



# ANNUAL STATEMENT

For the Year Ended December 31, 2017  
of the Condition and Affairs of the

## COOPERATIVA DE SEGUROS MULTIPLES DE PR

NAIC Group Code.....3526, (Current Period) (Prior Period)	NAIC Company Code..... 18163	Employer's ID Number..... 66-0257478
Organized under the Laws of PR Incorporated/Organized..... April 23, 1963	State of Domicile or Port of Entry PR Commenced Business..... February 8, 1965	Country of Domicile US
Statutory Home Office	38 NEVAREZ STREET..... SAN JUAN ..... PR ..... 00927-4608 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	38 NEVAREZ STREET..... SAN JUAN ..... PR ..... 00927-4608 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	787-622-3575 X.2512 <i>(Area Code) (Telephone Number)</i>
Mail Address	PO BOX 363846..... SAN JUAN ..... PR ..... 00936-3846 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	38 NEVAREZ STREET..... SAN JUAN ..... PR ..... 00927-4608 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	787-622-3575 X. 2512 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.seguros multiples.com	
Statutory Statement Contact	RAMON A. RODRIGUEZ ROSA <i>(Name)</i> ramonr@seguros multiples.com <i>(E-Mail Address)</i>	787-622-3575 x. 2512 <i>(Area Code) (Telephone Number) (Extension)</i> 787-622-8550 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
JUAN A. LUGO MELENDEZ	PRESIDENT	ESQ RUTH E GOMEZ ARIAS	SECRETARY
RAMON A RODRIGUEZ ROSA	TREASURER		

OTHER			
PEDRO GONZALEZ CERRUD	CHIEF FINANCIAL OFFICER	LUIS M CORDERO RIVERA	SALES VICE PRESIDENT
DENNIS A. CABAN GUZMAN	INFORMATION SYSTEM VP	RIZICK ROSARIO PENA	COOPERATIVE RELATIONS VP

### DIRECTORS OR TRUSTEES

LUIS A. VELAZQUEZ VERA	IVAN A OTERO MATOS	IVAN FLORES PEREZ	MARIA DEL MAR PEREZ ORTIZ
JUAN REYES CARABALLO	MILAGROS ORTIZ MARRERO	MAYRA W RIVERA RODRIGUEZ	KARLA J. ACOSTA MORALES
ANIBAL FUENTES FLORES	CARLOS J BONILLA AGOSTO	SYLVED VELAZQUEZ PEREZ	

State of.....Puerto Rico  
County of.....San Juan

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

_____ (Signature) JUAN A. LUGO MELENDEZ _____ 1. (Printed Name) PRESIDENT _____ (Title)	_____ (Signature) RUTH E. GOMEZ ARIAS _____ 2. (Printed Name) SECRETARY _____ (Title)	_____ (Signature) RAMON A RODRIGUEZ ROSA _____ 3. (Printed Name) TREASURER _____ (Title)
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Subscribed and sworn to before me  
This \_\_\_\_\_ day of \_\_\_\_\_ 2018

a. Is this an original filing? Yes [ X ] No [ ]

b. If no

1. State the amendment number	_____
2. Date filed	_____
3. Number of pages attached	_____

## ASSETS

	Current Year			Prior Year
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 Net Admitted Assets
1. Bonds (Schedule D).....	286,139,475		286,139,475	249,343,210
2. Stocks (Schedule D):				
2.1 Preferred stocks.....	10,361,455	2,500,000	7,861,455	3,400,255
2.2 Common stocks.....	66,128,907	1,400,266	64,728,641	72,293,722
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	8,608,315		8,608,315	8,956,477
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....33,080,302, Schedule E-Part 1), cash equivalents (\$.....42,864,279, Schedule E-Part 2) and short-term investments (\$.....2,339,571, Schedule DA).....	78,284,152		78,284,152	96,975,148
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives (Schedule DB).....			0	
8. Other invested assets (Schedule BA).....	18,240,733		18,240,733	19,888,902
9. Receivables for securities.....			0	5,556,862
10. Securities lending reinvested collateral assets (Schedule DL).....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	467,763,037	3,900,266	463,862,771	456,414,576
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	2,014,029		2,014,029	1,796,138
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	6,170,914	643,947	5,526,967	3,673,427
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	28,846,109		28,846,109	191,812
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....	118,816		118,816	106,347
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	1,856,932		1,856,932	932,625
21. Furniture and equipment, including health care delivery assets (\$.....0).....	1,397,345	1,397,345	0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	31,299,456	857,969	30,441,487	27,769,041
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other-than-invested assets.....	45,026,548	36,059,036	8,967,512	1,606,905
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25).....	584,493,186	42,858,563	541,634,623	492,490,871
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. TOTAL (Lines 26 and 27).....	584,493,186	42,858,563	541,634,623	492,490,871

## DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. MISCELLANEOUS ASSETS AND ACCOUNTS RECEIVABLE.....	42,486,548	33,519,036	8,967,512	1,492,634
2502. GOODWILL.....			0	114,271
2503. INTANGIBLE ASSETS.....	2,540,000	2,540,000	0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	45,026,548	36,059,036	8,967,512	1,606,905

## COOPERATIVA DE SEGUROS MULTIPLES DE PR LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Year	2 Prior Year
1. Losses (Part 2A, Line 35, Column 8).....	45,410,602	29,213,884
2. Reinsurance payable on paid losses and loss adjustment expenses (Schedule F, Part 1, Column 6).....	868	10,198
3. Loss adjustment expenses (Part 2A, Line 35, Column 9).....	8,657,581	6,432,442
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	7,492,035	5,291,883
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (Part 1A, Line 38, Column 5) (after deducting unearned premiums for ceded reinsurance of \$.....2,735,000 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).....	109,863,139	107,793,753
10. Advance premium.....	164,438,502	162,233,895
11. Dividends declared and unpaid:		
11.1 Stockholders.....	1,600,000	
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	2,179,199	1,810,512
13. Funds held by company under reinsurance treaties (Schedule F, Part 3, Column 19).....	16,009,817	
14. Amounts withheld or retained by company for account of others.....	967,786	1,081,063
15. Remittances and items not allocated.....		
16. Provision for reinsurance (including \$.....0 certified) (Schedule F, Part 8).....	48,841	140,797
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	2,100,926	825,851
20. Derivatives.....		
21. Payable for securities.....		1,761,280
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	29,680,792	28,505,828
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	388,450,088	345,101,386
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	388,450,088	345,101,386
29. Aggregate write-ins for special surplus funds.....	82,577,852	95,953,709
30. Common capital stock.....	48,637,068	46,542,649
31. Preferred capital stock.....	1,473,298	1,403,956
32. Aggregate write-ins for other-than-special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....		
35. Unassigned funds (surplus).....	20,496,317	3,489,171
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36) (Page 4, Line 39).....	153,184,535	147,389,485
38. TOTAL (Page 2, Line 28, Col. 3).....	541,634,623	492,490,871

### DETAILS OF WRITE-INS

2501. UPR PORTION OF AMOUNT RECOVERED PERSUANT TO SECTION 38.160 OF THE INSURANCE CODE OF PR.....	(108)	(31)
2502. OTHER RESERVES (INCLUDING EDUCATIONAL AND SOCIAL AS PER PUERTO RICO INSURANCE CODE OF PR).....	238,697	234,184
2503. LOAN- AUTO FLEET.....		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	29,442,203	28,271,675
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	29,680,792	28,505,828
2901. RESERVE FOR CATASTROPHE INSURANCE LOSSES PERSUANT TO CHAPTER 25 OF PR INSURANCE CODE.....	26,049,759	36,595,580
2902. CONTINGENCIES FOR CATASTROPHE LOSSES AND OTHER OPERATING LOSSES.....	32,716,922	32,716,922
2903. SPECIAL SURPLUS FUNDS.....	11,758,856	11,758,856
2998. Summary of remaining write-ins for Line 29 from overflow page.....	12,052,315	14,882,351
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above).....	82,577,852	95,953,709
3201. ....		
3202. ....		
3203. ....		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above).....	0	0

# COOPERATIVA DE SEGUROS MULTIPLES DE PR STATEMENT OF INCOME

	1 Current Year	2 Prior Year
<b>UNDERWRITING INCOME</b>		
1. Premiums earned (Part 1, Line 35, Column 4).....	201,030,761	194,114,121
DEDUCTIONS:		
2. Losses incurred (Part 2, Line 35, Column 7).....	117,312,484	109,326,719
3. Loss adjustment expenses incurred (Part 3, Line 25, Column 1).....	16,910,337	12,672,903
4. Other underwriting expenses incurred (Part 3, Line 25, Column 2).....	75,564,464	75,541,593
5. Aggregate write-ins for underwriting deductions.....	(11,387,768)	0
6. Total underwriting deductions (Lines 2 through 5).....	198,399,517	197,541,215
7. Net income of protected cells.....		
8. Net underwriting gain (loss) (Line 1 minus Line 6 plus Line 7).....	2,631,244	(3,427,094)
<b>INVESTMENT INCOME</b>		
9. Net investment income earned (Exhibit of Net Investment Income, Line 17).....	10,246,302	8,443,205
10. Net realized capital gains (losses) less capital gains tax of \$.....0 (Exhibit of Capital Gains (Losses)).....	(3,825,979)	1,807,348
11. Net investment gain (loss) (Lines 9 + 10).....	6,420,323	10,250,553
<b>OTHER INCOME</b>		
12. Net gain (loss) from agents' or premium balances charged off (amount recovered \$.....21,508 amount charged off \$.....18,811).....	2,697	878
13. Finance and service charges not included in premiums.....	8,674	7,789
14. Aggregate write-ins for miscellaneous income.....	17,733,608	2,960,970
15. Total other income (Lines 12 through 14).....	17,744,979	2,969,637
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	26,796,547	9,793,096
17. Dividends to policyholders.....		
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	26,796,547	9,793,096
19. Federal and foreign income taxes incurred.....	8,140,647	
20. Net income (Line 18 minus Line 19) (to Line 22).....	18,655,900	9,793,096
<b>CAPITAL AND SURPLUS ACCOUNT</b>		
21. Surplus as regards policyholders, December 31 prior year (Page 4, Line 39, Column 2).....	147,389,485	164,732,731
22. Net income (from Line 20).....	18,655,900	9,793,096
23. Net transfers (to) from Protected Cell accounts.....		
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	21,957,368	(20,497,740)
25. Change in net unrealized foreign exchange capital gain (loss).....		
26. Change in net deferred income tax.....		
27. Change in nonadmitted assets (Exhibit of Nonadmitted Assets, Line 28, Column 3).....	2,372,621	(2,545,663)
28. Change in provision for reinsurance (Page 3, Line 16, Column 2 minus Column 1).....	91,956	96,980
29. Change in surplus notes.....		
30. Surplus (contributed to) withdrawn from Protected Cells.....		
31. Cumulative effect of changes in accounting principles.....		
32. Capital changes:		
32.1 Paid in.....		263,896
32.2 Transferred from surplus (Stock Dividend).....	2,163,761	2,699,748
32.3 Transferred to surplus.....		(14,882,351)
33. Surplus adjustments:		
33.1 Paid in.....		
33.2 Transferred to capital (Stock Dividend).....	(2,163,761)	(2,699,748)
33.3. Transferred from capital.....	(2,830,036)	14,882,351
34. Net remittances from or (to) Home Office.....		
35. Dividends to stockholders.....	(21,720,510)	
36. Change in treasury stock (Page 3, Lines 36.1 and 36.2, Column 2 minus Column 1).....		
37. Aggregate write-ins for gains and losses in surplus.....	(12,732,249)	(4,453,815)
38. Change in surplus as regards policyholders for the year (Lines 22 through 37).....	5,795,050	(17,343,246)
39. Surplus as regards policyholders, December 31 current year (Line 21 plus Line 38) (Page 3, Line 37).....	153,184,535	147,389,485
<b>DETAILS OF WRITE-INS</b>		
0501. LOSSES ASSOCIATED WITH CATASTROPHIC EVENTS.....	(11,387,768)	
0502. ....		
0503. ....		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 5 above).....	(11,387,768)	0
1401. MISCELLANEOUS INCOME (EXPENSES).....	1,452,314	2,960,970
1402. EXTRAORDINARY DIVIDEND FROM ASC.....	16,281,294	
1403. ....		
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above).....	17,733,608	2,960,970
3701. GOODWILL AMORTIZATION PER NAIC REGULATION SECTION.....		(28,904)
3702. CHANGE IN ADDITIONAL MINIMUM LIABILITY PENSION PLAN.....	(1,344,481)	(4,424,911)
3703. LOSSES ASSOCIATED WITH CATASTROPHIC EVENTS.....	(11,387,768)	
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above).....	(12,732,249)	(4,453,815)

## COOPERATIVA DE SEGUROS MULTIPLES DE PR CASH FLOW

	1 Current Year	2 Prior Year
<b>CASH FROM OPERATIONS</b>		
1. Premiums collected net of reinsurance.....	204,289,545	198,122,075
2. Net investment income.....	10,740,828	8,839,429
3. Miscellaneous income.....	17,744,979	2,969,637
4. Total (Lines 1 through 3).....	232,775,352	209,931,141
5. Benefit and loss related payments.....	129,779,393	110,097,099
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....		
7. Commissions, expenses paid and aggregate write-ins for deductions.....	76,723,329	88,208,965
8. Dividends paid to policyholders.....		
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	8,140,647	
10. Total (Lines 5 through 9).....	214,643,369	198,306,064
11. Net cash from operations (Line 4 minus Line 10).....	18,131,983	11,625,077
<b>CASH FROM INVESTMENTS</b>		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds.....	49,092,635	136,436,076
12.2 Stocks.....	123,183,772	130,186,778
12.3 Mortgage loans.....		
12.4 Real estate.....		
12.5 Other invested assets.....	1,592,674	88,667
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		
12.7 Miscellaneous proceeds.....	5,643,448	1,547,710
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	179,512,529	268,259,231
13. Cost of investments acquired (long-term only):		
13.1 Bonds.....	86,259,616	162,335,657
13.2 Stocks.....	108,668,058	140,545,332
13.3 Mortgage loans.....		
13.4 Real estate.....	47,665	63,575
13.5 Other invested assets.....	129,097	6,635,030
13.6 Miscellaneous applications.....		7,912,841
13.7 Total investments acquired (Lines 13.1 to 13.6).....	195,104,436	317,492,435
14. Net increase (decrease) in contract loans and premium notes.....	4,672,000	
15. Net cash from investments (Line 12.8 minus Lines 13.7 minus Line 14).....	(20,263,907)	(49,233,204)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes.....		
16.2 Capital and paid in surplus, less treasury stock.....		(14,618,455)
16.3 Borrowed funds.....		
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....		
16.5 Dividends to stockholders.....	330,547	
16.6 Other cash provided (applied).....	(16,228,525)	18,052,981
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6).....	(16,559,072)	3,434,526
<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).....	(18,690,996)	(34,173,601)
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year.....	96,975,148	131,148,749
19.2 End of year (Line 18 plus Line 19.1).....	78,284,152	96,975,148

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

20.0001		
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# COOPERATIVA DE SEGUROS MULTIPLES DE PR UNDERWRITING AND INVESTMENT EXHIBIT

## PART 1 - PREMIUMS EARNED

Line of Business	1 Net Premiums Written per Column 6, Part 1B	2 Unearned Premiums December 31 Prior Year- per Col. 3, Last Year's Part 1	3 Unearned Premiums December 31 Current Year- per Col. 5, Part 1A	4 Premiums Earned During Year (Cols. 1 + 2 - 3)
1. Fire.....	458,894	365,600	349,903	474,591
2. Allied lines.....	6,046,506	4,454,392	4,380,632	6,120,266
3. Farmowners multiple peril.....	100,539	70,495	66,604	104,430
4. Homeowners multiple peril.....	406,468	305,256	275,437	436,287
5. Commercial multiple peril.....	6,678,351	5,652,331	5,296,954	7,033,728
6. Mortgage guaranty.....	0	0	0	0
8. Ocean marine.....	492,417	252,646	246,935	498,128
9. Inland marine.....	36,469	37,274	36,696	37,047
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.....	4,894,643	3,597,989	3,562,493	4,930,139
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.....	5,628,403	4,565,765	4,631,351	5,562,817
17.2 Other liability - claims-made.....	1,479,435	799,165	762,111	1,516,489
17.3 Excess workers' compensation.....	0	0	0	0
18.1 Products liability - occurrence.....	161,041	102,434	78,850	184,625
18.2 Products liability - claims-made.....	0	0	0	0
19.1, 19.2 Private passenger auto liability.....	46,671,869	22,199,403	22,651,995	46,219,277
19.3, 19.4 Commercial auto liability.....	8,086,077	3,824,079	3,873,468	8,036,688
21. Auto physical damage.....	110,627,676	55,633,173	57,754,585	108,506,264
22. Aircraft (all perils).....	0	0	0	0
23. Fidelity.....	2,374,878	1,382,373	1,311,161	2,446,090
24. Surety.....	470,780	1,521,698	1,248,219	744,259
26. Burglary and theft.....	169,480	93,494	93,689	169,285
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.....	287,354	134,789	117,659	304,484
32. Reinsurance - nonproportional assumed liability.....	128,794	81,369	82,416	127,747
33. Reinsurance - nonproportional assumed financial lines.....	33,134	11,203	8,459	35,878
34. Aggregate write-ins for other lines of business.....	7,878,484	2,697,280	3,033,522	7,542,242
35. TOTALS.....	203,111,692	107,782,208	109,863,139	201,030,761

