leasing Arrangements – Not Applicable.

B. Lessor Leasing Arrangements – Not Applicable.

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and With Concentrations of Credit Risk – Not Applicable.****Note 17 – Sales, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

A. Transfers of Receivables Reported as Sales – Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

B. Transfers and Servicing of Financial Assets – Not Applicable.

C. Wash Sales – Not Applicable.

**Note 18 – Gain or Loss from Uninsured Accident and Health Plans and the Uninsured Portion of Partially Insured Plans**

A. Administrative Services Only (ASO) Plans – Not Applicable.

B. Administrative Services Contract (ASC) Plans – Not Applicable.

C. Medicare or Other Similarly Structured Cost Based Reimbursement Contracts – Not Applicable.

**Note 19 – Direct Premiums Written/Produced by Managing General Agents/Third Party Administrators**

The Company uses a managing general agent to write and administer its homeowner's insurance products in the state of Florida. The MGA agreement with Cabrillo Coastal General Insurance Agency, Inc. (Cabrillo) provides authority to bind risks in accordance with the Company's authorized rates and underwriting guidelines, issue and countersign policies, bill and collect premium, enter into agreements with sub-producers, administer installment payment plans and negotiate reinsurance. This agreement excludes any authority to bind reinsurance other than facultative, commit to participation in insurance or reinsurance syndicates, collect any payment from a reinsurer or commit to a claim settlement with a reinsurer without the Company's approval, appoint a sub-managing general agent, commit to pay a claim in excess of policy limits, and commit to a claim payment that exceeds 1% of surplus. The MGA agreement provides for a 20% commission and is cancelable by either party with 90 days' notice.

Name and Address	FEIN Number	Exclusive Contract	Type of Business Written	Types of Authority Granted	Direct Premium Written
Cabrillo Coastal General Insurance Agency 301 NW 138th Terrace Newberry, FL 32669	27-2300005	NO	Homeowners, Fire, Allied Lines	B, U, P	\$ 67,711,852

**Note 20 – Fair Value Measurements**

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

- Assets and Liabilities Measured at Fair Value: Levels 1, 2 and 3 – The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the following table. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities: This category includes bonds and loan-backed and structured securities measured at fair value that have traded within seven days of the end of the reporting period and exchange-traded preferred and common stocks. The estimated fair values of the securities within this category are based on quoted prices for identical assets in active markets and are thus classified as Level 1.

Level 2 – Significant Other Observable Inputs: This category for items measured at fair value is based on quoted prices for identical assets and liabilities from markets which were not considered actively trading (assets not traded within seven days of the end of the reporting period).

Level 3 – Significant Unobservable Inputs: This category consists of assets with unobservable inputs that are not corroborated by market data. The Company has no assets or liabilities measured at fair value in this category.

Description	Level 1	Level 2	Level 3	Total
Assets on Balance Sheet at Fair Value				
Bonds	5,141,014	0	0	5,141,014
Common Stock	487,483	0	0	487,483
Short Term Investments	0	0	0	0
Total Assets on Balance Sheet at Fair Value	5,628,497	0	0	5,628,497
Total Liabilities on Balance Sheet at Fair Value	0	0	0	0

**NOTES TO FINANCIAL STATEMENTS**

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 were the Company to hold any assets reported at this level. As of the current year-end, there were no assets reported at fair value that were in a different hierarchy level from that reported at the beginning of the period.

- 2. Rollforward of Level 3 Items – Not Applicable.
  - 3. Policy for Determining When Transfers Into and Out of Level 3 are Recognized – Not Applicable.
  - 4. Inputs and Techniques Used for Level 2 and Level 3 Fair Value Measurement – The Company has no assets or liabilities measured at fair value in the Level 3 category. The Company uses the market approach to value assets for Level 2 utilizing quoted market prices for identical instruments trading in an inactive market.
  - 5. Derivative Assets and Liabilities – Not Applicable.
- B. Other Fair Value Disclosures – Not Applicable.
- C. Fair Values for All Financial Instruments by Levels 1, 2 and 3

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

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	(CV) Not Practicable
Bonds Unaffiliated	48,140,511	48,899,376	45,545,641	2,594,870	0	0
Common Stock	487,483	487,483	487,483	0	0	0
Cash & Short Term Investments	15,610,738	15,610,738	15,610,738	0	0	0

- D. Reasons Not Practical to Estimate Fair Value – Not Applicable.

**Note 21 – Other Items**

- A. Extraordinary and Unusual or Infrequent Items – Not Applicable.
- B. Troubled Debt Restructuring for Debtors – Not Applicable.
- C. Other Disclosures

- 1. Agents' Balances Certification (Section 625.012, Florida Statutes)

Agents' Balances or Uncollected Premiums per Statement - before reduction for ceded reinsurance balances payable		70,532
Premiums Due from "Controlled" or "Controlling" Persons		0
Less Amount of Applicable:		
Trust Fund	0	
Letter of Credit	0	
Financial Guaranty Bond	0	
Total		0
Nonadmitted Amounts Due from Controlled Persons		0

- 2. Special Disability Trust Fund - (Section 625.091, Florida Statutes)
  - (a) List the amounts of credit taken for Special Disability Trust Fund recoveries by the insurer in the determination of its loss reserves. – Not Applicable.
  - (b) List the amounts of payments received by the insurer from the Special Disability Trust Fund. – Not Applicable.
  - (c) List the amount assessed by the Special Disability Trust Fund – Not Applicable.
- D. Business Interruption Insurance Recoveries – Not Applicable.
- E. State Transferable Tax Credits – Not Applicable.

