

March 7, 2016

Ms. Wendy Parker
Executive Director
Property-Liability Trust, Inc.
PO Box 2008
Concord, New Hampshire 03302

Dear Wendy:

Willis Towers Watson was retained by Property-Liability Trust, Inc. (PLT) to produce pro forma financial statements under selected future assumptions for PLT's workers compensation (WC) and property and liability (P-L) lines of coverage in connection with PLT's evaluation of its "runoff" based on PLT no longer providing new coverage as of July 1, 2016.

This report was prepared for the internal use of PLT management to present our findings with respect to this analysis. It is our understanding that PLT management will consider our findings for the purpose of evaluating PLT's ability to pay for all P-L and WC covered claims considering the fact that no new coverage will be provided as of July 1, 2016.

Our report is not intended or necessarily suitable for any other purpose.

We relied on PLT's unaudited Statement of Financial Position (balance sheet) and Statements of Revenues, Expenses and Change in Net Position (income statement) as of December 31, 2015 (collectively, PLT's unaudited financial statements as of December 31, 2015). In developing this analysis, we also relied upon the following reports previously provided to PLT by Willis Towers Watson:

- Property/Liability Rate Level Indications Effective July 1, 2015 (report dated December 1, 2014)
- Property-Liability Analysis of Unpaid Loss and LAE as of December 31, 2015 (report dated February 9, 2016)
- Workers Compensation Analysis of Unpaid Loss and LAE as of December 31, 2015 (report dated February 11, 2016)
- Unemployment Compensation (UC) Analysis of Unpaid Loss and LAE as of December 31, 2015 (report dated February 10, 2016)
- Analysis of PLT's confidence level estimates for P-L, WC and UC coverages as of December 31, 2015 (report dated February 17, 2016)

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The exhibits attached in support of our conclusions are an integral part of this report. These sections have been prepared so that our actuarial assumptions and judgments are documented. Judgments about the analysis and findings presented in this report should be made only after considering this report and the reports noted above in their entirety. Our projections are predicated on a number of assumptions as to future conditions and events. These assumptions are documented in subsequent sections of this report, and in the reports noted above, and should be understood in order to place the actuarial estimates in their appropriate context. In addition, these projections are subject to a number of reliances and limitations, as described in a subsequent section of this report.

We are available to answer any questions that may arise regarding this report. We assume that the user of this report will seek such explanation on any matter in question.

In this report, we provide an actuarial central estimate of PLT's ultimate WC and P-L loss and allocated loss adjustment expense (ALAE) for the January 1, 2016 to June 30, 2016 period (FY 2016 stub period) and PLT's financial statement position as of each June 30 through June 30, 2022. The actuarial central estimates are intended to represent an expected value over a range of reasonably foreseeable outcomes. The actuarial central estimates were arrived at through the evaluation of the results of various actuarial methods and models applied to PLT's WC and P-L experience. As such, the derivation of these estimates does not reflect extreme events which are believed to have a remote possibility of occurring.

The scope does not include quantification of the uncertainty in our estimates. However, our report includes commentary on this uncertainty, to assist in understanding the financial implications of our results.

Transactions through the "valuation date" of December 31, 2015 are included in the unpaid loss estimates included in our analysis. No account whatsoever has been taken in the financial projections of developments or data received subsequent to the "review date" of February 16, 2016.

Our analysis was performed net as to excess insurance/reinsurance, and net of anticipated future recoveries (e.g., subrogation such as second injury fund recoveries for WC). We have assumed that all of PLT's excess insurance/reinsurance and future recoveries will be valid and collectible.

Material Assumptions Set by PLT

The findings in this report are materially influenced by certain assumptions selected by PLT, specifically:

- The 1.93% investment income rate of return for P-L invested assets (i.e., excluding cash) during the FY 2016 stub period
- The 1.32% investment rate of return for WC invested assets during the FY 2016 stub period
- The 1.90% annual investment income rate of return for both P-L and WC invested assets for FYs 2017 through 2022
- Operating expenses for future periods
- Funds can be allocated from the WC coverage line to the P-L coverage line
- The amounts shown on PLT's unaudited financial statements as of December 31, 2015 for the following will remain constant through the runoff period:
 - Deferred Outflows
 - Net Pension Liability
 - Deferred Inflows

- PLT's booked reserves as of June 30, 2016 and subsequent will be based on a prospective unpaid loss estimate at the end of each fiscal period
- The New Hampshire Department of Labor (DOL) will require PLT to have restricted assets no greater than the 85% confidence level of carried WC reserves
- Equipment will depreciate according to a schedule provided by PLT
- For WC, prepaid expenses will be equal to \$0 as of 6/30/2016
- For P-L, prepaid expenses will be reduced based on a schedule provided by PLT
- For P-L accounts receivable will be equal to \$0 as of 6/30/2016
- For WC, accounts receivable will be reduced by one-half as of 6/30/2016 and will be equal to \$0 by 6/30/2017
- The amounts shown on PLT's unaudited financial statements as of December 31, 2015 have been adjusted as follows:
 - Unearned contributions and cash as of December 31, 2015 have been reduced by \$205,138 to reflect the UC portion of unearned contributions
 - Unpaid loss and LAE and cash as of December 31, 2015 have been reduced by PLT's carried UC reserve amount of \$155,101

The interest rate, expense, accounts receivable, accounts payable and depreciation assumptions are based on PLT's knowledge of their expected future business changes and invested assets. The assumption that funds can be transferred between WC and P-L is based on PLT's knowledge of its business plan. The decision to keep the deferred outflow, net pension liability and deferred inflow amounts constant throughout the pro forma evaluation period is based on PLT's knowledge of how these amounts may or may not change over time. Evaluating the reasonableness of these assumptions would require work outside the scope of this assignment, therefore, we are not opining on their reasonableness.