### DETAILS OF WRITE-INS

3401. Travel & Road Assistance.....	5,862,728	2,562,161	2,882,077	5,542,812
3402. Home Assistance.....	304,335	135,119	151,445	288,009
3403. Title Insurance.....	1,711,421	0	0	1,711,421
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	7,878,484	2,697,280	3,033,522	7,542,242

# COOPERATIVA DE SEGUROS MULTIPLES DE PR 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.....	349,903				349,903
2. Allied lines.....	4,380,632				4,380,632
3. Farmowners multiple peril.....	66,604				66,604
4. Homeowners multiple peril.....	275,437				275,437
5. Commercial multiple peril.....	5,296,954				5,296,954
6. Mortgage guaranty.....					0
8. Ocean marine.....	246,935				246,935
9. Inland marine.....	36,696				36,696
10. Financial guaranty.....					0
11.1 Medical professional liability - occurrence.....					0
11.2 Medical professional liability - claims-made.....					0
12. Earthquake.....	3,562,493				3,562,493
13. Group accident and health.....					0
14. Credit accident and health (group and individual).....					0
15. Other accident and health.....					0
16. Workers' compensation.....					0
17.1 Other liability - occurrence.....	2,553,491	2,077,860			4,631,351
17.2 Other liability - claims-made.....	762,111				762,111
17.3 Excess workers' compensation.....					0
18.1 Products liability - occurrence.....	78,850				78,850
18.2 Products liability - claims-made.....					0
19.1, 19.2 Private passenger auto liability.....	22,651,995				22,651,995
19.3, 19.4 Commercial auto liability.....	3,873,468				3,873,468
21. Auto physical damage.....	55,225,000	2,529,585			57,754,585
22. Aircraft (all perils).....					0
23. Fidelity.....	1,311,161				1,311,161
24. Surety.....	214,560	1,033,659			1,248,219
26. Burglary and theft.....	93,689				93,689
27. Boiler and machinery.....					0
28. Credit.....					0
29. International.....					0
30. Warranty.....					0
31. Reinsurance - nonproportional assumed property.....	117,659				117,659
32. Reinsurance - nonproportional assumed liability.....	82,416				82,416
33. Reinsurance - nonproportional assumed financial lines.....	8,459				8,459
34. Aggregate write-ins for other lines of business.....	3,033,522	0	0	0	3,033,522
35. TOTALS.....	104,222,035	5,641,104	0	0	109,863,139
36. Accrued retrospective premiums based on experience.....					0
37. Earned but unbilled premiums.....					0
38. Balance (sum of Lines 35 through 37).....					109,863,139

### DETAILS OF WRITE-INS

3401. Travel & Road Assistance.....	2,882,077				2,882,077
3402. Home Assistance.....	151,445				151,445
3403. Title Insurance.....					0
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	3,033,522	0	0	0	3,033,522

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

**COOPERATIVA DE SEGUROS MULTIPLES DE PR  
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.....	732,394				273,500	458,894
2. Allied lines.....	9,232,885				3,186,379	6,046,506
3. Farmowners multiple peril.....	134,499				33,960	100,539
4. Homeowners multiple peril.....	575,860				169,392	406,468
5. Commercial multiple peril.....	13,551,104				6,872,753	6,678,351
6. Mortgage guaranty.....						0
8. Ocean marine.....	534,453				42,036	492,417
9. Inland marine.....	75,600				39,131	36,469
10. Financial guaranty.....						0
11.1 Medical professional liability - occurrence.....						0
11.2 Medical professional liability - claims-made.....						0
12. Earthquake.....	7,414,387				2,519,744	4,894,643
13. Group accident and health.....						0
14. Credit accident and health (group and individual).....						0
15. Other accident and health.....						0
16. Workers' compensation.....						0
17.1 Other liability - occurrence.....	6,594,136				965,733	5,628,403
17.2 Other liability - claims-made.....	1,875,263				395,828	1,479,435
17.3 Excess workers' compensation.....						0
18.1 Products liability - occurrence.....	162,053				1,012	161,041
18.2 Products liability - claims-made.....						0
19.1, 19.2 Private passenger auto liability.....	46,808,716		(54)		136,793	46,671,869
19.3, 19.4 Commercial auto liability.....	8,105,503				19,426	8,086,077
21. Auto physical damage.....	110,753,269				125,593	110,627,676
22. Aircraft (all perils).....						0
23. Fidelity.....	2,708,676				333,798	2,374,878
24. Surety.....	470,780					470,780
26. Burglary and theft.....	288,794				119,314	169,480
27. Boiler and machinery.....						0
28. Credit.....						0
29. International.....						0
30. Warranty.....						0
31. Reinsurance - nonproportional assumed property.....	XXX		287,354			287,354
32. Reinsurance - nonproportional assumed liability.....	XXX		128,794			128,794
33. Reinsurance - nonproportional assumed financial lines.....	XXX		33,134			33,134
34. Aggregate write-ins for other lines of business.....	7,878,484	0	0	0	0	7,878,484
35. TOTALS.....	217,896,856	0	449,228	0	15,234,392	203,111,692

**DETAILS OF WRITE-INS**

3401. Travel & Road Assistance.....	5,862,728					5,862,728
3402. Home Assistance.....	304,335					304,335
3403. Title Insurance.....	1,711,421					1,711,421
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	7,878,484	0	0	0	0	7,878,484

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

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

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

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - LOSSES PAID AND INCURRED

Line of Business	Losses Paid Less Salvage				5 Net Losses Unpaid Current Year (Part 2A, Col. 8)	6 Net Losses Unpaid Prior Year	7 Losses Incurred Current Year (Cols. 4 + 5 - 6)	8 Percentage of Losses Incurred (Col. 7, Part 2) to Premiums Earned (Col. 4, Part 1)
	1 Direct Business	2 Reinsurance Assumed	3 Reinsurance Recovered	4 Net Payments (Cols. 1 + 2 - 3)				
1. Fire.....	309,562			309,562	167,157	298,422	178,297	37.6
2. Allied lines.....	21,993,106		21,016,344	976,761	782,798	182,575	1,576,984	25.8
3. Farmowners multiple peril.....	401,293		319,275	82,017	28,111	11,274	98,854	94.7
4. Homeowners multiple peril.....	1,788,524		1,506,603	281,921	188,382	498,243	(27,940)	(6.4)
5. Commercial multiple peril.....	18,001,280		15,061,533	2,939,747	10,272,558	3,932,906	9,279,399	131.9
6. Mortgage guaranty.....				.0	.0		.0	0.0
8. Ocean marine.....	342,700		154,152	188,548	195,007	17,634	365,921	73.5
9. Inland marine.....	33,054		4,895	28,159	2,110	12,254	18,015	48.6
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.....	674,988			674,988	2,065,215	1,397,980	1,342,223	24.1
17.2 Other liability - claims-made.....	278,064		53,854	224,210	801,822	855,726	170,306	11.2
17.3 Excess workers' compensation.....				.0	.0		.0	0.0
18.1 Products liability - occurrence.....	34,039			34,039	39,315		73,354	39.7
18.2 Products liability - claims-made.....				.0	.0		.0	0.0
19.1, 19.2 Private passenger auto liability.....	23,683,753	36,007		23,719,760	15,280,404	10,218,771	28,781,393	62.3
19.3, 19.4 Commercial auto liability.....	3,000,872			3,000,872	2,842,722	2,813,830	3,029,764	37.7
21. Auto physical damage.....	83,894,593	9,332	22,267,811	61,636,114	9,319,435	3,858,674	67,096,875	61.8
22. Aircraft (all perils).....				.0	.0		.0	0.0
23. Fidelity.....	3,705,512		2,091,905	1,613,607	1,657,163	3,481,542	(210,772)	(8.6)
24. Surety.....	480,741			480,741	156,339	318,315	318,765	42.8
26. Burglary and theft.....				.0	150,000		150,000	88.6
27. Boiler and machinery.....				.0	.0		.0	0.0
28. Credit.....				.0	.0		.0	0.0
29. International.....				.0	.0		.0	0.0
30. Warranty.....				.0	.0		.0	0.0
31. Reinsurance - nonproportional assumed property.....	XXX	149,469		149,469	35,499	154,033	30,935	10.2
32. Reinsurance - nonproportional assumed liability.....	XXX	3,567		3,567	28,166	26,307	5,426	4.2
33. Reinsurance - nonproportional assumed financial lines.....	XXX	21,286		21,286	90,172	33,361	78,097	217.7
34. Aggregate write-ins for other lines of business.....	4,778,400	.0	28,004	4,750,396	1,308,227	1,102,037	4,956,586	65.7
35. TOTALS.....	163,400,480	219,661	62,504,376	101,115,766	45,410,602	29,213,884	117,312,484	58.4

DETAILS OF WRITE-INS

3401. Travel & Road Assistance.....	4,534,449		28,004	4,506,444	64,827	36,273	4,534,998	81.8
3402. Home Assistance.....	243,951			243,951	4,052	3,559	244,444	84.9
3403. Title Insurance.....				.0	1,239,348	1,062,205	177,143	10.4
3498. Summary of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	XXX
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	4,778,400	.0	28,004	4,750,396	1,308,227	1,102,037	4,956,586	65.7

**UNDERWRITING AND INVESTMENT EXHIBIT**  
**PART 2A - UNPAID LOSSES AND LOSS ADJUSTMENT EXPENSES**

Line of Business	Reported Losses				Incurred But Not Reported			8 Net Losses Unpaid (Cols. 4 + 5 + 6 - 7)	9 Net Unpaid Loss Adjustment Expenses
	1 Direct	2 Reinsurance Assumed	3 Deduct Reinsurance Recoverable	4 Net Losses Excluding Incurred but not Reported (Cols. 1 + 2 - 3)	5 Direct	6 Reinsurance Assumed	7 Reinsurance Ceded		
1. Fire.....	137,773			137,773	29,384			167,157	30,253
2. Allied lines.....	14,960,816		14,453,230	507,586	26,415,091	26,139,879		782,798	422,963
3. Farmowners multiple peril.....	499,500		491,500	8,000	649,386	629,275		28,111	7,039
4. Homeowners multiple peril.....	724,474		608,363	116,111	1,765,676	1,693,405		188,382	86,397
5. Commercial multiple peril.....	27,075,155		18,085,874	8,989,281	31,177,846	29,894,569		10,272,558	2,042,425
6. Mortgage guaranty.....				0				0	
8. Ocean marine.....	145,600		12,022	133,578	251,879	190,450		195,007	14,745
9. Inland marine.....	5,000		5,000	0	8,650	6,540		2,110	4,824
10. Financial guaranty.....				0				0	
11.1 Medical professional liability - occurrence.....				0				0	
11.2 Medical professional liability - claims-made.....				0				0	
12. Earthquake.....				0				0	
13. Group accident and health.....				0				(a) 0	
14. Credit accident and health (group and individual).....				0				0	
15. Other accident and health.....				0				(a) 0	
16. Workers' compensation.....				0				0	
17.1 Other liability - occurrence.....	1,314,289			1,314,289	750,926			2,065,215	536,820
17.2 Other liability - claims-made.....	573,251		98,921	474,330	327,492			801,822	857,221
17.3 Excess workers' compensation.....				0				0	
18.1 Products liability - occurrence.....	25,000			25,000	14,315			39,315	
18.2 Products liability - claims-made.....				0				0	
19.1, 19.2 Private passenger auto liability.....	7,312,085	23,079		7,335,164	7,911,692	33,548		15,280,404	1,358,757
19.3, 19.4 Commercial auto liability.....	1,102,918			1,102,918	1,739,804			2,842,722	338,273
21. Auto physical damage.....	13,331,038	1,579	5,998,089	7,334,528	24,690,034	2,298	22,707,425	9,319,435	2,629,377
22. Aircraft (all perils).....				0				0	
23. Fidelity.....	1,773,500		171,187	1,602,313	165,805		110,955	1,657,163	182,396
24. Surety.....	110,040			110,040	46,299			156,339	30,531
26. Burglary and theft.....	150,000			150,000				150,000	
27. Boiler and machinery.....				0				0	
28. Credit.....				0				0	
29. International.....				0				0	
30. Warranty.....				0				0	
31. Reinsurance - nonproportional assumed property.....	XXX	14,471		14,471	XXX	21,028		35,499	494
32. Reinsurance - nonproportional assumed liability.....	XXX	11,481		11,481	XXX	16,685		28,166	880
33. Reinsurance - nonproportional assumed financial lines.....	XXX	36,750		36,750	XXX	53,422		90,172	1,899
34. Aggregate write-ins for other lines of business.....	167,352	0	9,324	158,028	1,150,199	0	0	1,308,227	112,287
35. TOTALS.....	69,407,791	87,360	39,933,510	29,561,641	97,094,478	126,981	81,372,498	45,410,602	8,657,581
<b>DETAILS OF WRITE-INS</b>									
3401. Travel & Road Assistance.....	33,220			33,220	31,607			64,827	106,555
3402. Home Assistance.....	13,132		9,324	3,808	244			4,052	5,732
3403. Title Insurance.....	121,000			121,000	1,118,348			1,239,348	
3498. Summary of remaining write-ins for Line 34 from overflow page.....	0	0	0	0	0	0	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34 above).....	167,352	0	9,324	158,028	1,150,199	0	0	1,308,227	112,287

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

# COOPERATIVA DE SEGUROS MULTIPLES DE PR UNDERWRITING AND INVESTMENT EXHIBIT

## PART 3 - EXPENSES

	1 Loss Adjustment Expenses	2 Other Underwriting Expenses	3 Investment Expenses	4 Total
1. Claim adjustment services:				
1.1 Direct.....	9,213,578			9,213,578
1.2 Reinsurance assumed.....				.0
1.3 Reinsurance ceded.....	3,913,718			3,913,718
1.4 Net claim adjustment services (1.1 + 1.2 - 1.3).....	5,299,860	.0	.0	5,299,860
2. Commission and brokerage:				
2.1 Direct, excluding contingent.....		34,117,482		34,117,482
2.2 Reinsurance assumed, excluding contingent.....		29,406		29,406
2.3 Reinsurance ceded, excluding contingent.....		1,549,712		1,549,712
2.4 Contingent - direct.....				.0
2.5 Contingent - reinsurance assumed.....				.0
2.6 Contingent - reinsurance ceded.....				.0
2.7 Policy and membership fees.....				.0
2.8 Net commission and brokerage (2.1 + 2.2 - 2.3 + 2.4 + 2.5 - 2.6 + 2.7).....	.0	32,597,176	.0	32,597,176
3. Allowances to manager and agents.....				.0
4. Advertising.....		9,677,520		9,677,520
5. Boards, bureaus and associations.....		573,456		573,456
6. Surveys and underwriting reports.....		145,110		145,110
7. Audit of assureds' records.....				.0
8. Salary and related items:				
8.1 Salaries.....	3,796,083	11,000,942	294,775	15,091,800
8.2 Payroll taxes.....	302,778	901,498	23,512	1,227,788
9. Employee relations and welfare.....	1,645,626	3,553,488	127,786	5,326,900
10. Insurance.....	103,432	307,960	8,032	419,424
11. Directors' fees.....		19,661		19,661
12. Travel and travel items.....	544,850	932,170	32,872	1,509,892
13. Rent and rent items.....	1,230,582	3,494,806	95,561	4,820,949
14. Equipment.....	824,956	2,451,969	64,060	3,340,985
15. Cost or depreciation of EDP equipment and software.....	190,083	564,106	14,760	768,949
16. Printing and stationery.....	173,279	515,924	13,455	702,658
17. Postage, telephone and telegraph, exchange and express.....	1,454,531	4,330,748	112,947	5,898,226
18. Legal and auditing.....	515,476	1,570,233	30,000	2,115,709
19. Totals (Lines 3 to 18).....	10,781,676	40,039,591	817,760	51,639,027
20. Taxes, licenses and fees:				
20.1 State and local insurance taxes deducting guaranty association credits of \$.....0.....		96,343		96,343
20.2 Insurance department licenses and fees.....	49,505	147,397	3,844	200,746
20.3 Gross guaranty association assessments.....		1,268		1,268
20.4 All other (excluding federal and foreign income and real estate).....	57,874	172,863	669,131	899,868
20.5 Total taxes, licenses and fees (20.1 + 20.2 + 20.3 + 20.4).....	107,379	417,871	672,975	1,198,225
21. Real estate expenses.....				.0
22. Real estate taxes.....	17,087	50,316	1,327	68,730
23. Reimbursements by uninsured plans.....				.0
24. Aggregate write-ins for miscellaneous expenses.....	704,335	2,459,510	54,693	3,218,538
25. Total expenses incurred.....	16,910,337	75,564,464	1,546,755	(a) 94,021,556
26. Less unpaid expenses - current year.....	8,657,581	7,534,266	196,358	16,388,205
27. Add unpaid expenses - prior year.....	6,432,442	5,391,270	134,766	11,958,478
28. Amounts receivable relating to uninsured plans, prior year.....				.0
29. Amounts receivable relating to uninsured plans, current year.....				.0
30. TOTAL EXPENSES PAID (Lines 25 - 26 + 27 - 28 + 29).....	14,685,198	73,421,468	1,485,163	89,591,829

### DETAILS OF WRITE-INS

2401. Donations.....		150,933		150,933
2402. Social and Educational Reserves.....				.0
2403. Stockholders Annual Meetings.....				.0
2498. Summary of remaining write-ins for Line 24 from overflow page.....	704,335	2,308,577	54,693	3,067,605
2499. Totals (Lines 2401 through 2403 plus 2498) (Line 24 above).....	704,335	2,459,510	54,693	3,218,538

