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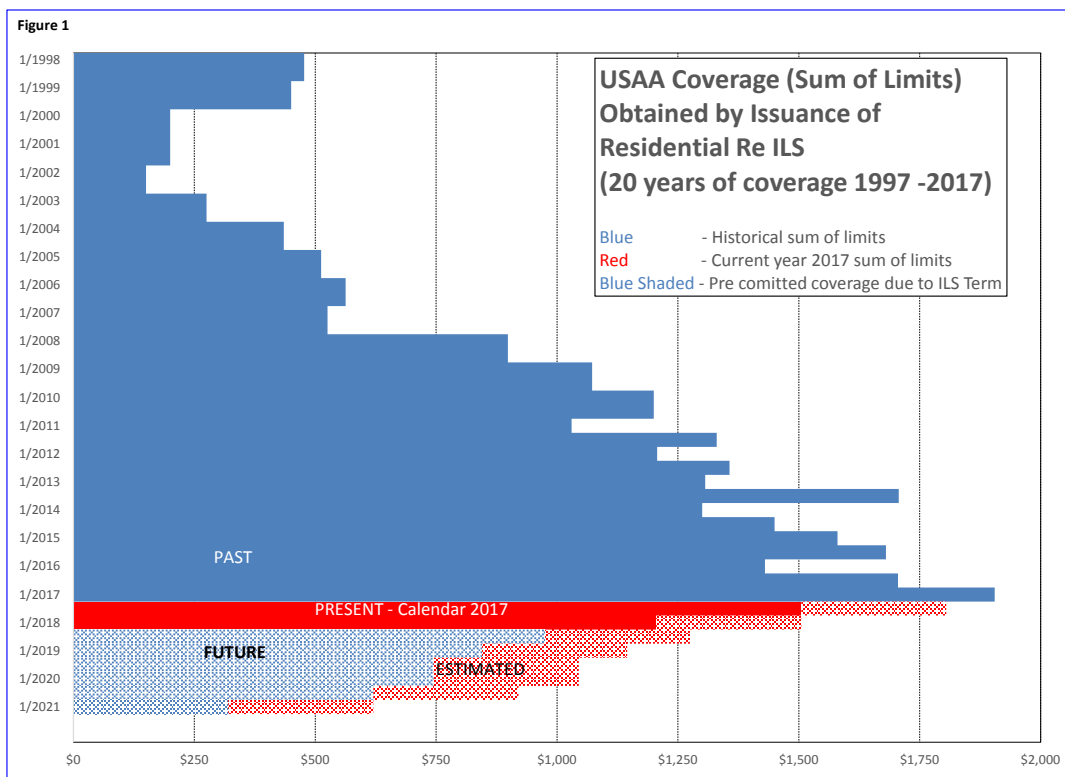
Annual Review and Commentary for the Four Quarters, Q2 2016 to Q1 2017

By: Morton N. Lane, President; Roger Beckwith, Vice President

1) Is the ILS Transparency Window clouding up?

It has been an article of faith with Lane Financial that transparency is good for all participants in the reinsurance market. And it was our hope that the ILS market would provide some of that transparency. In large part it has been so. More people know more about reinsurance (particularly Cat) than twenty years ago. They know the likely price of a risk and the likely ease with which a new offer can be quickly placed in the market. There is even modest liquidity in the secondary market. Furthermore, the price at which someone else traded is now recorded in TRACE, the FINRA compliance engine, for all who wish to see.

Against this sentiment are those who wish to keep the market as opaque as possible. These people believe they might have an “edge” if they have more information than anyone else and defend that edge by suggesting that their edge



allows them to serve the market more discreetly and efficiently – to move more size without moving the market.

This tension between transparency and opaqueness is true of all markets. The US securities markets is the most open and liquid of all markets and it too has its conflict. "Lit" market exchanges are public-serving markets (though they might be privately or publicly held) but to be licensed as an exchange they must be fully open and transparent in terms of all trading and pricing in real time. Further executed prices on, say, the NYSE must be at least as good as the National Best Bid or National Best Offer from all other licensed exchanges. The consolidated tape of the National Best Bid and Offer from all exchanges is known as the NBBO. On the other hand, there are a large number of "alternative market systems" (ATS) who do not operate in the light and they are referred to as "dark pools". Dark pools argue that the fact that they are not lit allows them to move large orders discreetly without moving the market. However, the record shows that over time the order size is smaller and smaller – just as in lit markets. The dark pools operate with two constraints. First they must report all trades to TRACE, but they can do it with a lag, and the public access to that data can take as much as a week. Second, they are required to transact at prices within in the NBBO at the timestamp-verified instant of execution. They could in theory cross a large order at the mid-market price without the lit market knowing about it. They could also take the other side of the order at any price within the NBBO spread. Many have found it profitable to do this and the volume of transactions run through dark pools has climbed.