## NOTES TO FINANCIAL STATEMENTS

F. Subprime Mortgage Related Risk Exposure – Not Applicable.

G. Insurance-linked Securities – Not Applicable.

### Note 22 – Events Subsequent

There were no events occurring subsequent to the end of the current year through the date of this filing meriting disclosure. Subsequent events have been considered through February 15, 2016 for the statutory statement available to be issued on February 19, 2016.

### Note 23 – Reinsurance

The Company participates in the current year Florida Hurricane Catastrophe Fund (FHCF) which provides \$58.5 million xs \$21.3 million coverage at the 90% coverage option.

In addition to the FHCF the Company has purchased private reinsurance, which for the 2015 hurricane season consisted of five layers totaling \$112 million xs \$3 million. Layers 2 and 3 totaling \$80 million have prepaid reinstatement premium protection. All layers provide coverage for second and subsequent events until exhausted. The contract's 5<sup>th</sup> layer also provides \$1 million xs \$2 million dropdown for second and subsequent event coverage (reducing the Company's retention for second and subsequent events).

The Company also has property excess per risk coverage which as of the current year-end covers \$1,050,000 xs \$300,000; \$2,100,000 for all risks per occurrence; four reinstatements subject to \$5,250,000 maximum coverage during the term of the policy.

All reinsurance contracts written during the current year were effective June 1<sup>st</sup> with a term of 12 months.

A. Unsecured Reinsurance Recoverables Exceeding 3% of Policyholders' Surplus – Not Applicable.

B. Reinsurance Recoverables in Dispute – Not Applicable.

C. Reinsurance Assumed and Ceded

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

	Assumed		Ceded		Assumed Less Ceded	
	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity	Unearned Premiums	Commission Equity
Affiliates	0	0	0	0	0	0
All Other	0	0	7,435,498	0	(7,435,498)	0
Totals	0	0	7,435,498	0	(7,435,498)	0
Direct Unearned Premium Reserve			32,869,872			

2. There were no agency agreements or ceded reinsurance contracts which provide for additional or return commissions based on the actual loss experience of the produced or reinsured business.

3. Protected Cells – Not Applicable.

D. Uncollectible Reinsurance – Not Applicable.

E. Commutation of Ceded Reinsurance – Not Applicable.

F. Retroactive Reinsurance – Not Applicable.

G. Reinsurance Accounted for as a Deposit – Not Applicable.

H. Run-off Agreements – Not Applicable.

I. Certified Reinsurer Downgraded or Status Subject to Revocation – Not Applicable.

J. Retroactive Reinsurance Agreements Covering A&E Liabilities – Not Applicable.

### Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Method Used to Estimate – Not Applicable.

B. Method Used to Record – Not Applicable.

**NOTES TO FINANCIAL STATEMENTS**

- C. Amount and Percent of Retrospective Premiums – Not Applicable.
- D. Medical Loss Ratio Rebates – Not Applicable.
- E. Calculation of Nonadmitted Accrued Retrospective Premiums – Not Applicable.
- F. Risk Sharing Provisions of the Affordable Care Act – Not Applicable.

**Note 25 – Changes in Incurred Losses and Loss Adjustment Expenses (LAE)**

Reserves as of the prior year-end were \$12,495,348. During the current year, \$8,603,636 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$3,805,951 as a result of re-estimation of unpaid claims and claim adjustment expenses. This change is generally the result of ongoing analysis of loss development trends. The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years’ decreased by \$85,761 during the current year. This decreased the current year calendar year losses and LAE incurred by this amount as shown in the first three columns of the chart below. The redundancy of \$85,761 is approximately .7% of unpaid loss and loss expense reserves as of the end of the prior year.

Increases or decreases of this nature occur as a result of claim settlements during the current year, and as additional information is received regarding unpaid individual claims, causing changes from the original estimates of the cost of these claims. Recent loss development trends are also taken into account in evaluating the overall adequacy of unpaid losses and loss expenses.

The first two columns in the chart below reflect by line of business the expense on the Statement of Income and what that expense would have been without prior year development. The third column is the difference between the first two columns and reflects the favorable development or redundancy for prior loss years of \$85,761. This net redundancy was a result of a \$751,480 favorable development in the homeowner’s line of business offset by unfavorable development or a shortage of \$665,719 in the fire and allied lines business. The last two columns reconcile this shortage (redundancy) shown in the third column to the information shown in Schedule P – Part 2 which includes the defense and cost containment (D&CC) portion of LAE but excludes the adjusting and other (A&O) portion of LAE.

(000's omitted) Schedule P Lines of Business	Current Calendar Year Losses & LAE Incurred	Current Loss Year Losses & LAE Incurred Sch. P - Part 1	Total Shortage (Redundancy)	Loss and DCC Shortage (Redundancy) Sch. P - Part 2	Impact of A&O LAE on Total Shortage (Redundancy)
Homeowners Multi-Peril	19,610	20,361	(751)	(1,081)	330
Fire and Allied Lines	4,219	3,554	666	625	41
<b>Total</b>	<b>23,829</b>	<b>23,915</b>	<b>(86)</b>	<b>(456)</b>	<b>370</b>

**Note 26 – Intercompany Pooling Arrangements** – Not Applicable.

**Note 27 – Structured Settlements**

- A. Reserves Released due to Purchase of Annuities – Not Applicable.
- B. Annuity Insurers with Balances due Greater than 1% of Policyholders’ Surplus follows – Not Applicable.