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

## COOPERATIVA DE SEGUROS MULTIPLES DE PR EXHIBIT OF NET INVESTMENT INCOME

	1 Collected During Year	2 Earned During Year
1. U.S. government bonds.....	(a).....212,095	.....223,618
1.1 Bonds exempt from U.S. tax.....	(a).....3,003,816	.....3,268,747
1.2 Other bonds (unaffiliated).....	(a).....4,845,209	.....4,930,559
1.3 Bonds of affiliates.....	(a).....	.....
2.1 Preferred stocks (unaffiliated).....	(b).....122,141	.....129,608
2.11 Preferred stocks of affiliates.....	(b).....	.....
2.2 Common stocks (unaffiliated).....	.....1,258,286	.....1,240,126
2.21 Common stocks of affiliates.....	.....	.....
3. Mortgage loans.....	(c).....	.....
4. Real estate.....	(d).....924,000	.....779,638
5. Contract loans.....	.....	.....
6. Cash, cash equivalents and short-term investments.....	(e).....640,405	.....632,610
7. Derivative instruments.....	(f).....10,247	.....10,247
8. Other invested assets.....	.....1,062,151	.....943,495
9. Aggregate write-ins for investment income.....	.....966	.....966
10. Total gross investment income.....	.....12,079,316	.....12,159,614
11. Investment expenses.....	.....	(g).....873,780
12. Investment taxes, licenses and fees, excluding federal income taxes.....	.....	(g).....672,975
13. Interest expense.....	.....	(h).....
14. Depreciation on real estate and other invested assets.....	.....	(i).....366,557
15. Aggregate write-ins for deductions from investment income.....	.....	.....0
16. Total deductions (Lines 11 through 15).....	.....	.....1,913,312
17. Net investment income (Line 10 minus Line 16).....	.....	.....10,246,302

### DETAILS OF WRITE-INS

0901. Class Actions.....	.....966	.....966
0902. ....	.....	.....
0903. ....	.....	.....
0998. Summary of remaining write-ins for Line 9 from overflow page.....	.....0	.....0
0999. Totals (Lines 0901 through 0903 plus 0998) (Line 9 above).....	.....966	.....966
1501. ....	.....	.....
1502. ....	.....	.....
1503. ....	.....	.....
1598. Summary of remaining write-ins for Line 15 from overflow page.....	.....	.....0
1599. Totals (Lines 1501 through 1503 plus 1598) (Line 15 above).....	.....	.....0

- (a) Includes \$.....150,027 accrual of discount less \$.....800,852 amortization of premium and less \$.....129,656 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 \$.....873,780 investment expenses and \$.....672,975 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 \$.....366,557 depreciation on real estate and \$.....0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

	1 Realized Gain (Loss) on Sales or Maturity	2 Other Realized Adjustments	3 Total Realized Capital Gain (Loss) (Columns 1 + 2)	4 Change in Unrealized Capital Gain (Loss)	5 Change in Unrealized Foreign Exchange Capital Gain (Loss)
1. U.S. government bonds.....	.....	.....	.....0	.....	.....
1.1 Bonds exempt from U.S. tax.....	.....28,488	.....(926,760)	.....(898,272)	.....635,650	.....
1.2 Other bonds (unaffiliated).....	.....225,732	.....	.....225,732	.....317,000	.....
1.3 Bonds of affiliates.....	.....	.....	.....0	.....	.....
2.1 Preferred stocks (unaffiliated).....	.....17,475	.....	.....17,475	.....800	.....
2.11 Preferred stocks of affiliates.....	.....	.....	.....0	.....	.....
2.2 Common stocks (unaffiliated).....	.....1,312,548	.....	.....1,312,548	.....1,192,132	.....
2.21 Common stocks of affiliates.....	.....(5,750,907)	.....	.....(5,750,907)	.....19,811,786	.....
3. Mortgage loans.....	.....	.....	.....0	.....	.....
4. Real estate.....	.....	.....	.....0	.....	.....
5. Contract loans.....	.....	.....	.....0	.....	.....
6. Cash, cash equivalents and short-term investments.....	.....260	.....	.....260	.....	.....
7. Derivative instruments.....	.....1,046,852	.....	.....1,046,852	.....	.....
8. Other invested assets.....	.....220,333	.....	.....220,333	.....	.....
9. Aggregate write-ins for capital gains (losses).....	.....0	.....0	.....0	.....0	.....0
10. Total capital gains (losses).....	.....(2,899,219)	.....(926,760)	.....(3,825,979)	.....21,957,368	.....0

### DETAILS OF WRITE-INS

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

**COOPERATIVA DE SEGUROS MULTIPLES DE PR  
EXHIBIT OF NONADMITTED ASSETS**

	1 Current Year Total Nonadmitted Assets	2 Prior Year Total Nonadmitted Assets	3 Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D).....			0
2. Stocks (Schedule D):			
2.1 Preferred stocks.....	2,500,000	2,000,000	(500,000)
2.2 Common stocks.....	1,400,266	1,400,266	0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens.....			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company.....			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale.....			0
5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA).....			0
6. Contract loans.....			0
7. Derivatives (Schedule DB).....			0
8. Other invested assets (Schedule BA).....			0
9. Receivables for securities.....			0
10. Securities lending reinvested collateral assets (Schedule DL).....			0
11. Aggregate write-ins for invested assets.....	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	3,900,266	3,400,266	(500,000)
13. Title plants (for Title insurers only).....			0
14. Investment income due and accrued.....			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection.....	643,947	1,126,060	482,113
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due.....			0
15.3 Accrued retrospective premiums and contracts subject to redetermination.....			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers.....			0
16.2 Funds held by or deposited with reinsured companies.....			0
16.3 Other amounts receivable under reinsurance contracts.....			0
17. Amounts receivable relating to uninsured plans.....			0
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0
18.2 Net deferred tax asset.....			0
19. Guaranty funds receivable or on deposit.....			0
20. Electronic data processing equipment and software.....			0
21. Furniture and equipment, including health care delivery assets.....	1,397,345	7,966,349	6,569,004
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0
23. Receivables from parent, subsidiaries and affiliates.....	857,969	621,234	(236,735)
24. Health care and other amounts receivable.....			0
25. Aggregate write-ins for other-than-invested assets.....	36,059,036	32,117,275	(3,941,761)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	42,858,563	45,231,184	2,372,621
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0
28. TOTALS (Lines 26 and 27).....	42,858,563	45,231,184	2,372,621

**DETAILS OF WRITE-INS**

1101.....			0
1102.....			0
1103.....			0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above).....	0	0	0
2501. MISCELLANEOUS ASSETS AND ACCOUNT RECEIVABLE.....	33,519,036	32,117,275	(1,401,761)
2502. GOODWILL.....			0
2503. INTANGIBLE ASSETS.....	2,540,000		(2,540,000)
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above).....	36,059,036	32,117,275	(3,941,761)

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

Cooperativa de Seguros Múltiples de Puerto Rico (Cooperativa) accompanying statutory financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico (Commissioner of Insurance), which is a comprehensive basis of accounting other than U.S. generally accepted accounting principles (GAAP). The Commissioner of Insurance has adopted the National Association of Insurance Commissioners' Statutory Accounting Practices (NAIC SAP) as the basis of its statutory accounting practices, as long as they do not contradict the provisions of the Puerto Rico Insurance Code or the Circular letters issued by the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. Prescribed statutory accounting practices include a variety of publications of the National Association of Insurance Commissioners (NAIC) including its codification initiative contained in its accounting practices and procedures manual, as well as state laws, regulations, and general administrative rules. Permitted SAPs encompass all accounting practices not so prescribed. The Commissioner of Insurance has adopted certain prescribed accounting practices that differ from those found on NAIC SAP.

The Commissioner of Insurance has permitted Cooperativa to record \$15.2 million, representing the participation of prior owners who opted out of exchanging their participation in Cooperativa for a proportional amount of shares of Grupo Cooperativo Seguros Múltiples (the Exchange), as part of surplus, specifically "Special Surplus Funds," instead of recording a liability, as required by NAIC SAP, at July 1, 2016. Refer to Note 13(6) Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations, for additional details on the Company's Special Surplus Funds. At December 31, 2017 and 2016, this amount was decreased to \$12.1 and \$14.9 million, respectively.

This accounting practice did not impact statutory capital and surplus at July 1, 2016. Had the permitted practice not been allowed, statutory capital and surplus would have decreased by \$12.1 and \$14.9 million at December 31, 2017 and 2016, respectively. Cooperativa's statutory capital and surplus, including the effects of the permitted practice, was \$187.0 and \$147.4 million as of December 31, 2017 and 2016, respectively. Had Cooperativa recorded a liability in each reporting period, in accordance with NAIC SAP, the Cooperativa's capital and surplus would have been \$174.9 and \$132.5 million as of December 31, 2017 and 2016, respectively.

Also, Commissioner of Insurance has a prescribed practice that allows insurance companies to use the funds in the Catastrophic Loss Reserve Fund for the payment of catastrophic losses incurred, as part of the underwriting deductions, specifically, "Aggregate write-ins for underwriting deductions", in the Statement of Income.

Had this practice not been prescribed, Net Income would have decreased by approximately \$11.4 million as of December 31, 2017 and the balance would have been approximately \$7.3 million at the end of the year. This prescribed practice did not impact Cooperativa's statutory capital and total surplus.

	SSAP #	F/S Page	F/S Line #	2017	2016
<b>NET INCOME</b>					
(1) COOPERATIVA DE SEGUROS MULTIPLES DE PR Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$18,655,901	\$9,793,097
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP	SSAP #5R	4	5	\$11,387,768	\$
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$7,268,132	\$9,793,097
<b>SURPLUS</b>					
(5) COOPERATIVA DE SEGUROS MULTIPLES DE PR Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$153,092,575	\$147,389,485
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$0	\$
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP	SSAP #5R	3	25	\$12,052,315	\$14,882,351
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$141,040,260	\$132,507,134

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

The preparation of Cooperativa's financial statements, in conforming to Statutory Accounting Principles (SAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets, liabilities, revenues and expenses at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**C. Accounting Policy**

Premiums are earned over the terms of the related insurance policies and reinsurance contracts. Unearned premiums reserves are established to cover the unexpired portion of premiums written. Such reserves are computed by pro rata methods for direct business and are based on reports received from ceding companies for reinsurance.

**NOTES TO FINANCIAL STATEMENTS**

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

In addition, Cooperativa uses the following accounting policies:

## (1) Basis for Short-Term Investments

Short-term investments are stated at amortized cost.

## (2) Basis for Bonds and Amortization Schedule

Bonds not backed by other loans are stated at amortized cost, using the scientific interest method. The SVO identified investments are stated at fair value.

## (3) Basis for Common Stocks

Common Stocks are stated at market, except that investments in stocks of uncombined subsidiaries and affiliates in which the Cooperative has an interest of 20% or more, which are carried on the equity basis for insurance.

## (4) Basis for Preferred Stocks

Preferred Stocks are stated in accordance with the guidance provided in SSAP No. 32.

## (5) Basis for Mortgage Loans

The Company does not held investments in Mortgage Loans.

## (6) Basis for Loan-Backed Securities and Adjustment Methodology

The loan-backed securities are stated at amortized cost, using the retrospective adjustment methodology.

## (7) Accounting Policies for Investments in Subsidiaries, Controlled and Affiliated Entities

The investments in subsidiaries, controlled and affiliated entities are stated in accordance with the guidance provided in SSAP No. 97.

## (8) Accounting Policies for Investments in Joint Ventures, Partnerships and Limited Liability Entities

Not applicable

## (9) Accounting Policies for Derivatives

Derivatives are stated in accordance with the guidance provided in SSAP No. 86.

## (10) Anticipated Investment Income Used in Premium Deficiency Calculation

Cooperativa does not anticipate investment income when evaluating the need for premium deficiency test.

## (11) Management's Policies and Methodologies for Estimating Liabilities for Losses and Loss/Claim Adjustment Expenses for A&amp;H Contracts

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) Changes in the Capitalization Policy and Predefined Thresholds from Prior Period

Cooperative has not modified its capitalization policy from the prior period.

## (13) Method Used to Estimate Pharmaceutical Rebate Receivables

Not applicable

## D. Going Concern

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about Cooperativa's ability to continue as a going concern.

**Note 2 – Accounting Changes and Correction of Errors**

During 2016, Cooperativa identified an accounting adjustment in the prior year financial statements of a subsidiary associated with certain premium adjustments to the reinsurance agreements not paid nor recorded in the respective accounting periods. As of December 31, 2015, the company should have reported a \$4.6 million reduction in the changes in unrealized loss of common stocks. The Office of the Commissioner of Insurance of the Commonwealth of Puerto Rico, approved the Company to report this adjustment against beginning capital and surplus per the guidance in SSAP No. 3, Accounting Changes and Corrections of Errors.

**Note 3 – Business Combinations and Goodwill**

**NOTES TO FINANCIAL STATEMENTS****A. Statutory Purchase Method**

On October 8, 2003, Cooperative acquired 100% of Real Legacy Assurance (RLA). RLA is licensed in Puerto Rico and US British Virgin Islands to sell property and casualty insurance. The transaction was accounted for as a statutory purchase. The cost of acquisition was \$61,687,642 including purchase price and direct expense, resulting in \$21,331,712 as goodwill. This goodwill is fully amortized at the end of the reporting period.

Effective January 1, 2017, as part of the corporate structure reorganization, Cooperativa ceased to be the holding company of CSM Investors, Inc. (CSM) and Multiples Mortgage Corporation (MMC) through the distribution of its ownership interests in these companies to Grupo Cooperativo. CSM and MMC became subsidiaries of Grupo Cooperativo and affiliates of Cooperativa. CSM Investors remained as the holding company of its subsidiaries. RLA remained as a wholly-owned subsidiary of Cooperativa. See Note 10 for additional information regarding Investments in Subsidiaries and Related-Party Transactions.

**B. Statutory Merger**

Not applicable

**C. Impairment Loss**

Cooperativa did not recognized an impairment loss on the transactions describe in Note 3 (A) above.

**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****(1) Description of Sources Used to Determined Prepayment Assumptions**

Prepayment assumptions for mortgage backed securities were obtained from broker.

(2) Not applicable

(3) Not applicable

(4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$ (155,748)
	2. 12 Months or Longer	\$ (548,748)
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$ 7,763,878
	2. 12 Months or Longer	\$11,812,646

(5) The Company concludes that the losses are not other than temporary after the analysis made by management according to the Company's OTTI Policy.

**E. Dollar Repurchase Agreements and/or Securities Lending Transactions**

Not applicable

**F. Repurchase Agreements Transactions Accounted for as Secured Borrowing**

Not applicable

**G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing**

**NOTES TO FINANCIAL STATEMENTS**

Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not applicable

J. Real Estate

Not applicable

K. Low-Income Housing Tax Credits (LIHTC)

Not applicable

L. Restricted Assets

Not applicable

M. Working Capital Finance Investments

Not applicable

N. Offsetting and Netting of Assets and Liabilities

Not applicable

O. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
22549C 83 2	\$2,000,000	\$1,976,000	\$1,976,000	NO
78014E 74 5	\$3,000,000	\$2,928,000	\$2,928,000	NO
90280X 50 5	\$5,000,000	\$4,970,000	\$4,970,000	NO
	\$10,000,000	\$9,874,000	\$9,874,000	XXX

P. 5\* Securities

Not applicable

Q. Short Sales

Not applicable

R. Prepayment Penalty and Acceleration Fees

	General Account	Protected Cell
(1) Number of CUSIPs	14	
(2) Aggregate Amount of Investment Income	\$60,656	\$

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

Not Applicable

**Note 7 – Investment Income**

A. The bases, by category of investment income, for excluding (non-admitting) any investment income due and accrued:

Cooperativa does not admits investment income due and accrued if amounts are over 90 days past due. At the end of the reported period there are no exclusions from investment income due and accrued since the balance is admitted in its entirety.

B. The total amount excluded:

No investment income has been excluded from its surplus in this statement.

**Note 8 – Derivative Instruments**

**NOTES TO FINANCIAL STATEMENTS****A. Market Risk, Credit Risk and Cash Requirements**

Cooperativa invests in derivative financial instrument with the objective of hedge the odds to facing systematic risk. This risk is the possibility for a company to experience losses due to factors that affect the overall performance of the financial markets in which is involved.

**B. Objectives for Derivative User**

Through the advisory of Horse Cove Partners, Cooperativa applies this strategy for risk mitigation that produces non-correlated monthly returns. Cooperativa's investment approach consists of an active option strategy that is executed weekly. We expect to generate revenue from selling both put and call options on the S&P 500 Index. There may also be some fixed income interest from government securities. The option strategy seeks to generate absolute returns through premiums from selling option contracts that statistically are not expected to be exercised. While various mechanisms may be used from time to time to manage risk, investors are exposed to the significant risks associated with selling option contracts. The strategy sells out of the money puts and calls on the S&P 500 index at statistical probabilities of 99.5% on the puts and 90% or higher on the calls on a weekly basis, that the options will expire out of the money and the premiums collected will be retained as profit.

**C. Accounting Policies for Recognition and Measurement**

Investments in derivative contracts are stated at fair value which is defined as the price that would be received or sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As of December 31, 2017, all options are closed or expired.