Distribution

Our report is delivered under the following terms and conditions:

- This report is provided to PLT solely for the intended purpose, and may not be referenced or distributed to any other party without our prior written consent
- The report has been prepared for use by persons technically competent in the areas covered and with the necessary background information
- Draft versions of this report must not be relied upon by any person for any purpose
- A copy of the final version of this report may be shared with your auditors solely in the context of their performing regular audit activities
- You shall not refer to us or include any portion of this report in any shareholder communication or in any offering materials or fairness opinion provided by your professional advisors prepared in connection with the public offering or private placement of any security

- This report may be shared with your affiliates, provided that you ensure that each such affiliate complies with the terms above and the applicable statement of work as if it were a party to them, and you remain responsible for such compliance and you remain responsible for such compliance

In addition, we understand that PLT may wish to provide copies of the final version of this report to the State of New Hampshire regulatory authorities (the Recipients). Permission is hereby granted for such distribution on the conditions that:

- The report is distributed in its entirety
- Each Recipient agrees not to reference or distribute the report to any other party
- Each Recipient recognizes that the furnishing of this report is not a substitute for its own due diligence and agrees to place no reliance on this report or the data contained herein that would result in the creation of any duty or liability by Willis Towers Watson to such party
- Each Recipient understands that such RECIPIENT IS DEEMED TO HAVE ACCEPTED THESE TERMS AND CONDITIONS by retaining a copy of this report

We accept no responsibility for any consequences arising from any third party relying on this report. If we agree to provide this report to a third party, you are responsible for ensuring that the report is provided in its entirety, that the third party is made aware of the fact that they are not entitled to rely upon it, and that they may not distribute the report to any other party.

This report contains workpapers, trade secrets, and confidential information of both PLT and Willis Towers Watson. Because of the nature of the material contained in the report, it is not intended to be subject to disclosure requirements under any Freedom of Information Act or similar laws.

Findings

The attached pro formas are calculated and provided for the FY 2016 stub period through fiscal year end 2022 on a combined basis (i.e., for WC plus P-L) and separately for WC and P-L. The pro formas are based on our analysis of PLT's WC and P-L experience as of December 31, 2015 and subject to the considerations in the *Reliances and Limitations* section of the report.

Our analysis reflects the assumption that \$4.3 million, in total, will be allocated from the WC coverage line to the P-L coverage line starting in FY 2018. As requested by PLT, funds are allocated from the WC coverage line to the P-L coverage line at such time, and in the amount necessary, in order to ensure that P-L's total asset level remains above \$0. The allocated amounts are shown below.

ALLOCATIONS (\$000s)	
Period	Allocations from WC to P-L
Jan 1, 2016-June 30, 2016	\$0
July 1, 2016-2017	\$0
July 1, 2017-2018	\$2,500
July 1, 2018-2019	\$1,000
July 1, 2019-2020	\$600
July 1, 2020-2021	\$200
July 1, 2021-2022	\$0

The estimated net position after the allocations is as follows:

ESTIMATED NET POSITION (\$000s)			
As of	WC	P-L	Combined
December 31, 2015	\$5,108	(\$3,356)	\$1,751
June 30, 2016	\$5,308	(\$3,223)	\$2,085
June 30, 2017	\$5,163	\$(3,735)	\$1,428
June 30, 2018	\$2,331	\$(1,821)	\$509
June 30, 2019	\$1,394	\$(837)	\$558
June 30, 2020	\$831	\$(238)	\$593
June 30, 2021	\$655	\$(38)	\$617
June 30, 2022	\$672	\$(38)	\$635

WC and PL, Sheet 1 provides details regarding the financial statement items for WC and P-L coverages combined. WC and PL, Sheet 2 provides details regarding the estimated number of claims closed during each six month period as well as the unpaid loss estimate, by coverage, as of June 30, 2016 through June 30, 2022. Note that we have included a provision for future DOL assessments. Those amounts are implicitly included within both the incurred loss for the FY 2016 stub period and the estimated reserves. P-L/WC Runoff, Exhibits 1 and 2 display the outputs of the model including a balance sheet (Exhibit 1) and an income statement (Exhibit 2) modeled on a Generally Accepted Accounting Principles (GAAP) basis for WC and P-L coverages combined. Forecasted balance sheet and income statements are also provided for WC and P-L separately.