**Note 28 – Health Care Receivables** – Not Applicable.

**Note 29 – Participating Policies** – Not Applicable.

**Note 30 – Premium Deficiency Reserves**

The Company evaluated the need to record a premium deficiency reserve as of the end of the current year and determined none was required. The Company uses anticipated investment income when evaluating the need for premium deficiency reserves.

Liability for Premium Deficiency Reserve	\$0
Date of Most Recent Evaluation	January 29, 2016
Was anticipated investment income utilized in calculation?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

**Note 31 – High Deductibles** – Not Applicable.

**Note 32 – Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses** – Not Applicable.

**NOTES TO FINANCIAL STATEMENTS**

**Note 33 – Asbestos/Environmental Reserves** – Not Applicable

**Note 34 – Subscriber Savings Accounts** – Not Applicable.

**Note 35 – Multiple Peril Crop Insurance** – Not Applicable.

**Note 36 – Financial Guaranty Insurance** – Not Applicable.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... Yes [ X ] No [ ]  
If yes, complete Schedule Y, Parts 1, 1A and 2
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? ..... Yes [ X ] No [ ] N/A [ ]
- 1.3 State Regulating? ..... Florida
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? ..... Yes [ ] No [ X ]
- 2.2 If yes, date of change: .....
- 3.1 State as of what date the latest financial examination of the reporting entity was made or is being made. .... 12/31/2014
- 3.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. .... 12/31/2009
- 3.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). .... 03/30/2011
- 3.4 By what department or departments?  
Florida Office of Insurance Regulation .....
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? ..... Yes [ ] No [ ] N/A [ X ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? ..... Yes [ ] No [ ] N/A [ X ]
- 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>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; ..... 0.0 %  
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 or government, manager or attorney in fact).

1 Nationality	2 Type of Entity

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY**  
**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 below the names and location (city and state of the main office) of any affiliates regulated by a federal 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?  
 Law, Redd, Crona & Munroe, P.A.  
 2075 Centre Pointe Blvd.  
 Tallahassee, FL 32308
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? ..... Yes [ ] No [ X ]  
 10.2 If the response to 10.1 is yes, provide information related to this exemption:  
 .....  
 10.3 Has the insurer been granted any exemptions related to 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?  
 Granoff Resources, Inc.  
 P.O. Box 1812  
 Tallahassee, FL 32302  
 Actuary Consultant
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? ..... Yes [ ] No [ X ]  
 12.11 Name of real estate holding company .....  
 12.12 Number of parcels involved ..... 0  
 12.13 Total book/adjusted carrying value ..... \$ ..... 0
- 12.2 If, yes provide explanation:  
 .....  
**13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:**  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 .....  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? ..... Yes [ ] No [ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? ..... Yes [ ] No [ ]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? ..... Yes [ ] No [ ] N/A [ ]  
 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [ X ] No [ ]  
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
 (c) Compliance with applicable governmental laws, rules and regulations;  
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
 (e) Accountability for adherence to the code.  
 14.11 If the response to 14.1 is No, please explain:  
 .....  
 14.2 Has the code of ethics for senior managers been amended? ..... Yes [ ] No [ X ]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 .....  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? ..... Yes [ ] No [ X ]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).  
 .....

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY  
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 with the official duties of such person? ..... Yes [ X ] No [ ]

**FINANCIAL**

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? ..... Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.11 To directors or other officers.....               | \$ ..... | 0 |
| 20.12 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.13 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- |   |          |   |
|---|----------|---|
| 20.21 To directors or other officers.....               | \$ ..... | 0 |
| 20.22 To stockholders not officers.....                 | \$ ..... | 0 |
| 20.23 Trustees, supreme or grand (Fraternal Only) ..... | \$ ..... | 0 |
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being 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.....   | \$ ..... | 0 |
| 21.22 Borrowed from others..... | \$ ..... | 0 |
| 21.23 Leased from others .....  | \$ ..... | 0 |
| 21.24 Other .....               | \$ ..... | 0 |
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? ..... Yes [ ] No [ X ]
- 22.2 If answer is yes:
- |   |   |
|---|---|
| 22.21 Amount paid as losses or risk adjustment \$ ..... | 0 |
| 22.22 Amount paid as expenses .....                     | 0 |
| 22.23 Other amounts paid .....                          | 0 |
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? ..... Yes [ ] 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 [ ] N/A [ 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 [ ] N/A [ X ]
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? ..... Yes [ ] No [ ] N/A [ X ]
- 24.09 Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending? ..... Yes [ ] No [ ] N/A [ X ]

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY  
GENERAL INTERROGATORIES**

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

24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ .....	0
24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.....	\$ .....	0
24.103 Total payable for securities lending reported on the liability page.....	\$ .....	0

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

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

25.21 Subject to repurchase agreements .....	\$ .....	0
25.22 Subject to reverse repurchase agreements .....	\$ .....	0
25.23 Subject to dollar repurchase agreements .....	\$ .....	0
25.24 Subject to reverse dollar repurchase agreements .....	\$ .....	0
25.25 Placed under option agreements .....	\$ .....	0
25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock .....	\$ .....	0
25.27 FHLB Capital Stock .....	\$ .....	0
25.28 On deposit with states .....	\$ .....	533,947
25.29 On deposit with other regulatory bodies .....	\$ .....	0
25.30 Pledged as collateral - excluding collateral pledged to an FHLB .....	\$ .....	0
25.31 Pledged as collateral to FHLB - including assets backing funding agreements .....	\$ .....	0
25.32 Other .....	\$ .....	0

25.3 For category (25.26) provide the following:

1 Nature of Restriction	2 Description	3 Amount

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

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

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

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

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

28.01 For 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
RBC Capital Markets, LLC .....	60 South 6th Street Minneapolis, MN 55402 .....