Option purchasing: When Cooperativa purchases an option, an amount equal to the premium paid for the option by Cooperativa is recorded as an asset and is subsequently adjusted to the current fair value of the option purchased. Premiums paid from purchasing options that expire are treated by Cooperativa on the expiration date as realized losses from investments. If the premium is less than the amount received on effecting a closing sale transaction, it is treated as a realized gain. As a purchaser of an option, Cooperativa's maximum exposure to loss is the amount of the premium paid. Cooperativa may enter into options for use as an economic hedge against certain positions held in the Cooperativa's portfolio holdings or to generate additional income or return to Cooperativa. Options purchased are included in the investments in derivative contracts line item on the statement of financial condition and are disclosed by type on the schedule of investments.

Option writing: When Cooperativa writes an option, an amount equal to the premium received by Cooperativa is recorded as a liability and is subsequently adjusted to the current fair value of the option written. Premiums received from writing options that expire unexercised are treated by Cooperativa on the expiration date as realized gains from investments. The difference between the premium and the amount paid on effecting a closing purchase transaction, is also treated as a realized gain, or, if the premium is less than the amount paid for the closing purchase transaction, as a realized loss. If a call option expires in the money, the difference between the strike price of the options and the underlying index price of the security at expiration is deducted from the premium received, to determine the realized gain or loss. Cooperativa writes options frequently to generate income by receiving premiums on options contracts that have a low probability of being exercised. Options written are separately identified as liabilities on the statement of financial condition and are disclosed by type on the schedule of investments.

**D. Identification of Whether Derivative Contracts with Financing Premiums**

As of December 31, 2017, Cooperativa does not hold derivative contracts with financing premiums.

**E. Net Gain or Loss Recognized**

As of December 31, 2017, Cooperativa does not hold open positions on options.

**F. Net Gain or Loss Recognized from Derivatives that no Longer Qualify for Hedge Accounting**

The net change in unrealized loss on derivative contracts included in Surplus consists of the net change in unrealized gain or loss during the year. As of December 31, 2017 there is no change in unrealized gain or loss for derivative instruments.

**G. Derivatives Accounted for as Cash Flow Hedges**

The Company does not held derivatives accounted for cash flow hedges of a forecasted transaction.

**H. Total Premium Costs for Contracts**

As of December 31, 2017, the aggregate non-discounted total premium cost for derivative contracts and the premium cost due in each of the following four years and thereafter is \$0.

**Note 9 – Income Taxes****A. Deferred Tax Assets/(Liabilities)**

Cooperativa is organized in accordance with Chapter 34 of the Insurance Code of the Commonwealth of Puerto Rico, and accordingly, is exempt from income and property taxes. The exemption on property tax is limited to the first \$1,000,000 basis of the taxable assets.

Effective July 1, 2016, and as a part of the Exchange, Cooperativa operates under the tax exemption of its ultimate parent company, Grupo Cooperativo Seguros Múltiples. The Parent Company was organized under the provisions of the General Law of Cooperative Institutions of 2004 ("Law No. 239"), which provides a 100% exemption from income tax, and property and municipal taxes to cooperative institutions, including its affiliates and subsidiaries entities. Therefore Cooperativa is exempt from all taxes levied by the Commonwealth of Puerto Rico or any political subdivision thereof.

As a result, Cooperativa will not incur prospectively in additional income tax obligations, and future financial statements will not include any additional tax obligations, nor provision for income taxes.

Therefore, as of December 31, 2017 and 2016, there are no deferred assets or liabilities recorded in the financial statements.

**NOTES TO FINANCIAL STATEMENTS**

## B. Deferred Tax Liabilities Not Recognized

Not applicable

## C. Consolidated Federal Income Tax Return

Not applicable

## D. Federal or Foreign Federal Income Tax Loss Contingencies:

Not applicable

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

## A. Nature of the Relationship Involved

A. to C.

Under a formal reorganization plan approved by Cooperativa's general assembly and executed on July 1st, 2016, Cooperativa became a wholly-owned subsidiary of Grupo Cooperativo Seguros Múltiples (Grupo Cooperativo), a holding Company incorporated in the Commonwealth of Puerto Rico, in accordance with Law 239 issued on September 1, 2004, known as Ley General de Sociedades Cooperativas de 2004 (Law 239). Grupo Cooperativo was constituted through the exchange of Cooperativa's common stock certificates for common stock certificates of Grupo Cooperativo (the Exchange). Once the Exchange of certificates took place, Grupo Cooperativo became the holding company and sole owner of Cooperativa. See Note 13 for additional information regarding Member's Contributions.

Effective January 1, 2017, Cooperativa distributed its ownership interest in CSM Invetors, Inc. (CSM) and Multiples Mortgage Corporation (MMC) to its parent company, Grupo Cooperativo, as part of its corporate structure reorganization. The distribution was treated a property dividend which is accounted for at fair value. The fair value of Cooperativa's ownership interest in CSM and MMC amounted to \$17,000,000 and \$2,789,963, respectively. The distribution resulted in a loss of \$5,750,908 and a direct increase in unassigned surplus of \$14,987,775.

As a result of the Reorganization, as of December 31, 2017, Cooperativa owns 100% interest in Real Legacy Assurance Inc. CSM and MMC became subsidiaries of Grupo Cooperativo and affiliates of Cooperativa.

As of December 31, 2016, before the Reorganization, Cooperativa owned 100% interest in Real Legacy assurance Inc. and CSM Investors, Inc.(CSM) and 72% interest in Multi Mortgage Inc.(MMC). Cooperativa carried the non-insurance companies CSM and MMC at GAAP Equity.

## B. Transactions

See Item A.

## C. Dollar Amounts of Transactions

See Item A.

## D. Amounts Due From or To Related Parties

Cooperativa reported the following due to/from affiliate:

	12/31/2017		12/31/2016	
	Due From	Due To	Due From	Due To
<b>Parent:</b>				
Grupo Cooperativo	\$ 3,010,595	-	\$ -	-
Sub-total	<u>3,010,595</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Subsidiary:</b>				
Real Legacy Assurance	397,511	500,000	311,402	-
Sub-total	<u>397,511</u>	<u>500,000</u>	<u>311,402</u>	<u>-</u>
<b>Affiliates:</b>				
CSM Investors	27,014,763	1,600,925	27,456,314	825,851
Multiples Mortgage	18,618	-	1,325	-
Sub-total	<u>27,033,381</u>	<u>1,600,925</u>	<u>27,457,639</u>	<u>825,851</u>
Total	<u>\$ 30,441,487</u>	<u>2,100,925</u>	<u>\$ 27,769,041</u>	<u>825,851</u>

## E. Guarantees or Undertakings

**NOTES TO FINANCIAL STATEMENTS**

On August 14, 2017, a Capital Maintenance Agreement was executed by and between Cooperativa and its wholly-owned subsidiary Real Legacy Assurance Company (RLA). The guarantee arises to provide RLA with stability in regards to the capital required by the insurance rating agencies in order to keep its rating. The term of the guarantee under the Capital Maintenance Agreement is through January 1, 2019. At any time through that date, Cooperativa is obligated up to its financial capacity to fund RLA with capital contributions in the event RLA's capital and surplus falls beneath the minimum of \$35,500,000. A payment under such a guarantee would result in the transfer of cash resources from the guarantor to its subsidiary. As of December 31, 2017, Cooperativa has experienced one (1) call on this guarantee for the total amount of \$15.0 million.

F. Material Management or Service Contracts and Cost-Sharing Arrangements

Cooperativa also reimburses Grupo Cooperativo for certain allocated overhead and administrative expenses. These expenses generally consist of salaries and related benefits paid to corporate personnel and other costs for the use of corporate facilities costs. Allocations of personnel costs have been based primarily on actual time spent by Grupo Cooperativo employees with respect to management of Cooperativa. Remaining overhead costs are allocated based on physical area occupied or specific cost criteria. Amounts charged to Cooperativa under this cost allocation have amounted to approximately \$8.4 million for the year ended December 31, 2017.

G. Nature of the Control Relationship

100% of the outstanding shares of Cooperativa are owned by Grupo Cooperativo Seguros Múltiples (Parent), a holding company based in Puerto Rico.

H. Amount Deducted from the Value of Upstream Intermediate Entity or Ultimate Parent Owned

Not applicable

I. Investments in SCA that Exceed 10% of Admitted Assets

Not applicable

J. Investments in Impaired SCAs

Cooperativa did not recognized any impairment write down for its investments in Subsidiary, Controlled or Affiliated Companies during the statement period.

K. Investment in Foreign Insurance Subsidiary

Not applicable

L. Investment in Downstream Noninsurance Holding Company

Not applicable

M. All SCA Investments

Not applicable

N. Investment in Insurance SCAs

(1) Accounting Practice that Differs from NAIC Statutory Accounting Practices and Procedures

Cooperativa owns an insurance SCA that are carried at audited statutory equity value. Real Legacy Assurance Company, Inc. (RLA) is an insurance company organized under the laws of the Commonwealth of Puerto Rico. Therefore its financial statements have been prepared on the basis of accounting practices prescribed or permitted by the Commissioner of Insurance of the Commonwealth of Puerto Rico (Commissioner of Insurance). As mentioned in Note 1, The Commissioner of Insurance requires insurance companies domiciled in Puerto Rico to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviation prescribed or permitted by the Office of the Commissioner of Insurance.

The Commissioner of Insurance has the right to permit other specific practices that may deviate from prescribed practices. The Commissioner of Insurance has adopted certain permitted accounting practices, which differ from those found in NAIC SAP.

Therefore, there was no monetary effects on statutory capital and surplus at the end of the reporting period.

(2) Monetary Effect on Net Income and Surplus

SCA Entity (Investments in Insurance SCA Entities)	Monetary Effect on NAIC SAP		Amount of Investment	
	Net Income Increase (Decrease)	Surplus Increase (Decrease)	Per Audited Statutory Equity	If the Insurance SCA Had Completed Statutory Financial Statements*
Real Legacy Assurance Company (RLAC)	\$	\$	\$ 35,511,065	\$ 35,511,065

\* Per AP&P Manual (without permitted or prescribed practices)

(3) RBC Regulatory Event Because of Prescribed or Permitted Practice

## NOTES TO FINANCIAL STATEMENTS

## Note 11 – Debt

Not Applicable

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

## A. Defined Benefit Plan

## (1) Change in Benefit Obligation

Cooperativa sponsors a non-contributory defined benefit pension plan for substantially all of its employees. Pension benefits begin to vest after the employee's first year of service. These benefits are based on years of service rendered and average salary, as defined. The funding policy is to contribute to the plan as necessary to meet the minimum funding requirements as set forth in the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Contributions made to the plan are intended to cover services rendered to date and those to be rendered in the future.

	Overfunded		Underfunded	
	2017	2016	2017	2016
<b>a. Pension Benefits</b>				
1. Benefit obligation at beginning of year	\$	\$	\$ 71,999,622	\$ 64,657,806
2. Service cost			115,000	120,000
3. Interest cost			3,022,652	3,287,943
4. Continuation by plan participants			4,850	4,835
5. Actuarial gain (loss)			7,279,867	7,976,376
6. Foreign currency exchange rate changes				
7. Benefits paid			3,358,795	3,937,747
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits			100,010	109,591
10. Benefit obligation at end of year	\$	\$	\$ 78,963,186	\$ 71,999,622
	Overfunded		Underfunded	
	2017	2016	2017	2016
<b>b. Postretirement Benefits</b>				
1. Benefit obligation at beginning of year	\$	\$	\$	\$
2. Service cost				
3. Interest cost				
4. Continuation by plan participants				
5. Actuarial gain (loss)				
6. Foreign currency exchange rate changes				
7. Benefits paid				
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	\$	\$	\$	\$
	Overfunded		Underfunded	
	2017	2016	2017	2016
<b>c. Special or Contractual Benefits per SSAP No. 11</b>				
1. Benefit obligation at beginning of year	\$	\$	\$	\$
2. Service cost				
3. Interest cost				
4. Continuation by plan participants				
5. Actuarial gain (loss)				
6. Foreign currency exchange rate changes				
7. Benefits paid				
8. Plan amendments				
9. Business combinations, divestitures, curtailments, settlements and special termination benefits				
10. Benefit obligation at end of year	\$	\$	\$	\$

## (2) Change in Plan Assets

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2017	2016	2017	2016	2017	2016
a. Fair value of plan assets at beginning of year	\$ 54,403,245	\$ 51,486,340	\$	\$	\$	\$
b. Actual return on plan assets	6,323,039	3,659,408				

**NOTES TO FINANCIAL STATEMENTS**

	2017	2016	2017	2016	2017	2016
c. Foreign currency exchange rate changes						
d. Reporting entity contribution	2,750,000	3,300,000				
e. Plan participants' contributions	4,850	4,835				
f. Benefits paid	3,458,805	4,047,338				
g. Business combinations, divestitures and settlements						
h. Fair value of plan assets at end of year	\$ 60,022,329	\$ 54,403,245	\$	\$	\$	\$

## (3) Funded Status

	Pension Benefits		Postretirement Benefits	
	2017	2016	2017	2016
a. Components				
1. Prepaid benefit costs	\$ 15,953,383	\$ 13,974,111	\$	\$
2. Overfunded plans assets	\$ 34,894,240	\$ 31,570,488		
3. Accrued benefit costs			\$	\$
4. Liability for pension benefits	\$ 18,940,857	\$ 17,596,377	\$	\$
b. Assets and liabilities recognized				
1. Assets (non-admitted)	\$ 50,847,623	\$ 45,544,599	\$	\$
2. Liabilities recognized	\$ 18,940,857	\$ 17,596,377		
c. Unrecognized liabilities			\$	\$

## (4) Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits		Special or Contractual Benefits per SSAP No. 11	
	2017	2016	2017	2016	2017	2016
a. Service cost	\$ 115,000	\$ 120,000	\$	\$	\$	\$
b. Interest cost	3,022,652	3,287,943				
c. Expected return on plan assets	(3,118,655)	(3,010,902)				
d. Transition asset or obligation						
e. Gains and losses	751,731	550,968				
f. Prior service cost or credit						
g. Gain or loss recognized due to a settlement curtailment						
h. Total net periodic benefit cost	\$ 770,728	\$ 948,009	\$	\$	\$	\$

## (5) Amounts in Unassigned Funds (Surplus) Recognized as Components of Net Periodic Benefit Cost

	Pension Benefits		Postretirement Benefits	
	2017	2016	2017	2016
a. Items not yet recognized as a component of net periodic cost – prior year	\$	\$	\$	\$
b. Net transition asset or obligation recognized				
c. Net prior service cost or credit arising during the period				
d. Net prior service cost or credit recognized				
e. Net gain and loss arising during the period				
f. Net gain and loss recognized				
g. Items not yet recognized as a component of net periodic cost – current period	\$	\$	\$	\$

## (6) Amounts in Unassigned Funds (Surplus) Expected to be recognized in the Next Fiscal Year as Components of Net Periodic Benefit Cost

Not applicable

**NOTES TO FINANCIAL STATEMENTS**

- (7) Amounts in Unassigned Funds (Surplus) that have not yet been recognized as Components of Net Periodic Benefit Cost

Not applicable

- (8) Weighted-Average Assumptions Used to Determine Net Periodic Benefit Cost as of December 31

	2017	2016
a. Weighted-average discount rate	3.9%	4.4%
b. Expected long-term rate of return on plan assets	6.0%	6.0%
c. Rate of compensation increase	%	%
Weighted-average assumptions used to determine projected benefit obligations as of December 31		
d. Weighted-average discount rate	4.4%	5.4%
e. Rate of compensation increase	%	%

- (9) Accumulated Benefit Obligation for Defined Benefit Pension Plans

The amount of the accumulated benefit obligation for defined benefit pension plan was \$18,940,857 and \$17,596,377 at December 31, 2017 and 2016, respectively.

- (10) For Postretirement Benefits Other Than Pensions, the Assumed Health Care Cost Trend Rate(s)

Not applicable

- (11) Assumed health care cost trend rates have a significant effect on the amounts reported for the health care plans. A one-percentage point change in assumed health care cost trend rates would have the following effects:

Not applicable

- (12) The following estimated future payments, which reflect expected future service, as appropriate, are expected to be paid in the year indicated:

Year(s)	Amount
a. 2018	\$5,331,413
b. 2019	\$4,449,694
c. 2020	\$4,746,457
d. 2021	\$4,454,240
e. 2022	\$4,835,726
f. 2023 through 20__	\$22,447,962

- (13) Estimate of Contributions Expected to be paid to the Plan during 2018
- 
- \$2,400,000

- (14) Amounts and Types of Securities Included in Plan Assets

	2017	2016
Fixed Income	\$ 27,710,487	\$ 24,988,449
Mutual Funds Equity	\$ 29,011,623	\$ 23,730,530
Interest Deposits	\$ 3,300,218	\$ 5,684,266
	\$ 60,022,328	\$ 54,403,245

- (15) Alternative Method Used to Amortize Prior Service Amounts or Net Gains and Losses

Not applicable

- (16) Substantive Comment Used to Account for Benefit Obligation

Not applicable

- (17) Cost of Providing Special or Contractual Termination Benefits Recognized

Not applicable

- (18) Significant Change in the Benefit Obligation or Plan Assets

Not applicable

- (19) Amount and Time Plan Assets Expected to be Returned

**NOTES TO FINANCIAL STATEMENTS**

Not applicable

(20) Accumulated Postretirement and Pension Benefit Obligation and Fair Value of Plan Assets for Defined Postretirement and Pension Benefit Plans

Not applicable

(21) Full Transition Surplus Impact of SSAP 102

Not applicable

**B. Investment Policy and Strategy**

The Cooperativa's investment policy and strategy for the pension benefits plan do not use target allocations for the individual asset categories. The Cooperativa's investment goals are to maximize returns subject to specific risk management policies at the minimum possible cost. Its return and risk objectives allow investments allocation in common stocks, government and corporate bonds issued by the United States government its agencies US based corporations, as well as interest-bearing deposits. These financial assets are readily marketable and can be sold to fund benefit payment obligations as they become payable.