Nothing in principal wrong with that except that as the dark pools get larger the lit market NBBO prices get derived from a smaller and smaller share of the market. Thinner markets can more easily be manipulated and the public market prices become less and less representative of what is really going on. One could imagine that if 10% of the market is lit its NBBO could easily be pushed around by the dark 90%. Which leaves a question – what is the right balance between lit and dark markets, between opaqueness and transparency? It is probably closer to 50/50 than 90/10.

Which brings us back to the ILS or "alternative" reinsurance markets. It has been our experience that notwithstanding TRACE the price transparency of the ILS market has been

declining. Fewer "pricing sheets" are being generated and some of the ones that are produced quote quite wide markets. (Don't misinterpret the point here – we gratefully receive all secondary market price-indication sheets and factor them into our analysis and want to continue to do so.) However more and tighter prices is better for transparency and better for meaningful analysis. It's not just ILS that concern us. ILW prices provide another useful insight into the current market but while once widely distributed are increasingly rare and less reliable. Finally, of course, there is the "collateralized reinsurance" (CR) market. It is beneficial to the market to have the CR market – it provides a wider and more robust set of risks to alternative investors – but the CR market has grown faster than the ILS market. The CR market is now more than twice the size of the ILS market. CR is to a dark pool as ILS is to a lit exchange. If the ILS market is now 30% of the combined alternative market and the CR market is priced off the visible ILS market it should send up warning flags. Hedge funds have to provide Net Asset Valuations (NAV) with monthly or quarterly frequency to allow incoming or exiting shareholders a fair secondary market entry or exit point. The more that is based on a smaller and smaller ILS market the less credible is the overall valuation. What is the secondary market price of a CR? Hard to tell without some good comparison points.

2) USAA and Residential Re - Twenty Years Young – Happy Birthday.

Prior to the then-mammoth \$500 million issue of Residential Re (by Goldman Sachs) in January 1997 only four cedents had been in the ILS market. By our count they were AIG CR, George Town Re (by Hanover), Wincat (by Swiss Re) and Reliance I (by Sedgwick-Lane) ... that is correct, issued by yours truly. There had been trading in CBoT Cat options since 1993 but all these prior attempts were indeed experiments and small in size. Res Re, as the USSA ILS deals became known, made a statement and turned the ideas of securitization of insurance into a large market reality.

In truth, that first deal contained almost no risk, was rated AAA and had a double trigger. For a loss to turn into a claim there had to be both a