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

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

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

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

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

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/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

**ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY**  
**GENERAL INTERROGATORIES**

- 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
315916-78-3 .....	Fidelity Floating Rate High Income Fund .....	245,449
68381K-10-1 .....	Oppenheimer SR Floating Rate A .....	242,035
29.2999 - Total		487,483

- 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
Fidelity Floating Rate High Income Fund .....	Cash .....	16,740	10/31/2015
Fidelity Floating Rate High Income Fund .....	Community Health Term H .....	5,228	10/31/2015
Fidelity Floating Rate High Income Fund .....	Albertsons Term B-4 .....	4,762	10/31/2015
Fidelity Floating Rate High Income Fund .....	Dell Term B2 .....	4,541	10/31/2015
Fidelity Floating Rate High Income Fund .....	Hilton Worldwid Trm B .....	3,780	10/31/2015
Oppenheimer SR Floating Rate A .....	T/L Clear Channel TI D-Ext .....	4,602	11/30/2015
Oppenheimer SR Floating Rate A .....	T/L Western Express TI 2I .....	3,436	11/30/2015
Oppenheimer SR Floating Rate A .....	T/L Czir (Cerp 1st Lein) .....	3,278	11/30/2015
Oppenheimer SR Floating Rate A .....	T/L Lts Buyer T/L 1st Lien .....	2,711	11/30/2015
Oppenheimer SR Floating Rate A .....	T/L Avaya Inc TI B7 1I .....	2,396	11/30/2015

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 .....	58,561,451	57,802,585	(758,866)
30.2 Preferred stocks .....	0	0	0
30.3 Totals	58,561,451	57,802,585	(758,866)

- 30.4 Describe the sources or methods utilized in determining the fair values:  
 Fair values are determined by a pricing service (TRACE) or by a stock exchange. ....
- 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:  
 .....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY  
**GENERAL INTERROGATORIES**

**OTHER**

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? .....\$ .....75,462

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

1 Name	2 Amount Paid
Insurance Services Office .....	43,686

34.1 Amount of payments for legal expenses, if any? .....\$ .....13,787

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
George Matlock, Esquire .....	13,787

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 AND CASUALTY INTERROGATORIES**

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

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

1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? ..... \$ 0  
 1.31 Reason for excluding  
 .....

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

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

1.6 Individual policies:

	Most current three years:	
1.61 Total premium earned	\$	0
1.62 Total incurred claims	\$	0
1.63 Number of covered lives		0
All years prior to most current three years		
1.64 Total premium earned	\$	0
1.65 Total incurred claims	\$	0
1.66 Number of covered lives		0

1.7 Group policies:

	Most current three years:	
1.71 Total premium earned	\$	0
1.72 Total incurred claims	\$	0
1.73 Number of covered lives		0
All years prior to most current three years		
1.74 Total premium earned	\$	0
1.75 Total incurred claims	\$	0
1.76 Number of covered lives		0

2. Health Test:

	1 Current Year	2 Prior Year
2.1 Premium Numerator	0	0
2.2 Premium Denominator	48,486,128	44,625,659
2.3 Premium Ratio (2.1/2.2)	0.000	0.000
2.4 Reserve Numerator	0	0
2.5 Reserve Denominator	38,988,729	36,443,818
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	\$	0
3.22 Non-participating policies	\$	0

4. For mutual reporting Entities and Reciprocal Exchanges Only:

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

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

4.3 If assessable policies are issued, what is the extent of the contingent liability of the policyholders? ..... % 0.0

4.4 Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums. .... \$ 0

5. For Reciprocal Exchanges Only:

5.1 Does the Exchange appoint local agents? ..... Yes [ ] No [ ]

5.2 If yes, is the commission paid:

5.21 Out of Attorney's-in-fact compensation	Yes [ ]	No [ ]	N/A [ ]
5.22 As a direct expense of the exchange	Yes [ ]	No [ ]	N/A [ ]

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

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

5.5 If yes, give full information  
 .....

**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND CASUALTY INTERROGATORIES**

- 6.1 What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss?  
The Company does not write worker's compensation insurance. ....
- 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.  
Mobile Home, Dwelling/Fire and Homeowner exposures in Florida are managed and controlled through aggregate guidelines on a per park, per county and per zip code basis and also utilizing ARA's real time catastrophe risk management program. A new underwriting tool was introduced in 2013 that allows the company to utilize real time capacity management based on proximity to the risk being underwritten within specified radius ranges. The Company uses RMS Risklink, ARA and AIR Classic models to estimate the PML of the portfolio at time of reinsurance purchase and throughout the year. In addition, analysis is performed on the portfolio to determine risk exposure below the reinsurance retention and above the reinsurance purchase limit using single and multi-storm event scenarios. ....
- 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 has catastrophe reinsurance which exceeds the 100 year PML. ....
- 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 this 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 ratio cap, an aggregate limit or any similar provisions)? ..... Yes [ ] No [ X ]
- 7.2 If yes, indicate the number of reinsurance contracts containing such provisions: ..... 0
- 7.3 If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)? ..... Yes [ ] No [ ]
- 8.1 Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured? ..... Yes [ ] No [ X ]
- 8.2 If yes, give full information  
.....
- 9.1 Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results:  
(a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term;  
(b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer;  
(c) Aggregate stop loss reinsurance coverage;  
(d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party;  
(e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or  
(f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity. .... Yes [ ] No [ X ]
- 9.2 Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where:  
(a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or  
(b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract. .... Yes [ ] No [ X ]
- 9.3 If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9:  
(a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income;  
(b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and  
(c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.
- 9.4 Except for transactions meeting the requirements of paragraph 32 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 [ ] No [ ] N/A [ X ]