**C. Fair Value of Plan Assets**

(1) Fair Value Measurements of Plans Assets at Reporting Date

Description for each class of plan assets	(Level 1)	(Level 2)	(Level 3)	Total
	\$32,311,841	\$27,710,487	\$0	\$60,022,328
Total Plan Assets	\$32,311,841	\$27,710,487	\$0	\$60,022,328

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

(3) Valuation Technique(s) and Inputs Used to Measure Fair Value

Level 1 inputs: Unadjusted quoted prices in active markets for identical assets or liabilities accessible to the reporting entity at the measurement date.

Level 2 inputs: Other than quoted prices included in Level 1 inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.

Level 3 inputs: Unobservable inputs for the asset or liability used to measure fair value to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at measurement date.

**D. Basis Used to Determine Expected Long-Term Rate-of-Return**

The expected return on assets assumption reflect the plan sponsor's estimate of future experience for trust asset return, reflecting the plan's current asset allocation and any expected changes during the current plan year, current market conditions and the plan sponsor's expectations for future market conditions.

**E. Defined Contribution Plans**

Cooperativa employees are covered by a qualified defined contribution pension plan sponsored by the company. Employee may contribute a percent of salary to the plan which is subject to a 100% employer match up to 4% of employee salary. Cooperativa contribution for the plan was \$576,282 and \$525,520 for the period ended at December 31, 2017 and December 31, 2016, respectively. At December 31, 2017 and December 31, 2016, the fair value of plan assets was \$6,310,130 and \$4,270,323, respectively.

**F. Multiemployer Plans**

Not applicable

**G. Consolidated/Holding Company Plans**

Not applicable

**H. Postemployment Benefits and Compensated Absences**

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

**I. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)**

(1) Recognition of the Existence of the Act

Not applicable

(2) Effects of the Subsidy in Measuring the Net Postretirement Benefit Cost

Not applicable

(3) Disclosure of Gross Benefit Payments

**NOTES TO FINANCIAL STATEMENTS**

Not applicable

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

## A. Number of Share and Par or State Value of Each Class

Cooperativa is authorized to issue capital stock up to \$140 million. At December 31, 2017 and 2016, the member's contributions position is as follows:

	<u>Issued and Outstanding</u>				
	<u>Authorized</u>	<u>12/31/2017</u>			
Preferred stock, Class A, \$1 par value, cumulative for three years, at no less than 3% no more than 5% annually, participating and nonpreferred in liquidation	100,000	44,053	42,770	\$ 44,053	\$ 42,770
Preferred stock, Class B, \$1 par value, for three years at 5% annually; preferred in cumulative liquidation with respect to accumulated dividends and par value	500,000	271,620	258,686	271,620	258,686
Preferred stock, Class C, \$10 par value, for three years at 5% annually; preferred in cumulative liquidation with respect to accumulated dividends and par value	1,940,000	115,763	110,250	1,157,625	1,102,500
Common stock, \$10 par value	12,000,000	4,863,707	4,654,264	<u>\$ 50,110,366</u>	<u>\$ 47,946,605</u>

## B. Dividend Rate, Liquidation Value and Redemption Schedule of Preferred Stock Issues

See Note 13 (1), above.

## C. Dividend Restrictions

The Board of Directors may declare a common stock dividend payment based on common stock issued and outstanding limited to 8% of the par value of the stock, which the maximum rate is permitted by the Commissioner of Insurance.

## D. Dates and Amounts of Dividends Paid

Cooperativa paid capitalized (a stock dividend) dividends of \$2,163,762 on June 26, 2017 to its Parents. In addition, Cooperativa paid \$330,547 ordinary dividends and property dividend for a total of \$20,219,188, (See Note 10). Cooperativa also declared \$1,600,000 of ordinary dividend to its parent company on December 31, 2017.

## E. Profits that may be Paid as Ordinary Dividends to Stockholders

Other than the limitations described above in paragraph 3, there are no other limitations on the amount of ordinary dividends that may be paid. However, there exists other general restriction under the insurance regulations of Puerto Rico Insurance Code that could apply.

## F. Restrictions Plans on Unassigned Funds (Surplus)

In accordance with Chapter 25 of the Insurance Code, as amended, Cooperativa is required to record a catastrophe loss reserve. This catastrophe loss reserve is held in a trust fund for the payment of catastrophe losses.

Also, pursuant to a Permitted Practice granted by the Commissioner of Insurance, Cooperativa has set aside special surplus funds for the liquidation of the participating interest of those stockholders who opted out of the Exchange. These are included as "Contingency related to liquidation of participation for prior owners not participating in the Exchange" in Line 29, Page 3 "Aggregate write-ins for special funds" of the Liabilities, Surplus and Other Funds Statements. Refer to Note 1 - Summary of Significant accounting Policies, for additional details of the permitted practice.

Special surplus funds at December 31, 2017 and 2016 is comprised of the following:

	<u>12/31/2017</u>	<u>12/31/2016</u>
Contingencies for catastrophe losses and other operating losses	\$ 32,716,922	\$ 32,716,922
Legal	86,856	86,856
Loan guarantee bonds	6,918,000	6,918,000
Fidelity Insurance	4,754,000	4,754,000
Catastrophic loss reserve fund	26,049,759	36,595,580
Contingency related to liquidation of participation for prior owners not participating in the exchange	<u>12,052,315</u>	<u>14,882,351</u>
	<u>\$ 82,577,852</u>	<u>\$ 95,953,709</u>

## G. Amount of Advances to Surplus not Repaid

## H. Amount of Stock Held for Special Purposes

**NOTES TO FINANCIAL STATEMENTS****I. Reasons for Changes in Balance of Special Surplus Funds from Prior Period**

Changes in the balance of Special Surplus Funds from prior period is caused by an increase in the Catastrophic loss reserve fund related to interest earned amounted to \$847,407, less amortization of premiums amounted to \$5,460. Also, it is caused by the decrease in the Contingency related to liquidation of participation of prior owners not participating in the Exchange as mentioned in Note 1 (A), amounted to \$2.8 million.

In addition, the changes in the balance of Special Surplus Funds is caused by the use of the funds in the Catastrophic Loss Reserve Fund for the payment of catastrophic losses incurred as mentioned in Note 1(A), amounted to approximately \$11.4 million.

**J. The Portion of Unassigned Funds (Surplus) Represented or Reduced by Unrealized Gains and Losses is: \$0 .****K. The Reporting Entity Issued the Following Surplus Debentures or Similar Obligations****L. The impact of any restatement due to prior quasi-reorganizations is as follows****M. Effective Date of Quasi-Reorganization for a Period of Ten Years Following Reorganization****Note 14 – Liabilities, Contingencies and Assessments****A. Contingent Commitments****(1) Capital Commitments**

On August 14, 2017, a Capital Maintenance Agreement was executed by and between Cooperativa and its wholly-owned subsidiary Real Legacy Assurance Company (RLA). The guarantee arises to provide RLA with stability in regards to the capital required by the insurance rating agencies. The term of the guarantee under the Capital Maintenance Agreement is through January 1, 2019. At any time through that date, Cooperativa is obligated up to its financial capacity to fund RLA with capital contributions in the event RLA's capital and surplus falls beneath the minimum of \$35,500,000. A payment under such a guarantee would result in the transfer of cash resources from the guarantor to its subsidiary. As of December 31, 2017, Cooperativa has experienced one (1) call on this guarantee for the total amount of \$15.0 million.

**(2) Detail of other contingent commitments**

In accordance with Chapter No. 41 of the Insurance Code and Rule No. 56 of the Insurance Regulations of the Commonwealth of Puerto Rico, Cooperativa participates in the "Sindicato de Aseguradores para la Suscripción Conjunta de Seguros de Responsabilidad Profesional Médico-Hospitalaria" and in the "Sindicato de Aseguradores de Responsabilidad Profesional para Médicos". Both syndicates were organized to subscribe insurance coverage of medical and hospital malpractice risks. As a participant, Cooperativa shares the risk proportionately with other participants, based on a formula established by the Insurance Code. If the above-mentioned syndicates do not satisfy their obligations, their liabilities are distributed among the participants. At December 31, 2017 and December 31, 2016, no assessments were made to Cooperativa.

Additionally, pursuant to Article 12 of Rule LXIX of the Insurance Code of the Commonwealth of Puerto Rico, Cooperativa participates in the Compulsory Vehicle Liability Insurance Joint Underwriting Association (the Association). This Association was organized during 1997 to subscribe insurance coverage of motor vehicle property damage liability risks commencing on January 1, 1998. As a participant, Cooperativa shares the risk proportionately with other participants, based on a formula established by the Insurance Code.

Also, pursuant to Act #73 of August 12, 1994 and Chapter 25 of Puerto Rico Insurance Code, Cooperativa creates and maintains a trust fund for catastrophe loss payments. The establishment of this trust fund will increase Cooperativa's financial capacity in order to offer protection for those insurers exposed to catastrophe losses. This fund will be used solely and exclusively to pay catastrophe losses covered under policies written in Puerto Rico. The balance of the catastrophe reserve presented in the aggregate write-in for special surplus funds amounted to \$26,049,759 and \$36,595,580 at December 31, 2017 and December 31, 2016, respectively.

Further, Cooperativa issues financial guaranty bonds, known as loan guaranty bonds, to cooperative institutions. The maximum loss exposure is equal to the outstanding amount of these loans, reduced by the deposits and stocks held by the borrower in the cooperative institution at the time of default and a deductible from the lending cooperative of approximately 5%. The maximum exposure per guaranteed loan is \$40,000. At December 31, 2017 and December 31, 2016, Cooperativa maintains a reserve for possible losses on these bonds of approximately \$6,918,000.

In addition to contingent commitments mentioned above, pursuant to the permitted practice allowed by the Commissioner of Insurance, Cooperativa created the "Contingency related to liquidation of participation for prior owners not participating in the Exchange". The establishment of this fund aims to prevent temporary fluctuations in surplus due to recording a participation liquidation liability and then having the prior owners reconsider and to provide an additional opportunity for prior owners who wish to reconsider their decision. The balance of the participation liquidation contingency presented in the aggregate write-in for special surplus funds amounted to \$12,052,315 and \$14,882,351 at December 31, 2017 and December 31, 2016, respectively. Refer to Note 1 – Summary of Significant Accounting Policies, for additional details on the permitted practice.

Nature and Circumstances of Guarantee and Key Attributes, Including Date and Duration of Agreement	Liability Recognition of Guarantee, (Including Amount Recognized at Inception. If no Initial Recognition, Document Exception Allowed Under	Ultimate Financial Statement Impact if Action under the	Maximum Potential Amount of Future Payments (Undiscounted) the Guarantor could be Required to make under the Guarantee. If unable to Develop an Estimate,	Current Status of Payment or Performance Risk of Guarantee. Also Provide Additional Discussion as Warranted
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**NOTES TO FINANCIAL STATEMENTS**

	SSAP No. 5R)	Guarantee is Required	this Should be Specifically Noted	
	\$		\$	
Total	\$	XXX	\$	XXX

## (3) Guarantee Obligations

## B. Assessments

## (1) Nature of Any Assets That Could Have a Material Financial Effect

Cooperativa is also a member of the Property and Casualty Guaranty Fund Association. As a member, Cooperativa is required to provide funds to pay losses and reimbursements of unearned premiums of insolvent insurers. At December 31, 2017 and December 31, 2016 no assessment was imposed or accrued.

## (2) Assets Recognized From Paid and Accrued Premium Tax Offsets and Policy Surcharges

## C. Gain Contingencies

Not applicable

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

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## E. Product Warranties

## (1) Accounting Policy and Methodology Used in Determining Product Warranties

## (2) Reconciliation of Aggregate Product Warranty Liability

Not applicable

a. Product warranty liability beginning balance	\$
b. Reductions for payments made under the warranty	
c. Liability accrual for product warranties issued during the current period	
d. Change in liability accrual for product warranties issued in previous period	
e. Product warranty liability ending balance	\$

## (3) Joint and Several Liabilities

Not applicable

## (4) All Other Contingencies

Cooperativa is subject to various legal claims arising during the ordinary course of business, including legal claims associated with insurance policies. While the final outcome of these claims is uncertain, management, with the advice of its legal counsel, believes that such claims will not prevail or/and will not have a significant effect over the financial position of Cooperativa.

**Note 15 – Leases**

## A. Lessee Operating Lease

## (1) Lessee's Leasing Arrangements

## a. Rental Expense

Cooperativa leases branch offices spaces under various non-cancelable operating lease agreements. Rental expenses at December 31, 2017 and December 31, 2016 were \$1,374,884 and \$1,383,047, respectively. Certain rental commitments have renewal options and are subject to adjustments in future periods.

## b. Basis on Which Contingent Rental Payments are Determined

Not applicable

## c. Existence and Terms of Renewal or Purchase Options and Escalation Clauses

Not applicable

**NOTES TO FINANCIAL STATEMENTS**

## d. Restrictions Imposed by Lease Agreements

Not applicable

## e. Identification of Lease Agreements that have been Terminated Early

Not applicable

## (2) Leases with Initial or Remaining Non-cancelable Lease Terms in Excess of One Year

## a. At January 1, 2018 the minimum aggregate rental commitments are as follows:

Year Ending December 31	Operating Leases
1. 2018	\$ 1,112,265
2. 2019	\$ 949,541
3. 2020	\$ 692,463
4. 2021	\$ 388,757
5. Thereafter	\$ 1,663,772
6. Total	\$ 4,806,798

## b. Total of Minimum Rentals to be Received in the Future under Non-cancelable Subleases

Not applicable

## (3) For Sale-Leaseback Transactions

## a. Terms of the Sale-Leaseback Transactions

Not applicable

## b. Obligation of Future Minimum Lease Payments and Total of Minimum Sublease Rentals

Not applicable

## B. Lessor Leases

## (1) Operating Leases:

## a. Lessor's Leasing Arrangements

Not applicable

## b. Cost and Carrying Amount of Property on Lease or Held for Leasing

Not applicable

## c. Future minimum lease payment receivables under non-cancelable leasing arrangements as of December 31 are as follows:

Not applicable

## (d) Total Contingent Rentals

Not applicable

## (2) Leveraged Leases:

## (a) Terms Including Pretax Income from Leveraged Leases

Not applicable

## (b) Pretax Income, Tax Effect and Investment Tax Credit

Not applicable

## (c) The components of the investment in leveraged leases at current quarter, 2017 and 2016 were as shown below:

## NOTES TO FINANCIAL STATEMENTS

Not Applicable

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

Not Applicable

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

Not Applicable

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

Cooperativa uses general agent to write various insurance products. As presented in the following table, Cooperativa has general agents that write direct premiums greater than 5% of policyholders' surplus. The agency contract give authority for underwriting (U) and premium collection (P).

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premiums Written/Produced By
GREEN INSURANCE AGENCY INC	66-0463184	NO	Various Lines of business	P, U	151,832,800
Total	XXX	XXX	XXX	XXX	151,832,800

**Note 20 – Fair Value Measurements**

## A. Fair Value Measurements

## (1) Fair Value Measurements at Reporting Date

The Company has classified its assets and liabilities that are measured and reported at fair value into the three-level fair value hierarchy as reflected in the following table:

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
<b>Assets at Fair Value</b>					
ETF Bond	\$3,456,000	\$	\$	\$3,456,000	\$
Corporate Bonds	\$	\$9,874,000	\$	\$9,874,000	\$
Common Stocks	\$24,884,594	\$3,076,281	\$	\$27,960,875	\$
Total	\$28,340,594	\$12,950,281	\$	\$41,290,875	\$
<b>Liabilities at Fair Value</b>					
	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

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

The Company has no assets or liabilities measured at fair value in this level.

## (3) Policies when Transfers Between Levels are Recognized

The Company has not made transfers between levels.

## (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

As of December 31, 2017 the company has no assets or liabilities reported in Level 3. The reported fair value of investments in Level 2 for common stocks was \$3,076,280.50, which includes common stocks of three public non-traded Real Estate Investment Trust. The price to measure fair value was determined by the issuer. The reported fair value of investments in Level 2 for bonds was \$9,874,000 for corporate bonds. The price to measure fair value was determined by broker.

## (5) Fair Value Disclosures

Not applicable

## B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not applicable

## C. Fair Value Level

The aggregate fair value for all financial instruments for period ended 12/31/2017 is as follows

**NOTES TO FINANCIAL STATEMENTS**

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds	\$254,140,507	\$255,895,566	\$3,456,000	\$250,684,507	\$	\$	\$
Short Term	\$4,754,018	\$4,752,562	\$	\$4,754,018	\$	\$	\$
Common Stocks	\$29,217,574	\$29,217,574	\$24,884,594	\$3,076,281	\$	\$1,256,699	\$
Perpetual Preferred Stocks	\$101,055	\$101,055	\$	\$	\$	\$101,055	\$
Redeemable Preferred Stocks	\$1,250,000	\$1,250,000	\$	\$	\$	\$1,250,000	\$
Mortgage Backed Securities	\$29,855,706	\$30,243,906	\$	\$29,855,706	\$	\$	\$

## D. Not Practicable to Estimate Fair Value

As of December 31, 2017, the investment categorized in Not Practicable to Estimate Fair Value was \$2,607,755. These securities are Common and Preferred Stocks within the cooperative movement to sponsor the development and growth of new and existing Cooperatives. There are no markets for these securities.