Assumptions

Workers Compensation

The actuarial central estimate WC loss cost for the FY 2016 stub period is based on our analysis of the ultimate loss and ALAE for FY 2016 as included in our December 31, 2015 unpaid loss analysis (dated February 2016). The FY 2016 stub period incurred losses include a provision for future DOL assessments, based on the assessment rate of 10.5% of annual reported loss, as estimated in our December 31, 2015 unpaid loss analysis.

Miscellaneous operating expenses for the FY 2016 stub period and subsequent are shown in the table below.

WC ESTIMATED OPERATING EXPENSES (\$000s)

Period	Including ULAE Paid	Excluding ULAE Paid
Jan 1, 2016- June 30, 2016	\$446	\$286
July 1, 2016-2017	\$618	\$364
July 1, 2017-2018	\$588	\$464
July 1, 2018-2019	\$52	\$0
July 1, 2019-2020	\$27	\$0
July 1, 2020-2021	\$13	\$0
July 1, 2021-2022	\$8	\$0

Effective July 1, 2016, reinsurance is no longer needed for future periods as PLT will no longer write new coverages. Reinsurance costs associated with the FY 2016 stub period are included in PLT's prepaid expense amounts as of December 31, 2015 and in the income statement surplus adjustments for the FY 2016 stub period. We also note that the losses in all models are on a net of reinsurance basis.

Property-Liability

The actuarial central estimate loss cost by coverage for the FY 2016 stub period, at the assumed limit of \$250,000 per occurrence for all coverages, is based on our P-L FY 2016 rate level report dated December 2014 as the initial values for the pro forma financial statements, along with consideration of our ultimate loss estimate for FY 2016 as included in our December 31, 2015 unpaid loss analysis (dated February 2016).

Miscellaneous operating expenses for FYs 2016 and subsequent are shown in the table below.

P-L ESTIMATED OPERATING EXPENSES (\$000s)

Period	Including ULAE Paid	Excluding ULAE Paid
Jan 1, 2016-June 30, 2016	\$530	\$389
July 1, 2016-2017	\$669	\$504
July 1, 2017-2018	\$676	\$574
July 1, 2018-2019	\$58	\$0
July 1, 2019-2020	\$31	\$0
July 1, 2020-2021	\$11	\$0
July 1, 2021-2022	\$2	\$0

Reliances and Limitations

Inherent Uncertainty

Pro forma financial projections are subject to large potential errors of estimation, due to the fact that the ultimate disposition of claims is subject to the outcome of events that have not yet occurred. Examples of these events include jury decisions, court interpretations, legislative changes, changes in the medical condition of claimants, public attitudes, and social/economic conditions such as inflation. Any estimate of future costs is subject to the inherent limitation on one's ability to predict the aggregate course of future events. The inherent uncertainty associated with projecting future experience based on past experience is increased in this instance since we are projecting the pro forma financial statements over a longer period. These pro forma financials should be regarded as the expected forecast of the financial performance of PLT over a range of possible future operating results. It should therefore be anticipated that the actual financial results will vary, perhaps materially, from any estimate. Furthermore, no assurance can be given that PLT's actual prospective P-L and WC ultimate loss and LAE for the FY 2016 stub period will not ultimately exceed the estimates contained herein.

PLT's pro forma indications are more uncertain than is typical for an entity retaining similar risk because:

- Our results are highly dependent on the assumption regarding PLT's FY 2016 stub period loss cost. It is possible that PLT's P-L and WC programs may have been adversely selected against. If that is the case, our results would be mis-stated, perhaps materially.
- The geographic concentration of PLT in the state of New Hampshire could cause adverse results due to legislative or judicial changes or catastrophic events (e.g., terrorism).
- PLT's retained losses include coverages such as workers compensation and professional liability exposures, for which the estimate of ultimate loss is more uncertain than for short-tailed lines of business.
- PLT has a relatively high per occurrence retention for liability coverages (\$1 million for 7/2014-15 and prior) and the workers compensation program (for accident years 2006 and subsequent), with a low level of loss experience in the higher retention levels, which increases the uncertainty associated with our liability and workers compensation loss estimates.
- PLT has a small amount of school board legal liability, law enforcement liability and public officials' liability claims experience. Loss projections based on small volumes of data tend to be volatile.
- There have been changes in the handling of workers compensation claims, as discussed in the full workers compensation December 31, 2015 unpaid loss and LAE report. PLT believes this should not have an effect on the claim settlement or case reserving practices as of December 31, 2015; however, this does create additional uncertainty in our analysis.
- The size and composition of PLT's workers compensation program has changed over time. The variability in the exposure level creates uncertainty in our estimate of ultimate loss.
- There is significant uncertainty regarding estimated future calendar year assessments, as the total annual assessment applicable to PLT is based on an allocation from the State of New Hampshire and is dependent on the statewide future calendar years' Second Injury Fund (and other fund) payments. Our retained unpaid loss estimate and assessment liability provision are based on PLT's historical results which inherently assume that prospectively the State will operate the Second Injury Fund similarly as it has in the past. PLT has recently had an increase in recoveries from the Second Injury Fund. As discussed in the *Background* section of our full workers compensation report, PLT believes this is a result of the State of New Hampshire easing its restrictions for accepting claims to the Second Injury Fund. We

have also seen an increase in the latest assessment rate. If the future assessment rate continues to increase due to changes in the State's process, our estimated assessment liability could be understated, perhaps materially, particularly if PLT does not correspondingly receive a proportionately higher level of recoveries from the Second Injury Fund.

