



QUARTERLY FINANCIAL REPORT

SEPTEMBER 30, 2015

(Statutory basis, dollars in millions)

	9/30/15	12/31/14
ADMITTED ASSETS, LIABILITIES, AND POLICYHOLDERS' SURPLUS		
Bonds and fixed maturity securities	\$ 4,672	\$ 4,862
Common stocks	488	515
Cash, short-term, and other invested assets	316	151
Cash and invested assets	5,476	5,528
Premiums receivable and other assets	421	353
Total admitted assets	<u>\$ 5,897</u>	<u>\$ 5,881</u>
Loss and loss adjustment expenses unpaid	\$ 3,375	\$ 3,465
Unearned premiums	335	268
Other liabilities and accrued expenses	379	364
Total liabilities	4,089	4,097
Policyholders' surplus	1,808	1,784
Total liabilities and policyholders' surplus	<u>\$ 5,897</u>	<u>\$ 5,881</u>
SUMMARY OF OPERATIONS AND CHANGES IN POLICYHOLDERS' SURPLUS		
Earned premiums	\$ 343	\$ 515
Loss and loss adjustment expenses incurred	312	404
Other underwriting expenses	32	45
Net underwriting gain (loss)	<u>\$ (1)</u>	<u>\$ 66</u>
Investment income (net of expenses)	\$ 73	\$ 129
Net realized capital gains (losses)	72	150
Net investment gains	<u>\$ 145</u>	<u>\$ 279</u>
Net income	\$ 104	\$ 264
Change in net unrealized gains (losses)	(48)	(13)
Other surplus changes	(32)	(6)
Net increase in policyholders' surplus	<u>\$ 24</u>	<u>\$ 245</u>
PERFORMANCE RATIOS (BASED ON EARNED PREMIUMS)		
Loss and loss adjustment expense	90.8%	78.4%
Other underwriting expense	8.2%	8.7%
Combined ratio	99.0%	87.1%

Summarized from the Statutory Financial Statements as filed with the New York State Department of Financial Services.