**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY AND 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 .....\$ .....0
- 12.12 Unpaid underwriting expenses (including loss adjustment expenses) .....\$ .....0
- 12.2 Of the amount on Line 15.3, Page 2, state the amount which is secured by letters of credit, collateral, and other funds .....\$ .....0
- 12.3 If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses? ..... Yes [ ] No [ ] N/A [ X ]
- 12.4 If yes, provide the range of interest rates charged under such notes during the period covered by this statement:
- 12.41 From .....0.0 %
- 12.42 To .....0.0 %
- 12.5 Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies? ..... Yes [ ] No [ X ]
- 12.6 If yes, state the amount thereof at December 31 of the 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): .....\$ .....500,000
- 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: .....0
- 14.1 Is the company a cedant in a multiple cedant reinsurance contract? ..... Yes [ X ] No [ ]
- 14.2 If yes, please describe the method of allocating and recording reinsurance among the cedants:  
Reinsurance premium is based on each company's direct earned premium on covered risks at individual company rates specified in the contract. ....
- 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 [ X ] 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 .....	0	0	0	0	0
16.12 Products .....	0	0	0	0	0
16.13 Automobile .....	0	0	0	0	0
16.14 Other* .....	0	0	0	0	0

\* Disclose type of coverage:  
.....

# GENERAL INTERROGATORIES

## PART 2 - PROPERTY AND 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 .....	\$ .....	0
17.12 Unfunded portion of Interrogatory 17.11 .....	\$ .....	0
17.13 Paid losses and loss adjustment expenses portion of Interrogatory 17.11.....	\$ .....	0
17.14 Case reserves portion of Interrogatory 17.11 .....	\$ .....	0
17.15 Incurred but not reported portion of Interrogatory 17.11 .....	\$ .....	0
17.16 Unearned premium portion of Interrogatory 17.11 .....	\$ .....	0
17.17 Contingent commission portion of Interrogatory 17.11 .....	\$ .....	0

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

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

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

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

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

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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**FIVE-YEAR HISTORICAL DATA**

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

	1 2015	2 2014	3 2013	4 2012	5 2011
<b>Gross Premiums Written (Page 8, Part 1B Cols. 1, 2 &amp; 3)</b>					
1. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
2. Property lines (Lines 1, 2, 9, 12, 21 & 26)	11,910,470	12,803,697	7,556,551	2,900,053	2,739,923
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	55,801,303	51,293,346	46,237,993	40,474,067	34,706,186
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
5. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
6. Total (Line 35)	67,711,773	64,097,043	53,794,544	43,374,120	37,446,109
<b>Net Premiums Written (Page 8, Part 1B, Col. 6)</b>					
7. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
8. Property lines (Lines 1, 2, 9, 12, 21 & 26)	9,099,540	10,069,412	6,669,174	2,086,250	2,030,474
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	40,872,492	38,872,556	32,537,400	25,589,735	23,418,937
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34)	0	0	0	0	0
11. Nonproportional reinsurance lines (Lines 31, 32 & 33)	0	0	0	0	0
12. Total (Line 35)	49,972,032	48,941,968	39,206,574	27,675,985	25,449,411
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8)	6,820,632	8,188,272	5,053,324	2,022,744	561,717
14. Net investment gain or (loss) (Line 11)	1,451,978	1,124,694	800,613	593,024	506,245
15. Total other income (Line 15)	173	(386)	(704)	0	(853)
16. Dividends to policyholders (Line 17)	0	0	0	0	0
17. Federal and foreign income taxes incurred (Line 19)	2,971,035	3,649,568	2,331,829	897,762	883,093
18. Net income (Line 20)	5,301,749	5,663,012	3,521,404	1,718,006	184,016
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3)	73,133,931	66,643,625	50,263,341	40,197,939	34,737,527
20. Premiums and considerations (Page 2, Col. 3)					
20.1 In course of collection (Line 15.1)	70,532	2,190,247	4,893,184	2,139,856	2,460,903
20.2 Deferred and not yet due (Line 15.2)	4,846,386	4,831,997	3,595,870	2,909,993	2,619,245
20.3 Accrued retrospective premiums (Line 15.3)	0	0	0	0	0
21. Total liabilities excluding protected cell business (Page 3, Line 26)	50,008,655	46,317,676	33,884,920	27,630,147	24,681,605
22. Losses (Page 3, Line 1)	9,929,157	10,442,101	6,102,507	5,123,557	3,289,035
23. Loss adjustment expenses (Page 3, Line 3)	3,625,197	2,053,247	1,681,662	997,434	600,487
24. Unearned premiums (Page 3, Line 9)	25,434,374	23,948,470	19,632,161	14,378,301	14,176,009
25. Capital paid up (Page 3, Lines 30 & 31)	2,097,988	2,097,988	2,097,988	2,097,988	2,000,000
26. Surplus as regards policyholders (Page 3, Line 37)	23,125,276	20,325,949	16,378,421	12,567,792	10,055,922
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11)	12,139,197	19,155,347	6,899,944	4,691,094	10,731,114
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital	23,125,276	20,325,949	16,378,421	12,567,792	10,055,922
29. Authorized control level risk-based capital	2,899,076	5,450,516	4,691,846	4,093,009	3,329,262
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets (Page 2, Col. 3) (Line divided by Page 2, Line 12, Col. 3) x100.0</b>					
30. Bonds (Line 1)	75.2	74.7	74.5	59.9	61.5
31. Stocks (Lines 2.1 & 2.2)	0.8	0.9	1.3	1.6	1.8
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)	24.0	24.4	24.2	38.5	36.7
35. Contract loans (Line 6)	0.0	0.0	0.0	0.0	0.0
36. Derivatives (Line 7)	0.0	0.0	0.0	0.0	0.0
37. Other invested assets (Line 8)	0.0	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
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Schedule D, Summary, Line 12, Col. 1)	0	0	0	0	0
43. Affiliated preferred stocks (Schedule D, Summary, Line 18, Col. 1)	0	0	0	0	0
44. Affiliated common stocks (Schedule 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