- Effective November 2015, PLT was ordered to only provide coverage for current members through June 30, 2016, when it would go into runoff. Our analysis is based on the assumption that there will be no change in the way PLT's claims are reported and settled going forward as a consequence of these events. Other impacts associated with this change in status cannot be quantified at this time.
- Note that a quantification of this uncertainty would likely reflect a range of reasonable favorable and adverse scenarios, but not necessarily a range of all possible outcomes. Further, the proper application of any range is dependent on the context.

Data Reliance

Throughout this analysis, we have relied on historical data and other quantitative and qualitative information supplied by PLT. We have not independently audited or verified this information; however, we have reviewed it for reasonableness and internal consistency. We have assumed that the information is complete and accurate, and that we have been provided with all information relevant to the analysis of PLT's pro forma financial projections. The accuracy of our results is dependent upon the accuracy and completeness of the underlying data; therefore, any material discrepancies discovered in this data should be reported to us and this report amended accordingly, if warranted.

Extraordinary Future Emergence

We have not anticipated any extraordinary changes to the legal, social or economic environment that might affect the cost, frequency or future reporting of claims. In addition, our estimates make no provision for potential future claims arising from loss causes not represented in the historical data (e.g., new types of mass torts or latent injuries, terrorist acts) except insofar as claims of these types are included but not identified in the reported claims and are implicitly analyzed.

Discounting

Because the pro forma financial projection indications contained in this report are presented on a basis reflecting future investment income, the uncertainty inherent in these estimates is further increased. In addition to the usual uncertainty in projecting ultimate loss and ALAE, estimates reflecting investment income may also be influenced by:

- Variations in the timing of actual loss and ALAE payments versus the rate of payment assumed in discounting estimates to present value
- Variation in the actual investment yield on the assets underlying the liabilities versus the assumed interest rate used in discounting

Excess Insurance/Reinsurance Collectibility

The pro forma projections are presented net of excess insurance/reinsurance. An independent evaluation of the quality of security provided by PLT's excess insurers/reinsurers is outside the scope of our engagement. We have assumed that all of PLT's excess insurance/reinsurance protection will be valid and collectible. Contingent liability may exist for any excess insurance/reinsurance recoveries that may prove to be uncollectible. Should such liabilities materialize, they would be in addition to the net outstanding and prospective loss estimates contained herein.

Self-Insurance Risk

When reviewing our findings, it is important to note certain implications of a group self-insurance plan. The entire retained risk remains with the self-insurer, which likely exposes this entity to greater potential fluctuations in financial experience than does a first dollar insurance program. PLT should have sufficient financial capacity to reserve for and withstand those fluctuations. Actual losses in excess of projected losses will have to be paid by PLT or its members. It is not possible to estimate such fluctuations completely accurately; however, the effects of such fluctuations can be reduced by the funding of a provision for contingencies (a margin for the risk of adverse deviation from the expected loss levels).

An important factor bearing on a self-insurance group's financial capacity is the existence of an excess insurance/reinsurance program. Excess insurance/reinsurance is generally considered an integral part of programs with the potential for catastrophic losses; municipal and school liability, property and workers compensation claims are characterized by this potential.

Nothing in this report should be construed as recommending that PLT should or should not self-insure these coverages. Many factors other than the prospective ultimate loss and LAE or Total Net Position should be considered in that decision.

Additional details of our analysis are available upon request.

The projected results are extremely dependent on the specific assumptions. Please let us know if you would like us to test the sensitivity of the results to additional changes in any of the assumptions.

This revised final report replaces and supersedes the final report issued on March 4, 2016.

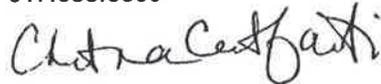
We, the co-authors of this report, are members of the American Academy of Actuaries and we meet its qualification standards to render the actuarial opinion contained herein.

We have enjoyed working on this analysis for you. Please call if you have any questions.