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Common Stocks	\$1,256,699	%		Investments in Cooperative Movement
Redeemable Preferred Stocks	\$1,250,000	%	12/19/2017	Investments in Cooperative Movement
Perpetual Preferred Stocks	\$ 101,055	%		Investments in Cooperative Movement

**Note 21 – Other Items**

Not Applicable

**Note 22 – Events Subsequent**

Subsequent events have been considered through the date of issuance of these statutory financial statements. There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

**Note 23 – Reinsurance**

## A. Unsecured Reinsurance Recoverable

Name of Reinsurer	NAIC Group Code	FEIN	Unsecured Recoverable Sch F – Part 3
EVEREST REINS CO	26921	22-2005057	\$ 10,073,094
ODYSSEY REINS CO	23680	47-698507	\$ 9,158,070
SWISS REINS AMER CORP	25364	13-1675535	\$ 4,866,975
TRANSATLANTIC REINS CO	19453	13-5616275	\$ 29,577,883
CHUBB TEMPEST REINS LTD		AA-3190770	\$ 11,285,276
LLOYDS UNDER SYNDICATE LIBERTY 4472		AA-1126006	\$ 5,299,133
LLOYDS UNDER SYNDICATE AML 2001		AA-1128001	\$ 7,004,322
REASEGURADORA PATRIA S A		AA-2730800	\$ 6,632,201
R V VERSICHERUNG AG		AA-1340004	\$ 4,964,826

## B. Reinsurance Recoverable in Dispute

Name of Reinsurer	Total Amount in Dispute (Including IBNR)	Notification	Arbitration	Litigation
	\$	\$	\$	\$

## C. Reinsurance Assumed and Ceded

## (1) Maximum Amount of Return Commission

	Assumed Reinsurance		Ceded Reinsurance		Net	
	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity
a. Affiliates	\$	\$	\$	\$	\$	\$
b. All Other	\$208,534	\$10,525	\$2,735,128	\$725,653	\$(2,526,594)	\$(715,128)
c. Total	\$208,534	\$10,525	\$2,735,128	\$725,653	\$(2,526,594)	\$(715,128)
d. Direct Unearned Premium Reserves						\$109,863,139

**NOTES TO FINANCIAL STATEMENTS**

## (2) Additional or Return Commission

	Direct	Assumed	Ceded	Net
a. Contingent commission	\$	\$	\$	\$
b. Sliding scale adjustments				
c. Other profit commission arrangements			\$42,305	\$(42,305)
d. Total	\$	\$	\$42,305	\$(42,305)

## (3) Types of Risks Attributed to Protected Cell

Protected Cell Name	Covered Exposure	Ultimate Exposure Amount	Fair Value of Assets as of December 31	Initial Contact Date of Securitization Instrument	Maturity Date of Securitization Instrument
		\$	\$		
Total	XXX	\$	\$	XXX	XXX

## D. Uncollectible Reinsurance

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

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

## E. Commutation of Ceded Reinsurance

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

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

## F. Retroactive Reinsurance

## (1) Retroactive Reinsurance Agreements

	Reported	Company
	Assumed	Ceded
a. Reserves Transferred		
1. Initial Reserves		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year		
4. Current Total		
b. Consideration Paid or Received:		
1. Initial Consideration		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year		
4. Current Total		
c. Paid Losses Reimbursed or Recovered:		
1. Prior Year(s)		
2. Current Year		
3. Current Total		
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Gain or Loss		
2. Adjustments – Prior Year(s)		
3. Adjustments – Current Year		
4. Current Year Restricted Surplus		
5. Cumulative Total Transferred to Unassigned Funds		
e. All cedents and reinsurers involved in all transactions included in summary total above		

## NOTES TO FINANCIAL STATEMENTS

Company	Assumed Amount	Ceded Amount	
		\$	\$
Total		\$	\$
f. Total Paid Loss/LAE Amounts Recoverable			
1. Authorized Reinsurers			
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	
	\$	\$	
Total	\$	\$	
2. Unauthorized Reinsurers			
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
	\$	\$	\$
Total	\$	\$	\$
3. Certified Reinsurers			
Company	Total Paid/Loss/LAE Recoverable	Amounts Over 90 Days Overdue	Collateral Held
	\$	\$	\$
Total	\$	\$	\$

## G. Reinsurance Accounted for as a Deposit

Description	Interest Income	Cash Recoveries	Deposit Balance
	\$	\$	\$

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

## I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

## (1) Reporting Entity Ceding to Certified Reinsurer Whose Rating was Downgraded or Status Subject to Revocation

Name of Certified Reinsurer	Relationship to Reporting Entity	Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Received)
				%	%	\$	\$

## (2) Reporting Entity's Certified Reinsurer Rating Downgraded or Status Subject to Revocation

## a.

Date of Action	Jurisdiction of Action	Before	After	Net Obligation Subject to Collateral	Collateral Required (But Not Yet Funded)
		%	%	\$	\$

## J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

## (1) Significant Terms of the Retroactive Reinsurance Agreement

## (2) The amount of unexhausted limit as of December 31, 2017

Name of Reinsurer	Amount of Unexhausted Limit
	\$

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

Not Applicable

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**NOTES TO FINANCIAL STATEMENTS**

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**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

## A. Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2016 were approximately \$35,645,000. As of December 31, 2017, \$17,206,000 has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserve remaining from prior year are now approximately \$7,174,000 as a result of re-estimation of unpaid claim and claim adjustment expenses. Therefore, there has been an approximately \$11,264,000 favorable prior year development since December 31, 2016 to December 31, 2017. The decrease is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

## B. Information about Significant Changes in Methodologies and Assumptions

**Note 26 – Intercompany Pooling Arrangements**

Not Applicable

**Note 27 – Structured Settlements**

Not Applicable

**Note 28 – Health Care Receivables**

Not Applicable

**Note 29 – Participating Policies**

Not Applicable

**Note 30 – Premium Deficiency Reserves**

Not Applicable

**Note 31 – High Deductibles**

Not Applicable

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

Not Applicable

**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? Puerto Rico
- 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. 12/31/2010
- 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. 12/31/2010
- 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). 01/30/2012
- 3.4 By what department or departments? Puerto Rico
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes [ X ] No [ ] N/A [ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] No [ ] N/A [ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes [ ] No [ X ]
- 4.12 renewals? Yes [ ] No [ X ]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes [ ] No [ X ]
- 4.22 renewals? Yes [ ] No [ X ]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
- 5.2 If yes, provide the name of entity, NAIC company code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.
- | 1<br>Name of Entity | 2<br>NAIC<br>Company<br>Code | 3<br>State of<br>Domicile |
|---------------------|------------------------------|---------------------------|
|                     |                              |                           |
- 6.1 Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [ X ]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes [ ] No [ X ]
- 7.2 If yes,
- 7.21 State the percentage of foreign control \_\_\_\_\_ %
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact).
- | 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
|                  |                     |
- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]
- 8.4 If the response to 8.3 is yes, please provide below the names and locations (city and state of the main office) of any affiliates regulated by a federal financial regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.
- | 1<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
|                     |                             |          |          |           |          |
9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
KPMG LLP, 11TH FLOOR, 250 MUNOZ RIVERA AVE, SAN JUAN, PR 00918-1819
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes [ ] No [ X ]
- 10.2 If the response to 10.1 is yes, provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 18A of the Model Regulation, or substantially similar state law or regulation? Yes [ ] No [ X ]
- 10.4 If the response to 10.3 is yes, provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes [ X ] No [ ] N/A [ ]
- 10.6 If the response to 10.5 is no or n/a, please explain:

# COOPERATIVA DE SEGUROS MULTIPLES DE PR GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
MARTHA WISLOW, WILLIS TOWERS WATSON 8400 NORMANDIE LAKE BLVD SUITE 1700 MN 55437-3838
- 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 [ X ]
- 13.3 Have there been any changes made to any of the trust indentures during the year? Yes [ ] No [ X ]
- 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes [ ] No [ ] N/A [ X ]
- 14.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [ X ] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.
- 14.11 If the response to 14.1 is no, please explain:
- 14.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]
- 14.21 If the response to 14.2 is yes, provide information related to amendment(s).
- 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]
- 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).
- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes [ ] No [ X ]
- 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

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

### BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinator committee thereof? Yes [ X ] No [ ]
17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes [ X ] No [ ]
18. Has the reporting entity an established procedure for disclosure to its Board of Directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes [ X ] No [ ]

### FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes [ ] No [ X ]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.11 To directors or other officers \$ 0
- 20.12 To stockholders not officers \$ 0
- 20.13 Trustees, supreme or grand (Fraternal only) \$ 0
- 20.2 Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):
- 20.21 To directors or other officers \$ 0
- 20.22 To stockholders not officers 0
- 20.23 Trustees, supreme or grand (Fraternal only) 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reporting in the statement? Yes [ ] No [ X ]
- 21.2 If yes, state the amount thereof at December 31 of the current year:
- 21.21 Rented from others \$ 0
- 21.22 Borrowed from others \$ 0
- 21.23 Leased from others \$ 0
- 21.24 Other \$ 0
- 22.1 Does this statement include payments for assessments as described in the *Annual Statement Instructions* other than guaranty fund or guaranty association assessments? Yes [ ] No [ X ]
- 22.2 If answer is yes:
- 22.21 Amount paid as losses or risk adjustment \$ 0
- 22.22 Amount paid as expenses \$ 0
- 22.23 Other amounts paid \$ 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [ X ] No [ ]
- 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

### INVESTMENT

# COOPERATIVA DE SEGUROS MULTIPLES DE PR GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

- 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  No
- 24.02 If no, give full and complete information, relating thereto:
- 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet (an alternative is to reference Note 17 where this information is also provided).
- 24.04 Does the company's security lending program meet the requirements for a conforming program as outlined in the *Risk-Based Capital Instructions*? Yes  No  N/A
- 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ 0
- 24.06 If answer to 24.04 is no, report amount of collateral for other programs \$ 0
- 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes  No  N/A
- 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes  No  N/A
- 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes  No  N/A
- 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:
- 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 24.102 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 24.103 Total payable for securities lending reported on the liability page: \$ 0
- 25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity or has the reporting entity sold or transferred any assets subject to a put option contract that is current in force? (Exclude securities subject to Interrogatory 21.1 and 24.03.) Yes  No
- 25.2 If yes, state the amount thereof at December 31 of the current year:
- 25.21 Subject to repurchase agreements \$ 0
- 25.22 Subject to reverse repurchase agreements \$ 0
- 25.23 Subject to dollar repurchase agreements \$ 0
- 25.24 Subject to reverse dollar repurchase agreements \$ 0
- 25.25 Placed under option agreements \$ 0
- 25.26 Letter stock or securities restricted as sale – excluding FHLB Capital Stock \$ 0
- 25.27 FHLB Capital Stock \$ 0
- 25.28 On deposit with states \$ 1,691,410
- 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 \$ 26,049,759
- 25.3 For category (25.26) provide the following:
- | 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|----------------------------|------------------|-------------|
|                            |                  | \$          |
- 26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes  No
- 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes  No  N/A   
If no, attach a description with this statement.
- 27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes  No
- 27.2 If yes, state the amount thereof at December 31 of the current year: \$ 0
28. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes  No
- 28.01 For agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:
- | 1<br>Name of Custodian(s)    | 2<br>Custodian's Address  |
|------------------------------|---|
| SANTANDER SECURITIES         | 207 PONCE DE LEON AVE 4TH FLOOR SAN JUAN, PR 00917-1818         |
| MERRIL LYNCH                 | BANCO POPULAR CENTER SUITE 1830, SAN JUAN PR 00918              |
| POPULAR SECURITIES           | 209 MUNOZ RIVERA, POPULAR CENTER, SAN JUAN PR 00918             |
| UBS FINANCIAL                | AMERICAN INTERNATIONAL PLAZA 250 MUNOZ RIVERA SAN JUAN PR 00918 |
| BANCO POPULAR DE PUERTO RICO | PO BOX362708 SAN JUAN PR 00936-2708                             |
| ORIENTAL FINANCIAL           | 997 SAN ROBERTO STREET ORIENTAL TOWER 9TH FLOOR                 |
| PARITER SECURITIES           | 243 CARRETERA #2 GUAYNABO PR 00966                              |
| KOVACK SECURITIES            | 6451 N FEDERAL HIGHWAY SUITE 1201 FT. LAUDERDALE, FL 33308      |
| MORGAN SATNLEY               | 4855 TECHNOLOGY WAY SUITE 600 BOCA RATON FL 33431               |
| INTERACTIVE BROKERS          | 8 GREENWICH OFFICE PARK, GREENWICH CT 06831-5149                |
| CITI FINANCIAL               | PO BOX 70301 SAN JUAN PR 00936-8301                             |
- 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<br>Name(s) | 2<br>Location(s) | 3<br>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

# COOPERATIVA DE SEGUROS MULTIPLES DE PR GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
SECURITIES AMERICA	KOVACK SECURITIES		Account Broker Moved

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

1 Name of Firm or Individual	2 Affiliation
SCHAFFER CULLEN MANAGEMENT	U
HORSE COVE PARTNERS	U
BLACKROCK	U

28.0597 For those firms/individuals listed in the table for Question 28.05, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets?

Yes [ ] No [X]

28.0598 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 28.05, does the total assets under management aggregate to more than 50% of the reporting entity's assets?

Yes [ ] No [X]

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105799	SCHAFFER CULLEN MANAGEMENT	635400VGWI9BVRUU9Y28	SEC	
172389	HORSE COVE PARTNERS	461567791	SEC	
108928	BLACKROCK	5493006MRTEZZ4S4CQ20	SEC	

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 [X] No [ ]

29.2 If yes, complete the following schedule:

1 CUSIP	2 Name of Mutual Fund	3 Book/Adjusted Carrying Value
09256H 33 6	BLACROCK MULTI ASSET	\$ 7,202,000
29.2999	TOTAL	\$ 7,202,000

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
BLACROCK MULTI ASSET	ISHARES IBOXX	\$ 553.25M	08/31/2017
BLACROCK MULTI ASSET	MONEY MARKET SERIES	\$ 486.37M	08/31/2017
BLACROCK MULTI ASSET	BLACKROCK LIQUIDITY FUNDS	\$ 240.83M	08/31/2017
BLACROCK MULTI ASSET	NIKKEI 225	\$ 154.21M	08/31/2017
BLACROCK MULTI ASSET	US 10YR NOTE	\$ 112.25M	08/31/2017

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	\$ 290,892,037	\$ 288,750,231	\$ (2,141,806)
30.2 Preferred Stocks	\$ 7,861,455	\$ 7,861,455	\$ 0
30.3 Totals	\$ 298,753,492	\$ 296,611,686	\$ (2,141,806)

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

The fair value were determined by broker or custodian, exchanges and Bloomberg.

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 [X] 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 [X] 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 [X] No [ ]

32.2 If no, list exceptions:

33. By self-designating 5\*GI securities, the reporting entity is certifying the following elements for each self-designation 5\*GI security:

- Documentation necessary to permit a full credit analysis of the security does not exist.
- Issuer or obligor is current on all contracted interest and principal payments.
- The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5\*GI securities?