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY

**FIVE-YEAR HISTORICAL DATA**

(Continued)

	1 2015	2 2014	3 2013	4 2012	5 2011
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24)	(239,497)	(111,572)	(62,521)	57,355	(53,747)
52. Dividends to stockholders (Line 35)	(2,250,000)	(2,000,000)	0	0	0
53. Change in surplus as regards policyholders for the year (Line 38)	2,799,327	3,947,528	3,810,629	2,511,870	619,526
<b>Gross Losses Paid (Page 9, Part 2, Cols. 1 &amp; 2)</b>					
54. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
55. Property lines (Lines 1, 2, 9, 12, 21 & 26)	5,484,094	2,301,274	1,352,127	1,040,647	457,035
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	12,991,747	9,541,049	9,624,079	8,612,072	4,185,671
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)	18,475,840	11,842,323	10,976,206	9,652,719	4,642,706
<b>Net Losses Paid (Page 9, Part 2, Col. 4)</b>					
60. Liability lines (Lines 11.1, 11.2, 16, 17.1, 17.2, 17.3, 18.1, 18.2, 19.1, 19.2 & 19.3, 19.4)	0	0	0	0	0
61. Property lines (Lines 1, 2, 9, 12, 21 & 26)	5,484,094	2,301,274	1,352,127	1,040,647	457,035
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27)	12,941,195	9,308,646	9,450,656	7,968,346	4,177,006
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)	18,425,289	11,609,920	10,802,783	9,008,993	4,634,041
<b>Operating Percentages (Page 4) (Line divided by Page 4, Line 1) x 100.0</b>					
66. Premiums earned (Line 1)	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2)	36.9	35.7	34.7	39.5	33.5
68. Loss expenses incurred (Line 3)	12.2	8.8	10.1	13.0	10.8
69. Other underwriting expenses incurred (Line 4)	36.8	37.1	40.3	40.2	52.5
70. Net underwriting gain (loss) (Line 8)	14.1	18.3	14.9	7.4	3.1
<b>Other Percentages</b>					
71. Other underwriting expenses to net premiums written (Page 4, Lines 4 + 5 - 15 divided by Page 8, Part 1B, Col. 6, Line 35 x 100.0)	35.7	33.8	34.9	39.9	37.1
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0)	49.1	44.6	44.8	52.5	44.3
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)	216.1	240.8	239.4	220.2	253.1
<b>One Year Loss Development (000 omitted)</b>					
74. Development in estimated losses and loss expenses incurred prior to current year (Schedule P - Part 2 - Summary, Line 12, Col. 11)	(456)	798	(44)	524	72
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)	(2.2)	4.9	(0.3)	5.2	0.8
<b>Two Year Loss Development (000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred two years before the current year and prior year (Schedule P, Part 2 - Summary, Line 12, Col. 12)	1,505	2,609	809	262	36
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)	9.2	20.8	8.0	2.8	0.4

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: .....

ANNUAL STATEMENT FOR THE YEAR 2015 OF THE SAFE HARBOR INSURANCE COMPANY  
**SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES**  
**SCHEDULE P - PART 1 - SUMMARY**