Sincerely,



Maureen B. Stazinski, FCAS, MAAA
617.638.3609



Christina L. Centofanti, FCAS, MAAA
617.638.3986

Fiscal Year (1)	WC Runoff (2)	PL Runoff (3)	PL & WC Runoff (4)
Net Earned/Collected Contribution			
1/2016-6/2016	\$2,753	\$3,444	\$6,197
7/1/2016-17	0	0	0
7/1/2017-18	0	0	0
7/1/2018-19	0	0	0
7/1/2019-20	0	0	0
7/1/2020-21	0	0	0
7/1/2021-22	0	0	0
Retained Incurred Loss and LAE (Including SIF Assessment)			
1/2016-6/2016	\$2,138	\$2,281	\$4,419
7/1/2016-17	0	0	0
7/1/2017-18	0	0	0
7/1/2018-19	0	0	0
7/1/2019-20	0	0	0
7/1/2020-21	0	0	0
7/1/2021-22	0	0	0
Operating Expenses (excluding LAE paid)			
1/2016-6/2016	\$286	\$389	\$676
7/1/2016-17	364	504	868
7/1/2017-18	464	574	1,038
7/1/2018-19	0	0	0
7/1/2019-20	0	0	0
7/1/2020-21	0	0	0
7/1/2021-22	0	0	0
Underwriting Profit/(Loss) per Year			
1/2016-6/2016	\$329	\$773	\$1,102
7/1/2016-17	(364)	(504)	(868)
7/1/2017-18	(464)	(574)	(1,038)
7/1/2018-19	0	0	0
7/1/2019-20	0	0	0
7/1/2020-21	0	0	0
7/1/2021-22	0	0	0
Investment Income			
1/2016-6/2016	\$97	\$21	\$119
7/1/2016-17	219	19	238
7/1/2017-18	132	5	136
7/1/2018-19	64	2	66
7/1/2019-20	37	1	38
7/1/2020-21	24	0	24
7/1/2021-22	18	0	18
Net Income			
1/2016-6/2016	\$426	\$795	\$1,220
7/1/2016-17	(144)	(488)	(630)
7/1/2017-18	(332)	(569)	(902)
7/1/2018-19	64	2	66
7/1/2019-20	37	1	38
7/1/2020-21	24	0	24
7/1/2021-22	18	0	18
Surplus Adjustments			
1/2016-6/2016	(\$225)	(\$682)	(\$887)
7/1/2016-17	(1)	(28)	(27)
7/1/2017-18	0	(17)	(17)
7/1/2018-19	0	(17)	(17)
7/1/2019-20	0	(3)	(3)
7/1/2020-21	0	0	0
7/1/2021-22	0	0	0
Transfers			
1/2016-6/2016	\$0	\$0	\$0
7/1/2016-17	0	0	0
7/1/2017-18	(2,500)	2,500	0
7/1/2018-19	(1,000)	1,000	0
7/1/2019-20	(800)	800	0
7/1/2020-21	(200)	200	0
7/1/2021-22	0	0	0
Net Position			
6/30/2016	\$5,308	(\$3,223)	\$2,085
6/30/2017	5,163	(3,735)	1,428
6/30/2018	2,331	(1,821)	509
6/30/2019	1,394	(837)	558
6/30/2020	831	(238)	593
6/30/2021	655	(38)	617
6/30/2022	672	(38)	635

Property-Liability Trust

Based on data evaluated as of December 31, 2015

WC and PL
Sheet 2

Property-Liability Coverages

	2016 H1	2016 H2	2017H1	2017H2	2018H1	2018H2	2019H1	2019H2	2020H1	2020H2	2021H1	2021H2	2022H1
# of claims closed during period	614	226	91	34	48	20	22	8	6	3	4	2	1
# of open claims at end of period	467	240	149	115	67	47	24	17	10	7	3	2	0
Paid Loss & ALAE during period	\$1,985,448	\$1,591,971	\$1,335,683	\$1,067,065	\$813,507	\$604,402	\$438,771	\$318,746	\$220,753	\$128,661	\$64,080	\$27,298	\$8,735
Paid ULAE during period	140,833	93,462	71,197	57,017	44,363	33,442	24,686	18,320	12,936	7,434	3,590	1,554	501
Total Paid Loss & LAE during period	2,126,281	1,685,433	1,406,881	1,124,082	857,870	637,844	463,457	337,066	233,689	136,095	67,670	28,852	9,236
Total Unpaid Loss & LAE at end of period	7,004,215	5,318,782	3,911,901	2,787,819	1,929,949	1,292,105	828,648	491,582	257,893	121,798	54,129	25,277	16,041

Workers Compensation

	2016 H1	2016 H2	2017H1	2017H2	2018H1	2018H2	2019H1	2019H2	2020H1	2020H2	2021H1	2021H2	2022H1
# of claims closed during period	458	137	48	23	16	8	10	5	6	2	6	3	4
# of open claims at end of period	283	146	98	75	59	51	42	37	31	28	23	20	16
Paid Loss & ALAE during period	\$2,543,712	\$2,246,899	\$1,657,079	\$1,143,860	\$729,557	\$494,432	\$309,969	\$243,052	\$166,198	\$121,458	\$85,558	\$74,469	\$45,131
Paid ULAE during period	159,928	145,315	109,224	75,432	48,198	32,560	19,912	15,848	10,839	8,010	5,444	4,907	2,782
Total Paid Loss & LAE during period	2,703,640	2,392,214	1,766,303	1,219,292	777,755	526,993	329,881	258,900	177,037	129,468	91,002	79,376	47,913
Total Unpaid Loss & LAE at end of period	7,957,311	5,565,096	3,798,793	2,579,502	1,801,747	1,274,754	944,873	685,973	508,936	379,468	288,466	209,090	161,177

Notes:

Based on Willis Towers Watson analysis of Property-Liability Trust's unpaid P-L and WC loss and LAE as of December 31, 2015 (reports dated February 9 and 11, 2016, respectively). 2016 H1 is the period January 1, 2016 through June 30, 2016. 2016 H2 is the period July 1, 2016 through December 31, 2016.