Yes [ ] No [X]

# COOPERATIVA DE SEGUROS MULTIPLES DE PR GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### OTHER

34.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any? \$ 531,542

34.2 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 SERVICE OFFICE	\$ 541,542

35.1 Amount of payments for legal expenses, if any? \$ 582,180

35.2 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
CANCIO, NADAL, RIVERA & DIAZ	\$ 266,170

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

36.2 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 &amp; CASUALTY INTERROGATORIES

1.1	Does the reporting entity have any direct Medicare Supplement Insurance in force?			Yes [ ]	No [ X ]
1.2	If yes, indicate premium earned on U.S. business only.		\$		0
1.3	What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?		\$		0
1.31	Reason for excluding:				
1.4	Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above.		\$		0
1.5	Indicate total incurred claims on all Medicare Supplement insurance.		\$		0
1.6	Individual policies:				
	Most current three years:				
1.61	Total premium earned		\$		0
1.62	Total incurred claims		\$		0
1.63	Number of covered lives				0
	All years prior to most current three years:				
1.64	Total premium earned		\$		0
1.65	Total incurred claims		\$		0
1.66	Number of covered lives				0
1.7	Group policies:				
	Most current three years:				
1.71	Total premium earned		\$		0
1.72	Total incurred claims		\$		0
1.73	Number of covered lives				0
	All years prior to most current three years:				
1.74	Total premium earned		\$		0
1.75	Total incurred claims		\$		0
1.76	Number of covered lives				0
2.	Health Test:				
		1		2	
		Current Year		Prior Year	
2.1	Premium Numerator	\$	0	\$	0
2.2	Premium Denominator	\$	201,030,761	\$	0
2.3	Premium Ratio (2.1/2.2)		0.0%		0.0%
2.4	Reserve Numerator	\$	0	\$	0
2.5	Reserve Denominator	\$	163,932,190	\$	0
2.6	Reserve Ratio (2.4/2.5)		0.0%		0.0%
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 [ X ]
4.2	Does the reporting entity issue non-assessable policies?			Yes [ ]	No [ X ]
4.3	If assessable policies are issued, what is the extent of the contingent liability of the policyholders?				%
4.4	Total amount of assessments paid or ordered to be paid during the year on deposit notes or contingent premiums.		\$		0
5.	FOR RECIPROCAL EXCHANGES ONLY:				
5.1	Does the exchange appoint local agents?			Yes [ ]	No [ ]
5.2	If yes, is the commission paid:				
5.21	Out of Attorney's-in-fact compensation			Yes [ ]	No [ ]
5.22	As a direct expense of the exchange			Yes [ ]	No [ ]
5.3	What expenses of the exchange are not paid out of the compensation of the Attorney-in-fact?				
5.4	Has any Attorney-in-fact compensation, contingent on fulfillment of certain conditions, been deferred?			Yes [ ]	No [ X ]
5.5	If yes, give full information:				
6.1	What provision has this reporting entity made to protect itself from an excessive loss in the event of a catastrophe under a workers' compensation contract issued without limit of loss? <u>N/A</u>				
6.2	Describe the method used to estimate this reporting entity's probable maximum insurance loss, and identify the type of insured exposures comprising that probable maximum loss, the locations of concentrations of those exposures and the external resources (such as consulting firms or computer software models), if any, used in the estimation process: <u>COMPUTER SOFTWARE LINK 11.0 FROM RMS FOR HURRIVANE AND EARTHQUAKE RISKS</u>				
6.3	What provision has this reporting entity made (such as catastrophic reinsurance program) to protect itself from an excessive loss arising from the types and concentrations of insured exposures comprising its probable maximum property insurance loss? <u>CATASTROPHE INSURANCE PROGRAM</u>				
6.4	Does the reporting entity carry catastrophe reinsurance protection for at least one reinstatement, in an amount sufficient to cover its estimated probable maximum loss attributable to a single loss event or occurrence?			Yes [ X ]	No [ ]
6.5	If no, describe any arrangements or mechanisms employed by the reporting entity to supplement its catastrophe reinsurance program or to hedge its exposure to uninsured catastrophic loss:				
7.1	Has the reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss cap, an aggregate limit or any similar provisions)?			Yes [ ]	No [ X ]

## GENERAL INTERROGATORIES

## PART 2 – PROPERTY &amp; CASUALTY INTERROGATORIES

7.2	If yes, indicate the number of reinsurance contracts containing such provisions.	0
7.3	If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?	Yes [ ] No [ X ]
8.1	Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?	Yes [ ] No [ X ]
8.2	If yes, give full information	
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity?	Yes [ ] No [ X ]
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes [ ] No [ X ]
9.3	If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.	
9.4	Except for transactions meeting the requirements of paragraph 31 of SSAP No. 62R, <i>Property and Casualty Reinsurance</i> , has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	Yes [ ] No [ X ]
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.	
9.6	The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria: (a) The entity does not utilize reinsurance; or (b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or (c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes [ ] No [ X ] Yes [ ] No [ X ] Yes [ ] No [ X ]
10.	If the reporting entity has assumed risks from another entity, there should be charged on account of such reinsurances a reserve equal to that which the original entity would have been required to charge had it retained the risks. Has this been done?	Yes [ X ] No [ ] N/A [ ]
11.1	Has the reporting entity guaranteed policies issued by any other entity and now in force?	Yes [ ] No [ X ]
11.2	If yes, give full information	
12.1	If the reporting entity recorded accrued retrospective premiums on insurance contracts on Line 15.3 of the assets schedule, Page 2, state the amount of corresponding liabilities recorded for: 12.11 Unpaid losses 12.12 Unpaid underwriting expenses (including loss adjustment expenses)	\$ 0 \$ 0
12.2	Of the amount on Line 15.3, Page 2, state the amount that is secured by letters of credit, collateral and other funds?	\$ 0
12.3	If the reporting entity underwrites commercial insurance risks, such as workers' compensation, are premium notes or promissory notes accepted from its insureds covering unpaid premiums and/or unpaid losses?	Yes [ ] No [ ] N/A [ X ]
12.4	If yes, provide the range of interest rates charged under such notes during the period covered by this statement: 12.41 From 12.42 To	% %
12.5	Are letters of credit or collateral and other funds received from insureds being utilized by the reporting entity to secure premium notes or promissory notes taken by a reporting entity, or to secure any of the reporting entity's reported direct unpaid loss reserves, including unpaid losses under loss deductible features of commercial policies?	Yes [ ] No [ X ]
12.6	If yes, state the amount thereof at December 31 of current year: 12.61 Letters of Credit 12.62 Collateral and other funds	\$ 0 \$ 0
13.1	Largest net aggregate amount insured in any one risk (excluding workers' compensation):	\$ 0
13.2	Does any reinsurance contract considered in the calculation of this amount include an aggregate limit of recovery without also including a reinstatement provision?	Yes [ ] No [ X ]
13.3	State the number of reinsurance contracts (excluding individual facultative risk certificates, but including facultative programs, automatic	0

# COOPERATIVA DE SEGUROS MULTIPLES DE PR GENERAL INTERROGATORIES

## PART 2 – PROPERTY & CASUALTY INTERROGATORIES

facilities or facultative obligatory contracts) considered in the calculation of the amount.

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

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

14.3 If the answer to 14.1 is yes, are the methods described in item 14.2 entirely contained in the respective multiple cedant reinsurance contracts? Yes [ ] No [X]

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

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

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

15.2 If yes, give full information

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

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

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

\* Disclose type of coverage:

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

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

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

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

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

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

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

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

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

# COOPERATIVA DE SEGUROS MULTIPLES DE PR FIVE-YEAR HISTORICAL DATA

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

	1 2017	2 2016	3 2015	4 2014	5 2013
<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).....	63,545,617	61,972,164	47,162,918	36,512,802	37,863,182
2. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	128,497,329	125,646,447	124,395,111	124,483,879	121,298,899
3. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	14,795,916	15,253,704	15,925,245	17,381,875	19,116,335
4. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	11,057,940	11,570,497	11,178,953	11,471,914	11,256,254
5. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	449,282	389,877	390,470	370,926	389,856
6. Total (Line 35).....	218,346,084	214,832,689	199,052,697	190,221,396	189,924,526
<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).....	62,026,825	60,675,356	45,857,560	35,198,275	36,511,209
8. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	122,233,668	118,783,884	115,489,210	114,606,308	110,113,349
9. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	7,677,775	7,350,207	7,376,444	7,687,954	7,325,947
10. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	10,724,142	11,153,371	7,148,201	7,699,141	7,464,746
11. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	449,282	389,877	390,470	370,926	389,856
12. Total (Line 35).....	203,111,692	198,352,695	176,261,885	165,562,604	161,805,107
<b>Statement of Income (Page 4)</b>					
13. Net underwriting gain (loss) (Line 8).....	2,631,244	(3,427,094)	(2,202,970)	(11,323,827)	(17,597,460)
14. Net investment gain (loss) (Line 11).....	6,420,323	10,250,553	1,652,797	12,521,981	13,345,664
15. Total other income (Line 15).....	17,744,979	2,969,637	5,986,628	2,780,632	23,980,715
16. Dividends to policyholders (Line 17).....					
17. Federal and foreign income taxes incurred (Line 19).....	8,140,647		483,890		20,697
18. Net income (Line 20).....	18,655,900	9,793,096	4,952,565	3,978,786	19,708,222
<b>Balance Sheet Lines (Pages 2 and 3)</b>					
19. Total admitted assets excluding protected cell business (Page 2, Line 26, Col. 3).....	541,634,623	492,490,871	508,364,063	485,050,829	492,698,372
20. Premiums and considerations (Page 2, Col. 3):					
20.1 In course of collection (Line 15.1).....	5,526,967	3,673,427	3,764,659	4,502,272	4,756,253
20.2 Deferred and not yet due (Line 15.2).....					
20.3 Accrued retrospective premiums (Line 15.3).....					
21. Total liabilities excluding protected cell business (Page 3, Line 26).....	388,450,088	345,101,386	343,631,332	341,884,091	320,743,261
22. Losses (Page 3, Line 1).....	45,410,602	29,213,884	29,634,844	31,326,019	27,813,261
23. Loss adjustment expenses (Page 3, Line 3).....	8,657,581	6,432,442	5,979,188	7,173,792	8,487,307
24. Unearned premiums (Page 3, Line 9).....	109,863,139	107,793,753	103,555,179	96,104,072	95,469,647
25. Capital paid up (Page 3, Lines 30 & 31).....	50,110,366	47,946,605	59,865,312	43,149,702	40,710,519
26. Surplus as regards policyholders (Page 3, Line 37).....	153,184,535	147,389,485	164,732,731	143,166,738	171,955,111
<b>Cash Flow (Page 5)</b>					
27. Net cash from operations (Line 11).....	18,131,983	11,625,077	22,381,423	19,941,169	33,692,551
<b>Risk-Based Capital Analysis</b>					
28. Total adjusted capital.....	153,184,535	147,389,485	164,732,731	142,859,593	171,955,111
29. Authorized control level risk-based capital.....	34,810,710	24,737,891	19,651,002	21,045,574	22,487,628
<b>Percentage Distribution of Cash, Cash Equivalents and Invested Assets</b> (Page 2, Col. 3) (Item divided by Page 2, Line 12, Col. 3) x 100.0					
30. Bonds (Line 1).....	61.7	54.6	48.3	49.8	47.6
31. Stocks (Lines 2.1 & 2.2).....	15.6	16.6	18.1	17.8	21.8
32. Mortgage loans on real estate (Lines 3.1 & 3.2).....					
33. Real estate (Lines 4.1, 4.2 & 4.3).....	1.9	2.0	2.0	2.2	2.2
34. Cash, cash equivalents and short-term investments (Line 5).....	16.9	21.2	28.2	27.7	26.5
35. Contract loans (Line 6).....					
36. Derivatives (Line 7).....					
37. Other invested assets (Line 8).....	3.9	4.4	3.1	2.3	1.8
38. Receivables for securities (Line 9).....		1.2	0.3	0.3	
39. Securities lending reinvested collateral assets (Line 10).....					
40. Aggregate write-ins for invested assets (Line 11).....					
41. Cash, cash equivalents and invested assets (Line 12).....	100.0	100.0	100.0	100.1	99.9
<b>Investments in Parent, Subsidiaries and Affiliates</b>					
42. Affiliated bonds (Sch. D, Summary, Line 12, Col. 1).....					
43. Affiliated preferred stocks (Sch. D, Summary, Line 18, Col. 1).....	6,510,400				
44. Affiliated common stocks (Sch. D, Summary, Line 24, Col. 1).....	35,511,066	26,125,878	38,925,059	34,717,831	57,509,129
45. Affiliated short-term investments (subtotals included in Schedule DA, Verification, Column 5, Line 10).....					
46. Affiliated mortgage loans on real estate.....					
47. All other affiliated.....					
48. Total of above lines 42 to 47.....	42,021,466	26,125,878	38,925,059	34,717,831	57,509,129
49. Total investment in parent included in Lines 42 to 47 above.....					
50. Percentage of investments in parent, subsidiaries and affiliates to surplus as regards policyholders (Line 48 above divided by Page 3, Col. 1, Line 37 x 100.0).....	27.4	17.7	23.6	24.2	33.4

# COOPERATIVA DE SEGUROS MULTIPLES DE PR FIVE-YEAR HISTORICAL DATA

(Continued)

	1	2	3	4	5
	2017	2016	2015	2014	2013
<b>Capital and Surplus Accounts (Page 4)</b>					
51. Net unrealized capital gains (losses) (Line 24).....	21,957,368	(20,497,740)	(477,070)	(24,341,940)	(16,160,149)
52. Dividends to stockholders (Line 35).....	(21,720,510)		(1,941,855)	(2,439,167)	(2,207,293)
53. Change in surplus as regards policyholders for the year (Line 38).....	5,795,050	(17,343,246)	21,565,993	(28,788,373)	(6,377,594)
<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).....	27,707,723	31,223,907	17,561,620	18,070,802	19,327,342
55. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	106,239,647	68,665,499	72,521,631	70,071,546	72,527,778
56. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	20,533,797	3,129,740	4,019,423	5,660,160	9,198,370
57. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	8,964,653	7,881,385	3,571,110	3,638,713	4,142,978
58. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	174,322	93,254	101,149	35,897	30,952
59. Total (Line 35).....	163,620,142	110,993,785	97,774,933	97,477,118	105,227,420
<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).....	27,653,869	31,223,907	17,560,160	17,823,855	18,884,507
61. Property lines (Lines 1, 2, 9, 12, 21 & 26).....	62,950,596	68,664,890	72,521,631	70,129,444	72,374,691
62. Property and liability combined lines (Lines 3, 4, 5, 8, 22 & 27).....	3,492,234	2,935,480	3,910,574	6,010,698	5,627,025
63. All other lines (Lines 6, 10, 13, 14, 15, 23, 24, 28, 29, 30 & 34).....	6,844,744	6,830,148	1,663,746	1,675,584	2,012,584
64. Nonproportional reinsurance lines (Lines 31, 32 & 33).....	174,322	93,254	101,149	35,897	30,952
65. Total (Line 35).....	101,115,766	109,747,679	95,757,260	95,675,478	98,929,759
<b>Operating Percentages (Page 4)</b> (Item divided by Page 4, Line 1) x 100.0					
66. Premiums earned (Line 1).....	100.0	100.0	100.0	100.0	100.0
67. Losses incurred (Line 2).....	58.4	56.3	55.7	60.1	60.6
68. Loss expenses incurred (Line 3).....	8.4	6.5	6.2	6.4	7.9
69. Other underwriting expenses incurred (Line 4).....	37.6	38.9	39.3	40.3	42.2
70. Net underwriting gain (loss) (Line 8).....	1.3	(1.8)	(1.3)	(6.9)	(10.8)
<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).....	22.9	36.6	34.3	38.5	27.7
72. Losses and loss expenses incurred to premiums earned (Page 4, Lines 2 + 3 divided by Page 4, Line 1 x 100.0).....	66.8	62.8	62.0	66.6	68.6
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).....	132.6	134.6	107.0	115.6	94.1
<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).....	(1,440)	(3,520)	(4,973)	6,371	(1,247)
75. Percent of development of losses and loss expenses incurred to policyholders' surplus of prior year-end (Line 74 above divided by Page 4, Line 21, Col. 1 x 100).....	(1.0)	(2.1)	(3.5)	3.7	(0.7)
<b>Two Year Loss Development (\$000 omitted)</b>					
76. Development in estimated losses and loss expenses incurred 2 years before the current year and prior year (Schedule P, Part 2-Summary, Line 12, Col. 12).....	(978)	(7,117)	2,871	4,727	972
77. Percent of development of losses and loss expenses incurred to reported policyholders' surplus of second prior-year end (Line 76 above divided by Page 4, Line 21, Col. 2 x 100.0).....	(0.6)	(5.0)	1.7	2.7	0.5

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

Yes [ ] No [ ]

If no, please explain:

SCHEDULE P - ANALYSIS OF LOSSES AND LOSS EXPENSES

SCHEDULE P - PART 1 - SUMMARY

(\$000 Omitted)

Years in Which Premiums Were Earned and Losses Were Incurred	Premiums Earned			Loss and Loss Expense Payments								12 Number of Claims Reported-Direct and Assumed
	1 Direct and Assumed	2 Ceded	3 Net (Cols. 1 - 2)	Loss Payments		Defense and Cost Containment Payments		Adjusting and Other Payments		10 Salvage and Subrogation Received	11 Total Net Paid (Cols. 4 - 5 + 6 - 7 + 8 - 9)	
				4 Direct and Assumed	5 Ceded	6 Direct and Assumed	7 Ceded	8 Direct and Assumed	9 Ceded			
1. Prior.....	.....XXX.....	.....XXX.....	.....XXX.....	.....16.....	.....7.....	.....2.....	.....2.....	.....2.....	.....2.....	.....21.....	.....XXX.....	
2. 2008.....	.....189,991.....	.....30,698.....	.....159,293.....	.....93,297.....	.....2,458.....	.....3,077.....	.....1.....	.....12,179.....	.....24.....	.....8,814.....	.....106,070.....	.....XXX.....
3. 2009.....	.....177,466.....	.....29,570.....	.....147,896.....	.....93,378.....	.....2,687.....	.....3,482.....	.....(28).....	.....12,049.....	.....37.....	.....8,942.....	.....106,213.....	.....XXX.....
4. 2010.....	.....175,272.....	.....30,971.....	.....144,301.....	.....101,370.....	.....5,485.....	.....4,609.....	.....454.....	.....12,325.....	.....45.....	.....8,501.....	.....112,320.....	.....XXX.....
5. 2011.....	.....180,675.....	.....33,877.....	.....146,798.....	.....94,994.....	.....3,762.....	.....2,091.....	.....138.....	.....13,611.....	.....43.....	.....10,002.....	.....106,753.....	.....XXX.....
6. 2012.....	.....186,398.....	.....31,490.....	.....154,908.....	.....99,770.....	.....4,425.....	.....1,273.....	.....50.....	.....10,361.....	.....22.....	.....13,081.....	.....106,907.....	.....XXX.....
7. 2013.....	.....191,204.....	.....28,228.....	.....162,976.....	.....101,287.....	.....2,657.....	.....958.....	.....8.....	.....10,571.....	.....8.....	.....13,545.....	.....110,151.....	.....XXX.....
8. 2014.....	.....189,739.....	.....24,811.....	.....164,928.....	.....91,754.....	.....2,073.....	.....559.....	.....4.....	.....9,703.....	.....11,779.....	.....99,939.....	.....XXX.....	
9. 2015.....	.....191,636.....	.....22,825.....	.....168,811.....	.....92,945.....	.....2,121.....	.....508.....	.....15.....	.....9,858.....	.....11,523.....	.....101,175.....	.....XXX.....	
10. 2016.....	.....210,947.....	.....16,833.....	.....194,114.....	.....105,638.....	.....1,260.....	.....258.....	.....8.....	.....10,778.....	.....8.....	.....11,585.....	.....115,406.....	.....XXX.....
11. 2017.....	.....216,284.....	.....15,253.....	.....201,031.....	.....145,581.....	.....60,237.....	.....33.....	.....1.....	.....17,045.....	.....3,828.....	.....4,746.....	.....98,593.....	.....XXX.....
12. Totals.....	.....XXX.....	.....XXX.....	.....XXX.....	.....1,020,030.....	.....87,165.....	.....16,855.....	.....637.....	.....118,480.....	.....4,015.....	.....102,520.....	.....1,063,548.....	.....XXX.....