(\$000 OMITTED)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments						10 Salvage and Subrogation Received	11 Total Net Paid Cols (4 - 5 + 6 - 7 + 8 - 9)	12 Number of Claims Reported Direct and Assumed
	1	2	3	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments				
				4	5	6	7	8	9			
1. Prior	XXX	XXX	XXX	0	0	0	0	0	0	0	0	XXX
2. 2006	927	347	580	56	0	12	0	43	0	0	112	XXX
3. 2007	7,166	2,377	4,789	1,117	0	104	0	418	0	20	1,639	XXX
4. 2008	9,700	2,966	6,734	1,961	11	61	0	654	0	13	2,665	XXX
5. 2009	12,207	3,787	8,420	2,714	0	48	0	791	0	84	3,553	XXX
6. 2010	15,611	4,991	10,620	3,490	0	232	0	1,006	0	127	4,728	XXX
7. 2011	27,086	9,118	17,968	8,748	0	779	0	1,970	0	83	11,497	XXX
8. 2012	41,757	14,283	27,474	10,692	673	1,065	78	2,428	1	36	13,433	XXX
9. 2013	48,988	15,035	33,953	10,615	191	585	0	2,011	1	60	13,019	XXX
10. 2014	59,682	15,056	44,626	12,310	234	773	3	2,630	0	122	15,476	XXX
11. 2015	64,994	16,508	48,486	11,127	0	287	0	2,752	0	26	14,166	XXX
12. Totals	XXX	XXX	XXX	62,829	1,109	3,947	82	14,703	1	571	80,288	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	22			
	13	14	15	16	17	18	19	20					
	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded	Direct and Assumed	Ceded					
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0	XXX
2. 2006	0	0	0	0	0	0	0	0	0	0	0	0	XXX
3. 2007	0	0	0	0	0	0	0	0	0	0	0	0	XXX
4. 2008	0	0	0	0	0	0	0	0	0	0	0	0	XXX
5. 2009	0	0	0	0	0	0	0	0	0	0	0	0	XXX
6. 2010	78	0	0	0	19	0	0	0	3	0	0	100	XXX
7. 2011	500	0	0	0	45	0	25	0	10	0	0	579	XXX
8. 2012	215	0	50	0	18	4	25	0	4	0	0	309	XXX
9. 2013	40	0	250	0	23	0	75	0	2	0	0	389	XXX
10. 2014	834	0	850	0	199	0	500	0	45	0	0	2,429	XXX
11. 2015	3,613	0	3,500	0	292	0	1,200	0	1,144	0	0	9,748	XXX
12. Totals	5,279	0	4,650	0	595	4	1,825	0	1,209	0	0	13,554	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	27	28	29	30	31	32	33		35	36
	Direct and Assumed	Ceded	Net	Direct and Assumed	Ceded	Net	Loss	Loss Expense		Losses Unpaid	Loss Expenses Unpaid
1. Prior	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	0	0
2. 2006	112	0	112	12.1	0.0	19.3	0	0	0.0	0	0
3. 2007	1,639	0	1,639	22.9	0.0	34.2	0	0	0.0	0	0
4. 2008	2,676	11	2,665	27.6	0.4	39.6	0	0	0.0	0	0
5. 2009	3,553	0	3,553	29.1	0.0	42.2	0	0	0.0	0	0
6. 2010	4,828	0	4,828	30.9	0.0	45.5	0	0	0.0	78	22
7. 2011	12,076	0	12,076	44.6	0.0	67.2	0	0	0.0	500	79
8. 2012	14,497	755	13,742	34.7	5.3	50.0	0	0	0.0	265	44
9. 2013	13,600	192	13,408	27.8	1.3	39.5	0	0	0.0	290	99
10. 2014	18,142	238	17,905	30.4	1.6	40.1	0	0	0.0	1,684	745
11. 2015	23,915	0	23,915	36.8	0.0	49.3	0	0	0.0	7,113	2,636
12. Totals	XXX	XXX	XXX	XXX	XXX	XXX	0	0	XXX	9,929	3,625

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 SAFE HARBOR INSURANCE COMPANY

**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 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015	11 One Year	12 Two Year
1. Prior	0	0	0	0	0	0	0	0	0	0	0	0
2. 2006	169	56	69	69	69	69	69	69	69	69	0	0
3. 2007	XXX	1,586	1,190	1,218	1,222	1,232	1,234	1,236	1,220	1,221	0	(15)
4. 2008	XXX	XXX	1,954	1,912	1,892	1,985	2,013	2,011	2,011	2,011	0	0
5. 2009	XXX	XXX	XXX	2,758	2,856	2,707	2,761	2,761	2,762	2,762	0	2
6. 2010	XXX	XXX	XXX	XXX	3,718	3,836	3,942	3,818	3,822	3,818	(4)	0
7. 2011	XXX	XXX	XXX	XXX	XXX	6,112	6,447	6,855	9,806	10,096	290	3,241
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	11,521	11,192	10,905	11,310	405	117
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	13,236	11,382	11,397	15	(1,839)
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	16,392	15,230	(1,163)	XXX
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	20,018	XXX	XXX
12. Totals											(456)	1,505

**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 Number of Claims Closed With Loss Payment	12 Number of Claims Closed Without Loss Payment
	1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015		
1. Prior	000	0	0	0	0	0	0	0	0	0	XXX	XXX
2. 2006	20	56	69	69	69	69	69	69	69	69	XXX	XXX
3. 2007	XXX	1,212	1,033	1,216	1,222	1,226	1,230	1,236	1,220	1,221	XXX	XXX
4. 2008	XXX	XXX	1,568	1,783	1,802	1,985	2,010	2,011	2,011	2,011	XXX	XXX
5. 2009	XXX	XXX	XXX	1,740	2,338	2,602	2,761	2,761	2,762	2,762	XXX	XXX
6. 2010	XXX	XXX	XXX	XXX	2,227	2,667	3,438	3,697	3,721	3,722	XXX	XXX
7. 2011	XXX	XXX	XXX	XXX	XXX	3,714	5,667	6,525	7,153	9,527	XXX	XXX
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	6,886	9,551	10,448	11,005	XXX	XXX
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,730	10,451	11,009	XXX	XXX
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	8,316	12,846	XXX	XXX
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,414	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	BULK AND IBNR RESERVES ON NET LOSSES AND DEFENSE AND COST CONTAINMENT EXPENSES REPORTED AT YEAR END (\$000 OMITTED)									
	1 2006	2 2007	3 2008	4 2009	5 2010	6 2011	7 2012	8 2013	9 2014	10 2015
1. Prior	0	0	0	0	0	0	0	0	0	0
2. 2006	99	0	0	0	0	0	0	0	0	0
3. 2007	XXX	220	50	0	0	0	0	0	0	0
4. 2008	XXX	XXX	250	50	5	0	0	0	0	0
5. 2009	XXX	XXX	XXX	440	120	37	0	0	0	0
6. 2010	XXX	XXX	XXX	XXX	535	153	75	0	0	0
7. 2011	XXX	XXX	XXX	XXX	XXX	1,010	170	25	25	25
8. 2012	XXX	XXX	XXX	XXX	XXX	XXX	1,755	225	75	75
9. 2013	XXX	XXX	XXX	XXX	XXX	XXX	XXX	2,950	350	325
10. 2014	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,850	1,350
11. 2015	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	4,700