Pro Forma Analysis for 12/31/2015 through FY2022

US Statutory Balance Sheet	12/31/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Assets								
Invested assets								
Restricted Securities	9,928,295	9,270,267	4,425,594	2,069,035	1,100,777	592,911	336,063	187,771
Investment Securities	7,002,890	4,484,933	4,454,264	2,034,948	1,246,683	786,731	853,774	881,818
Cash	4,372,531	2,674,178	286,874	168,002	66,342	70,964	81,591	35,131
Other invested assets	0	0	0	0	0	0	0	0
Total invested assets	21,304,716	16,429,378	9,166,732	4,269,984	2,418,803	1,450,608	1,051,428	904,720
Other assets								
Due and accrued investment income	45,061	26,639	26,651	12,661	6,523	3,711	2,731	2,123
Reinsurance								
Amounts recoverable from reinsurers	0	0	0	0	0	0	0	0
Agents' balances	0	0	0	0	0	0	0	0
Uncollected premium	0	0	0	0	0	0	0	0
Aggregate write-ins for other than invested assets	0	0	0	0	0	0	0	0
Other Accounts Receivable	1,341,146	715,614	97,618	97,618	94,688	94,688	94,688	94,688
Other Non-Insurance Assets	951,134	64,249	37,659	20,279	2,897	0	0	0
Total other assets	2,338,230	806,502	161,928	130,557	104,109	98,399	97,419	96,811
Total assets	23,642,947	17,235,881	9,328,460	4,430,542	2,520,912	1,549,005	1,148,848	1,001,531
Liabilities								
Losses and loss adjustment expenses	15,372,000	14,961,526	7,710,695	3,731,696	1,773,522	766,830	342,595	177,218
Unearned premium	6,196,982	0	0	0	0	0	0	0
Other liabilities								
Other expenses	0	0	0	0	0	0	0	0
Ceded reinsurance premiums payable (net of ceding commissions)	0	0	0	0	0	0	0	0
Provision for reinsurance	0	0	0	0	0	0	0	0
Aggregate write-ins for liabilities	0	0	0	0	0	0	0	0
Other Accounts Payable	322,674	189,447	189,447	189,447	189,447	189,447	189,447	189,447
Total other liabilities	322,674	189,447	189,447	189,447	189,447	189,447	189,447	189,447
Total liabilities	21,891,657	15,150,973	7,900,142	3,921,143	1,962,969	956,277	532,042	366,665
Surplus								
Unassigned funds	1,751,310	2,084,908	1,428,318	509,399	557,943	592,728	616,806	634,866
Surplus as regards policyholders	1,751,310	2,084,908	1,428,318	509,399	557,943	592,728	616,806	634,866
Total liabilities and surplus	23,642,947	17,235,881	9,328,460	4,430,542	2,520,912	1,549,005	1,148,848	1,001,531

Pro Forma Analysis for 1/1/2016 through FY2022

US Statutory Income Statement	7/2015-12/2015	1/2016-6/2016	7/1/2016-17	7/1/2017-18	7/1/2018-19	7/1/2019-20	7/1/2020-21	7/1/2021-22
Underwriting Income								
Premiums earned	6,196,962	0	0	0	0	0	0	0
Deductions:								
Losses and loss adjustment expenses incurred	4,419,447	(0)	(0)	(0)	(0)	(0)	0	(0)
Other underwriting expenses incurred	675,557	867,939	1,038,009	0	0	0	0	0
Total underwriting deductions	5,095,004	867,939	1,038,009	(0)	(0)	(0)	0	(0)
Net underwriting gain or loss	1,101,958	(867,939)	(1,038,009)	0	0	0	(0)	0
Investment Income								
Net investment income earned	118,524	237,939	136,471	65,925	37,682	24,077	18,061	0
Net realized capital gains (losses)	(0)	0	0	0	0	0	0	0
Net investment gain or loss	118,524	237,939	136,471	65,925	37,682	24,077	18,061	0
Net Income								
Net income before dividends and income tax	1,220,482	(630,000)	(901,538)	65,925	37,682	24,077	18,061	0
Dividends to policyholders	0	0	0	0	0	0	0	0
Net income after dividends but before income tax	1,220,482	(630,000)	(901,538)	65,925	37,682	24,077	18,061	0
Income taxes incurred	0	0	0	0	0	0	0	0
Net Income	1,220,482	(630,000)	(901,538)	65,925	37,682	24,077	18,061	0
Capital and Surplus Account								
Net income	1,220,482	(630,000)	(901,538)	65,925	37,682	24,077	18,061	0
Contributions from Workers Compensation	0	0	0	0	0	0	0	0
Change in unrealized capital gains or losses	0	0	0	0	0	0	0	0
Dividends to stockholders	0	0	0	0	0	0	0	0
Other surplus adjustments	(866,684)	(28,590)	(17,361)	(17,361)	(2,697)	0	0	(0)
Change in surplus as regards policyholders	333,598	(656,590)	(918,919)	48,544	34,786	24,077	18,061	0
Surplus as regards policyholders, end of period	1,751,310	2,084,908	1,428,318	509,399	557,943	592,728	616,806	634,866