	Losses Unpaid				Defense and Cost Containment Unpaid				Adjusting and Other Unpaid		23 Salvage and Subrogation Anticipated	24 Total Net Losses and Expenses Unpaid	25 Number of Claims Outstanding-Direct and Assumed
	Case Basis		Bulk + IBNR		Case Basis		Bulk + IBNR		21 Direct and Assumed	22 Ceded			
	13 Direct and Assumed	14 Ceded	15 Direct and Assumed	16 Ceded	17 Direct and Assumed	18 Ceded	19 Direct and Assumed	20 Ceded					
1. Prior.....	.....870.....	.....414.....	.....137.....	.....39.....	.....4.....	.....13.....	.....7.....	.....13.....	.....7.....	.....634.....	.....XXX.....		
2. 2008.....	.....230.....	.....20.....	.....55.....	.....36.....	.....2.....	.....11.....	.....2.....	.....11.....	.....2.....	.....297.....	.....XXX.....		
3. 2009.....	.....398.....	.....43.....	.....57.....	.....85.....	.....1.....	.....17.....	.....5.....	.....17.....	.....5.....	.....508.....	.....XXX.....		
4. 2010.....	.....131.....	.....123.....	.....111.....	.....44.....	.....3.....	.....16.....	.....5.....	.....16.....	.....5.....	.....195.....	.....XXX.....		
5. 2011.....	.....2,493.....	.....136.....	.....405.....	.....429.....	.....18.....	.....118.....	.....36.....	.....118.....	.....36.....	.....3,255.....	.....XXX.....		
6. 2012.....	.....761.....	.....202.....	.....220.....	.....220.....	.....8.....	.....106.....	.....18.....	.....106.....	.....18.....	.....1,263.....	.....XXX.....		
7. 2013.....	.....611.....	.....8.....	.....380.....	.....237.....	.....5.....	.....128.....	.....20.....	.....128.....	.....20.....	.....1,323.....	.....XXX.....		
8. 2014.....	.....1,489.....	.....4.....	.....403.....	.....434.....	.....9.....	.....225.....	.....27.....	.....225.....	.....27.....	.....2,511.....	.....XXX.....		
9. 2015.....	.....2,476.....	.....92.....	.....2,585.....	.....919.....	.....19.....	.....351.....	.....58.....	.....351.....	.....58.....	.....6,162.....	.....XXX.....		
10. 2016.....	.....60,036.....	.....39,217.....	.....92,830.....	.....81,261.....	.....1,718.....	.....5,762.....	.....1,973.....	.....5,762.....	.....1,973.....	.....4,820.....	.....37,864.....	.....XXX.....	
11. 2017.....	.....69,495.....	.....39,934.....	.....97,221.....	.....81,372.....	.....4,161.....	.....100.....	.....0.....	.....6,747.....	.....2,151.....	.....5,292.....	.....54,067.....	.....XXX.....	
12. Totals.....	.....870.....	.....414.....	.....137.....	.....39.....	.....4.....	.....13.....	.....7.....	.....13.....	.....7.....	.....634.....	.....XXX.....		

	Total Losses and Loss Expenses Incurred			Loss and Loss Expense Percentage (Incurred/Premiums Earned)			Nontabular Discount		34 Inter-Company Pooling Participation Percentage	Net Balance Sheet Reserves after Discount	
	26 Direct and Assumed	27 Ceded	28 Net	29 Direct and Assumed	30 Ceded	31 Net	32 Loss	33 Loss Expense		35 Losses Unpaid	36 Loss Expenses Unpaid
1. Prior..	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....XXX.....	.....593.....	.....41.....
2. 2008.....	.....108,608.....	.....2,483.....	.....106,125.....	.....57.2.....	.....8.1.....	.....66.6.....	.....0.....	.....0.....	.....XXX.....	.....55.....	.....0.....
3. 2009.....	.....109,230.....	.....2,720.....	.....106,510.....	.....61.5.....	.....9.2.....	.....72.0.....	.....0.....	.....0.....	.....XXX.....	.....254.....	.....43.....
4. 2010.....	.....118,861.....	.....6,033.....	.....112,828.....	.....67.8.....	.....19.5.....	.....78.2.....	.....0.....	.....0.....	.....XXX.....	.....412.....	.....96.....
5. 2011.....	.....111,010.....	.....4,062.....	.....106,948.....	.....61.4.....	.....12.0.....	.....72.9.....	.....0.....	.....0.....	.....XXX.....	.....143.....	.....52.....
6. 2012.....	.....114,849.....	.....4,687.....	.....110,162.....	.....61.6.....	.....14.9.....	.....71.1.....	.....0.....	.....0.....	.....XXX.....	.....2,762.....	.....493.....
7. 2013.....	.....114,105.....	.....2,691.....	.....111,414.....	.....59.7.....	.....9.5.....	.....68.4.....	.....0.....	.....0.....	.....XXX.....	.....963.....	.....300.....
8. 2014.....	.....103,372.....	.....2,110.....	.....101,262.....	.....54.5.....	.....8.5.....	.....61.4.....	.....0.....	.....0.....	.....XXX.....	.....983.....	.....340.....
9. 2015.....	.....105,862.....	.....2,176.....	.....103,686.....	.....55.2.....	.....9.5.....	.....61.4.....	.....0.....	.....0.....	.....XXX.....	.....1,888.....	.....623.....
10. 2016.....	.....123,005.....	.....1,437.....	.....121,568.....	.....58.3.....	.....8.5.....	.....62.6.....	.....0.....	.....0.....	.....XXX.....	.....4,969.....	.....1,193.....
11. 2017.....	.....323,005.....	.....186,548.....	.....136,457.....	.....149.3.....	.....1,223.0.....	.....67.9.....	.....0.....	.....0.....	.....XXX.....	.....32,388.....	.....5,476.....
12. Totals	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....XXX.....	.....0.....	.....0.....	.....XXX.....	.....45,410.....	.....8,657.....

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

**SCHEDULE P - PART 2 - SUMMARY**

Years in Which Losses Were Incurred	Incurred Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										DEVELOPMENT	
	1	2	3	4	5	6	7	8	9	10	11	12
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	One Year	Two Year
1. Prior.....	18,893	21,578	22,373	20,816	19,620	18,285	18,481	18,337	18,657	18,337	(320)	0
2. 2008.....	89,591	92,328	93,809	93,243	93,448	93,552	93,870	94,044	93,967	93,970	3	(74)
3. 2009.....	XXX	88,905	92,670	92,719	93,851	94,388	94,539	94,525	94,373	94,489	116	(36)
4. 2010.....	XXX	XXX	96,253	95,701	96,213	97,567	100,721	100,910	100,533	100,536	3	(374)
5. 2011.....	XXX	XXX	XXX	91,085	91,944	93,068	94,308	94,140	93,719	93,369	(350)	(771)
6. 2012.....	XXX	XXX	XXX	XXX	94,833	96,309	98,164	97,883	98,995	99,741	746	1,858
7. 2013.....	XXX	XXX	XXX	XXX	XXX	97,892	99,192	100,469	100,492	100,763	271	294
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	93,078	91,605	91,469	91,451	(18)	(154)
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	95,351	93,975	93,630	(345)	(1,721)
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	112,051	110,505	(1,546)	XXX
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	119,451	XXX	XXX
12. Totals.....											(1,440)	(978)

**SCHEDULE P - PART 3 - SUMMARY**

Years in Which Losses Were Incurred	Cumulative Paid Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)										11	12
	1	2	3	4	5	6	7	8	9	10	Number of Claims Closed With Loss Payment	Number of Claims Closed Without Loss Payment
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017		
1. Prior.....	000	8,955	15,498	16,324	17,772	17,226	17,832	17,701	17,688	17,709	XXX	XXX
2. 2008.....	72,608	85,349	89,436	91,142	92,613	92,994	93,460	93,787	93,902	93,915	XXX	XXX
3. 2009.....	XXX	69,191	83,620	88,046	91,108	93,053	93,700	93,955	94,001	94,201	XXX	XXX
4. 2010.....	XXX	XXX	66,596	83,206	92,180	94,705	98,181	99,160	99,473	100,040	XXX	XXX
5. 2011.....	XXX	XXX	XXX	72,310	86,292	89,151	91,344	92,483	92,997	93,185	XXX	XXX
6. 2012.....	XXX	XXX	XXX	XXX	77,831	89,593	92,122	93,569	94,623	96,568	XXX	XXX
7. 2013.....	XXX	XXX	XXX	XXX	XXX	81,187	93,111	95,781	98,981	99,588	XXX	XXX
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	76,517	87,388	89,405	90,236	XXX	XXX
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	79,543	89,230	91,317	XXX	XXX
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	94,366	104,636	XXX	XXX
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	85,376	XXX	XXX

**SCHEDULE P - PART 4 - SUMMARY**

Years in Which Losses Were Incurred	Bulk and IBNR Reserves on Net Losses and Defense and Cost Containment Expenses Reported at Year End (\$000 omitted)									
	1	2	3	4	5	6	7	8	9	10
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
1. Prior.....	1,405	211	477	228	128	121	155	138	138	137
2. 2008.....	7,077	937	699	170	82	118	108	64	55	55
3. 2009.....	XXX	7,042	2,003	530	278	399	149	146	88	44
4. 2010.....	XXX	XXX	10,024	2,499	76	635	527	456	92	57
5. 2011.....	XXX	XXX	XXX	6,306	1,007	367	398	310	204	12
6. 2012.....	XXX	XXX	XXX	XXX	6,990	1,352	925	403	819	405
7. 2013.....	XXX	XXX	XXX	XXX	XXX	6,800	1,684	627	274	202
8. 2014.....	XXX	XXX	XXX	XXX	XXX	XXX	7,618	1,429	424	380
9. 2015.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	7,087	1,154	403
10. 2016.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	9,273	2,585
11. 2017.....	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	11,569

# COOPERATIVA DE SEGUROS MULTIPLES DE PR SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Allocated by States and Territories

States, Etc.	1 Active Status	Gross Premiums, Including Policy and Membership Fees Less Return Premiums and Premiums on Policies Not Taken		4 Dividends Paid or Credited to Policyholders on Direct Business	5 Direct Losses Paid (Deducting Salvage)	6 Direct Losses Incurred	7 Direct Losses Unpaid	8 Finance and Service Charges not Included in Premiums	9 Direct Premiums Written for Federal Purchasing Groups (Incl. in Col. 2)
		2 Direct Premiums Written	3 Direct Premiums Earned						
1. Alabama.....AL	N								
2. Alaska.....AK	N								
3. Arizona.....AZ	N								
4. Arkansas.....AR	N								
5. California.....CA	N								
6. Colorado.....CO	N								
7. Connecticut.....CT	N								
8. Delaware.....DE	N								
9. District of Columbia.....DC	N								
10. Florida.....FL	N				117,373	(254,189)	76,865		
11. Georgia.....GA	N								
12. Hawaii.....HI	N								
13. Idaho.....ID	N								
14. Illinois.....IL	N								
15. Indiana.....IN	N								
16. Iowa.....IA	N								
17. Kansas.....KS	N								
18. Kentucky.....KY	N								
19. Louisiana.....LA	N								
20. Maine.....ME	N								
21. Maryland.....MD	N								
22. Massachusetts.....MA	N								
23. Michigan.....MI	N								
24. Minnesota.....MN	N								
25. Mississippi.....MS	N								
26. Missouri.....MO	N								
27. Montana.....MT	N								
28. Nebraska.....NE	N								
29. Nevada.....NV	N								
30. New Hampshire.....NH	N								
31. New Jersey.....NJ	N								
32. New Mexico.....NM	N								
33. New York.....NY	N								
34. North Carolina.....NC	N								
35. North Dakota.....ND	N								
36. Ohio.....OH	N								
37. Oklahoma.....OK	N								
38. Oregon.....OR	N								
39. Pennsylvania.....PA	N								
40. Rhode Island.....RI	N								
41. South Carolina.....SC	N								
42. South Dakota.....SD	N								
43. Tennessee.....TN	N								
44. Texas.....TX	N								
45. Utah.....UT	N								
46. Vermont.....VT	N								
47. Virginia.....VA	N								
48. Washington.....WA	N								
49. West Virginia.....WV	N								
50. Wisconsin.....WI	N								
51. Wyoming.....WY	N								
52. American Samoa.....AS	N								
53. Guam.....GU	N								
54. Puerto Rico.....PR	L	217,896,856	215,815,977		163,283,107	298,935,566	166,425,405	8,674	332,120
55. US Virgin Islands.....VI	N								
56. Northern Mariana Islands.....MP	N								
57. Canada.....CAN	N								
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0	0	0
59. Totals.....(a)	1	217,896,856	215,815,977	0	163,400,480	298,681,377	166,502,270	8,674	332,120

**DETAILS OF WRITE-INS**

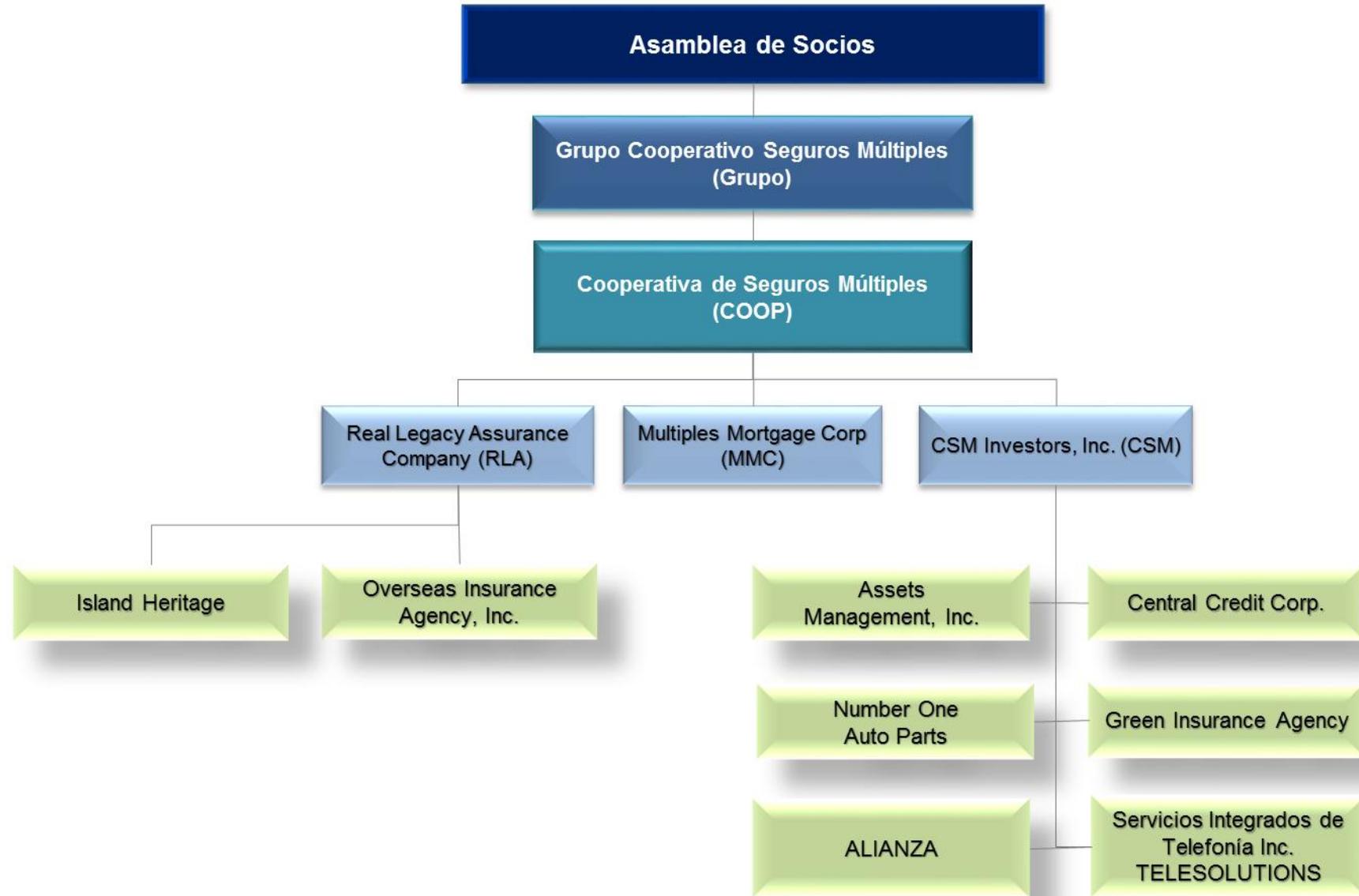
58001.....	XXX								
58002.....	XXX								
58003.....	XXX								
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above)	XXX	0	0	0	0	0	0	0	0

(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 (other than their state of domicile see DSLI); (D) - DSLI - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write Surplus Lines in the state of domicile; (N) - None of the above - Not allowed to write business in the state.  
**Explanation of Basis of Allocation of Premiums by States, etc.**

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

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

PART 1 – ORGANIZATIONAL CHART



## 2017 ALPHABETICAL INDEX -- PROPERTY & CASUALTY ANNUAL STATEMENT BLANK

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