**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees, Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges Not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Included in Column 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. District of Columbia	DC	N	0	0	0	0	0	0	0
10. Florida	FL	L	67,644,683	64,967,638	0	18,462,497	17,909,661	9,929,157	0
11. Georgia	GA	N	0	0	0	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	0	0	0	0	0	0	0
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	L	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. North Carolina	NC	N	0	0	0	0	0	0	0
35. North 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. South Carolina	SC	L	67,169	26,238	0	0	0	0	0
42. South 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	67,711,852	64,993,876	0	18,462,497	17,909,661	9,929,157	0
DETAILS OF WRITE-INS									
58001.	XXX								
58002.	XXX								
58003.	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0

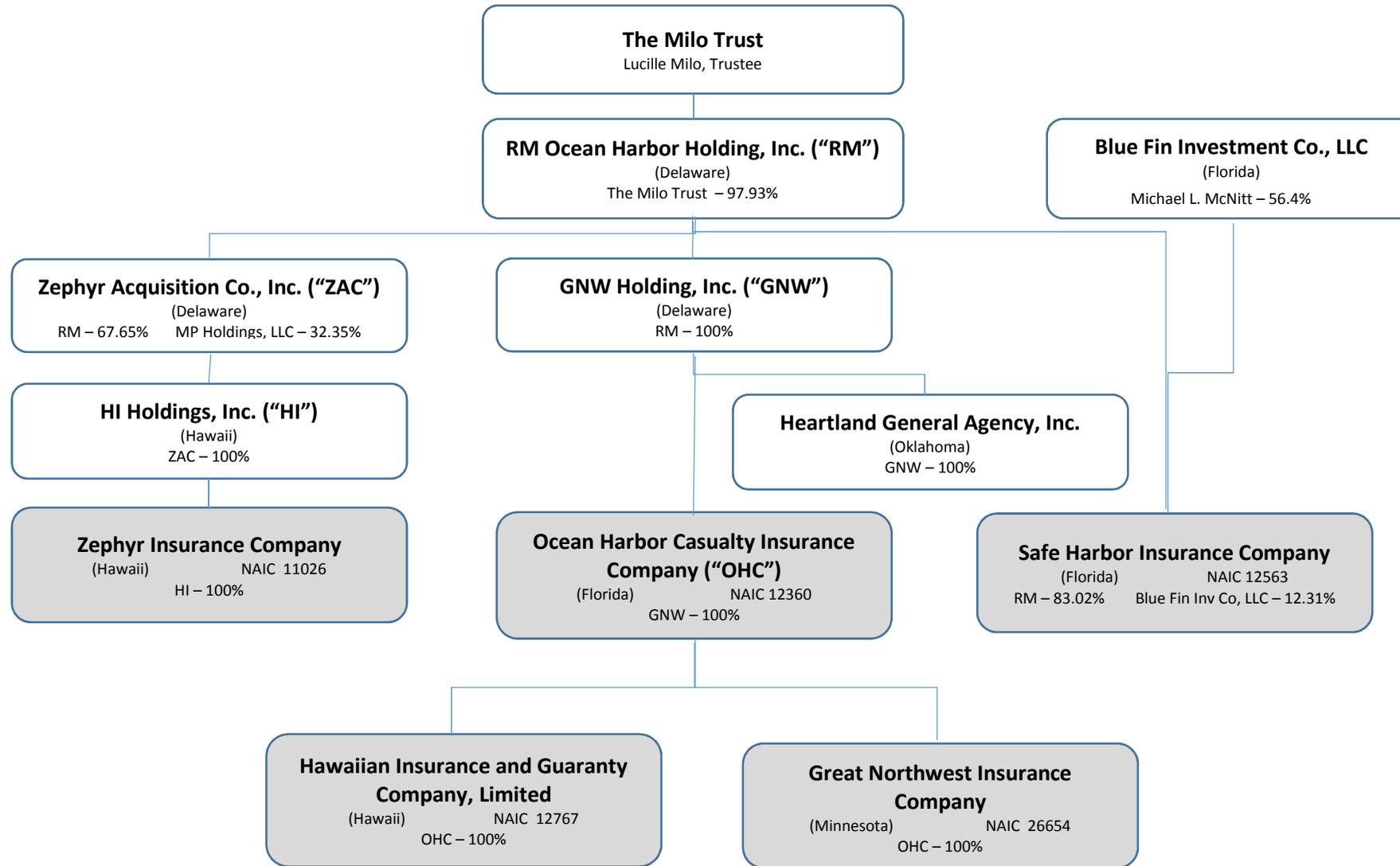
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

Premiums are allocated to those states where the insured risks are located.

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

**Ocean Harbor Insurance Group**  
(NAIC Group 4051)



**OVERFLOW PAGE FOR WRITE-INS**

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