US Statutory Balance Sheet	12/31/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Assets								
Invested assets								
Restricted Securities	0	0	0	0	0	0	0	0
Investment Securities	2,220,121	1,323,356	68,850	48,921	14,148	24,840	23,662	10,407
Cash	4,100,062	2,443,939	123,456	90,346	26,129	45,873	43,868	19,218
Other invested assets	0	0	0	0	0	0	0	0
Total invested assets	6,320,183	3,767,294	190,306	139,267	40,278	70,713	67,359	29,625
Other assets								
Due and accrued investment income	5,005	1,400	403	280	108	85	8	7
Reinsurance								
Amounts recoverable from reinsurers	0	0	0	0	0	0	0	0
Agents' balances								
Uncollected premium	0	0	0	0	0	0	0	0
Aggregate write-ins for other than invested assets	0	0	0	0	0	0	0	0
Other Accounts Receivable	58,666	51,132	51,132	51,132	51,132	51,132	51,132	51,132
Other Non-Insurance Assets	725,027	63,446	37,659	20,278	2,897	0	0	0
Total other assets	788,698	115,978	69,195	71,689	54,137	51,197	51,139	51,139
Total assets	7,108,881	3,883,272	270,500	210,956	94,415	121,910	118,498	80,764
Liabilities								
Losses and loss adjustment expense	6,849,000	7,004,215	3,911,901	1,929,949	828,648	257,893	54,129	16,041
Unearned premium	3,444,246	0	0	0	0	0	0	0
Other liabilities								
Other expenses	0	0	0	0	0	0	0	0
Ceded reinsurance premiums payable (net of ceding commissions)	0	0	0	0	0	0	0	0
Provision for reinsurance	0	0	0	0	0	0	0	0
Aggregate write-ins for liabilities	0	0	0	0	0	0	0	0
Other Accounts Payable	171,981	102,301	102,301	102,301	102,301	102,301	102,301	102,301
Total other liabilities	171,981	102,301	102,301	102,301	102,301	102,301	102,301	102,301
Total liabilities	10,465,227	7,106,517	4,014,203	2,032,250	930,950	360,195	156,430	118,343
Surplus								
Unassigned funds	(3,356,346)	(3,223,245)	(3,734,703)	(1,821,295)	(836,535)	(238,285)	(37,933)	(37,579)
Surplus as regards policyholders	(3,356,346)	(3,223,245)	(3,734,703)	(1,821,295)	(836,535)	(238,285)	(37,933)	(37,579)
Total liabilities and surplus	7,108,881	3,883,272	270,500	210,956	94,415	121,910	118,498	80,764

Pro Forma Analysis for 1/1/2016 through FY2022

US Statutory Income Statement	7/2015-12/2015	1/2016-6/2016	7/1/2016-17	7/1/2017-18	7/1/2018-19	7/1/2019-20	7/1/2020-21	7/1/2021-22
Underwriting Income								
Premiums earned	3,444,246	0	0	0	0	0	0	0
Deductions:								
Losses and loss adjustment expenses incurred	2,281,498	(0)	0	(0)	(0)	(0)	0	0
Other underwriting expenses incurred	389,491	504,430	574,139	574,139	0	0	0	0
Total underwriting deductions	2,670,987	504,430	574,139	(0)	(0)	(0)	0	0
Net underwriting gain or loss	773,259	(504,430)	(574,139)	0	0	0	(0)	(0)
Investment Income								
Net investment income earned	21,424	18,759	4,928	2,140	1,147	352	354	0
Net realized capital gains (losses)	0	0	0	0	0	0	0	0
Net investment gain or loss	21,424	18,759	4,928	2,140	1,147	352	354	0
Net Income								
Net income before dividends and income tax	794,683	(485,672)	(569,211)	2,140	1,147	352	354	0
Dividends to policyholders	0	0	0	0	0	0	0	0
Net income after dividends but before income tax	794,683	(485,672)	(569,211)	2,140	1,147	352	354	0
Income taxes incurred	0	0	0	0	0	0	0	0
Net income	794,683	(485,672)	(569,211)	2,140	1,147	352	354	0
Capital and Surplus Account								
Net income	794,683	(485,672)	(569,211)	2,140	1,147	352	354	0
Contributions from Workers Compensation	0	0	2,500,000	1,000,000	600,000	200,000	0	0
Change in unrealized capital gains or losses	0	0	0	0	0	0	0	0
Dividends to stockholders	0	0	0	0	0	0	0	0
Other surplus adjustments	(681,582)	(25,786)	(17,381)	(17,381)	(2,897)	0	0	0
Change in surplus as regards policyholders	133,101	(511,458)	1,913,408	984,759	598,250	200,352	354	0
Surplus as regards policyholders, end of period	(3,356,346)	(3,223,245)	(3,734,703)	(1,821,295)	(836,535)	(238,285)	(37,933)	(37,570)

Pro Forma Analysis for 12/31/2015 through FY2022

US Statutory Balance Sheet	12/31/2015	6/30/2016	6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Assets								
Invested assets								
Restricted Securities	9,929,295	9,270,267	4,425,694	2,099,035	1,100,777	592,911	336,063	187,771
Investment Securities	4,782,769	3,161,578	4,387,414	1,986,027	1,232,535	761,891	630,112	671,412
Cash	272,469	230,239	163,216	75,856	43,213	25,091	17,894	15,912
Other invested assets	0	0	0	0	0	0	0	0
Total invested assets	14,984,534	12,662,084	8,976,228	4,160,718	2,376,525	1,379,893	984,069	875,095
Other assets								
Due and accrued investment income	40,947	25,238	26,247	12,362	6,415	3,646	2,725	2,116
Reinsurance								
Amounts recoverable from reinsurers	0	0	0	0	0	0	0	0
Agents' balances	0	0	0	0	0	0	0	0
Uncollected premium	0	0	0	0	0	0	0	0
Aggregate write-ins for other than invested assets	0	0	0	0	0	0	0	0
Other Accounts Receivable	1,262,479	664,483	48,486	48,486	43,557	43,557	43,557	43,557
Other Non-Insurance Assets	226,106	804	0	0	0	0	0	0
Total other assets	1,549,532	690,525	72,733	58,868	49,972	47,202	46,281	45,672
Total assets	16,534,066	13,352,609	9,048,960	4,219,586	2,426,497	1,427,096	1,030,350	920,767
Liabilities								
Losses and loss adjustment expense	8,523,000	7,957,311	3,798,793	1,801,747	944,873	508,936	288,468	161,177
Unearned premium	2,752,716	0	0	0	0	0	0	0
Other liabilities								
Other expenses	0	0	0	0	0	0	0	0
Ceded reinsurance premiums payable (net of ceding commissions)	0	0	0	0	0	0	0	0
Provision for reinsurance	0	0	0	0	0	0	0	0
Aggregate write-ins for liabilities	0	0	0	0	0	0	0	0
Other Accounts Payable	150,693	87,146	87,146	87,146	87,146	87,146	87,146	87,146
Total other liabilities	150,693	87,146	87,146	87,146	87,146	87,146	87,146	87,146
Total liabilities	11,426,410	8,044,456	3,885,939	1,888,892	1,032,019	596,082	375,612	248,323
Surplus								
Unassigned funds	5,107,656	5,308,152	5,163,021	2,330,693	1,394,478	831,014	654,738	672,445
Surplus as regards policyholders	5,107,656	5,308,152	5,163,021	2,330,693	1,394,478	831,014	654,738	672,445
Total liabilities and surplus	16,534,066	13,352,609	9,048,960	4,219,586	2,426,497	1,427,096	1,030,350	920,767

Pro Forma Analysis for 1/1/2016 through FY2022

US Statutory Income Statement	7/2015-12/2015	1/2016-6/2016	7/1/2016-17	7/1/2017-18	7/1/2018-19	7/1/2019-20	7/1/2020-21	7/1/2021-22
Underwriting Income								
Premiums earned	2,752,716	0	0	0	0	0	0	0
Deductions:								
Losses and loss adjustment expenses incurred	2,137,951	0	(0)	0	(0)	0	0	(0)
Other underwriting expenses incurred	286,066	363,509	463,870	0	0	0	0	0
Total underwriting deductions	2,424,017	363,509	463,870	0	(0)	0	0	(0)
Net underwriting gain or loss	328,699	(363,509)	(463,870)	(0)	0	0	(0)	0
Investment Income								
Net investment income earned	97,100	219,181	131,543	63,785	36,535	23,725	17,707	17,707
Net realized capital gains (losses)	(0)	0	0	0	0	0	0	0
Net investment gain or loss	97,100	219,181	131,543	63,785	36,535	23,725	17,707	17,707
Net Income								
Net income before dividends and income tax	425,799	(144,328)	(332,327)	63,785	36,535	23,725	17,707	17,707
Dividends to policyholders	0	0	0	0	0	0	0	0
Net income after dividends but before income tax	425,799	(144,328)	(332,327)	63,785	36,535	23,725	17,707	17,707
Income taxes incurred	0	0	0	0	0	0	0	0
Net income	425,799	(144,328)	(332,327)	63,785	36,535	23,725	17,707	17,707
Capital and Surplus Account								
Net income	425,799	(144,328)	(332,327)	63,785	36,535	23,725	17,707	17,707
Transfer of excess collateral to PL	0	0	(2,500,000)	(1,000,000)	(600,000)	(200,000)	0	0
Change in unrealized capital gains or losses	0	0	0	0	0	0	0	0
Dividends to stockholders	0	0	0	0	0	0	0	0
Other surplus adjustments	(225,303)	(804)	(0)	0	(0)	0	0	(0)
Change in surplus as regards policyholders	200,496	(145,132)	(2,832,327)	(936,215)	(563,465)	(176,275)	17,707	17,707
Surplus as regards policyholders, end of period	5,107,856	5,308,152	5,163,021	2,330,693	1,394,478	831,014	654,738	672,445