Table 1

Changes in Structure and Key Terms of Residential Re Issues								
	Structure	Total Amount Issued	Term	Issue Date	Loss Form	Rating	Peril	Investment Bankers
1997	Two classes including an investment grade AAA class.	\$477 million	1 year	June	Occurrence	AAA, BB	US Gulf, East Coast Hurricane (With Class 3 Event Trigger)	Goldman Sachs Merrill Lynch Lehman Brothers
1998	Two classes proposed, one issued	\$450 million	1 year	June	Occurrence	BB	US Gulf, East Coast Hurricane	same
1999	Single class	\$200 million	1 year	June	Occurrence	BB	same	same
2000	Single class	\$200 million	1 year	May	Occurrence	BB+	same	same
2001	Single class	\$150 million	3 years	May	Occurrence	BB+	same	same
2002	Single class	\$125 million	3 years	May	Occurrence	BB+	same	same
2003	Single class	\$160 million	3 years	May	Occurrence	BB+	US Gulf, East Coast, Hawaii Hurricane, US Earthquake	Goldman Sachs BNP Paribas
2004	Two classes	\$227.5 million	3 years	May	Occurrence	BB, B	same	same
2005	Two classes	\$176 million	3 years	May	Occurrence	BB, B	same	same
2006	Four classes proposed, two issued	\$122.5 million	3 years	June	Occurrence	B, BB+	same	same
2007	First use of program format, five classes issued	\$600 million	3 years	May	Occurrence	BB, B, B, BB+, BB+	US Gulf, East Coast, Hawaii Hurricane, US Earthquake; Class 3 ex Florida; Classes 4 & 5 have \$25million deductible. Class 1 & 2: US Gulf, East Coast, Hawaii Hurricane, US Earthquake, CA Wildfire, US Thunderstorm, Winter Storm	Goldman Sachs BNP Paribas Lehman Brothers
2008	Three Classes	\$350 million	3 years	May	Two Classes Occurrence, One Class Aggregate	BB, B, BB+		Goldman Sachs Lehman Brothers
2009	Three Classes	\$250 million	3 years	June	Two Classes Occurrence, One Class Aggregate	BB-, B-, BB-	same	Goldman Sachs Aon Benfield Securities BNP Paribas
2010-I	Four Classes	\$405 million	3 years	May	Three Classes Occurrence, One Class Aggregate	BB, B+, B-, NR	US Gulf, East Coast, Hawaii Hurricane, US Earthquake, CA Wildfire, US Thunderstorm, Winter Storm	Goldman Sachs AON Benfield Securities Deutsche Bank Securities
2010-II	Three Classes	\$300 million	2 1/2 years	December	Occurrence	BB, NR, NR	same	same
2011-I	Three Classes	\$250 million	4 years	May	Two Classes Occurrence, One Class Aggregate	B+, B-, B	same	Goldman Sachs Swiss Re Capital Markets BofA Merrill Lynch
2011-II	Two Classes	\$150 million	same	November	Two Classes Occurrence	NR, NR	same	Goldman Sachs Swiss Re Capital Markets Deutsche Bank
2012-I	Three Classes	\$200 million	same	May	One Class Occurrence, Two Classes Aggregate	BB-, BB, NR	same	same
2012-II	Four Classes	\$400 million	same	November	Four Classes Occurrence	BB+, BB, NR, NR	same	same
2013-I	Two Classes	\$300 million	same	May	One Class Occurrence, One Classes Aggregate	B-, NR	same	same
2013-II	Two Classes	\$150 million	same	December	Two Classes Aggregate	NR, BB-	same	same
2014-I	Two Classes	\$130 million	same	May	Two Classes Aggregate	NR, NR	Added Volcanic and Meteorite	same
2014-II	One Class	\$100 million	same	December	Occurrence	NR	same	same
2015-I	Two Classes	\$150 million	same	May	Occurrence	NR, NR	same	same
2015-II	One Class	\$125 million	same	December	Occurrence	B-, NR	same	same
Espada	One Class	\$50 million	4 1/4 years	March	Aggregate	NR	Added "Other Natural Perils"	ReWire, SDDCO
2016-I	Three Classes	\$250 million	4 years	May	same	NR, NR, BB-	same	Goldman Sachs Swiss Re Capital Markets Citigroup
2016-II	Three Classes	\$400 million	1, 4, 4 years	November	Occurrence	NR, B-, B-	One class is zero coupon	same

class 3 or greater named storm that made landfall in listed states and there had to be an indemnity loss by USAA. After the first deal the terms of the Res Re transactions gradually changed. We have been fans of the transactions since the beginning and have made it a practice to track the details of each deal as time has gone by. Clearly USAA has built up a loyal and trusting investor class and there has been mutual benefit. Because of that trust the investors have felt more comfortable with wider and wider definitions of exposure and the issuer has felt that they were getting a fairer and fairer deal from the investor competition.

By our count all the Res Re deals that have been issued since 1997 have involved a combined

limit of \$6.8 billion, or viewed in another way since issues have ranged in term from one to four years, total combined coverage in the neighborhood of \$20 billion. The composition of those deals is demonstrated in graphs issued by us in each annual report – see Section F. A less detailed graph is represented in Figure 1 showing the buildup of coverage over the last twenty years. As of this writing the combined limit for all outstanding Res Re deals give USAA coverage of \$1.5 billion for the first half of this year and \$1.2 billion for the second half of the year (see red bars). USAA recently announced their intention to issue \$300 million in May; actual coverage will then be closer to \$1.8 billion and \$1.5 billion for

each respective half of the year. In addition, if those limits are not attached or exhausted their previous issue of deals that have not yet matured means that they have pre-bought considerable coverage for future years at locked-in prices (see the grey bars and the pink bars showing anticipated issues this year.) Essentially between \$500 million and \$1 billion is pre-bought.

Table 1 in this section records how things have changed one year to another as there have been new issues over the last twenty years. In summary, Res Re alone has issued the spectrum from AAA to Not Rated, from occurrence to aggregate, from east coast states to the whole USA, from wind only to every natural catastrophe, from senior (very remote risk) layers to working layers (incepting at 22.9% risk). Along the way they have changed their partner broker dealers (although Goldman Sachs is a constant) and no doubt varied the amount they bought from the traditional versus the alternative market. Congratulations USAA and Res Re you have pioneered the way for other cedents to follow.

3) Lane Synthetic Rate-on Line Indices

One feature of our Annual and Quarterly reports that gets regularly reported on is our Synthetic Rate-on-Line Index – see Section D. We think it is a worthwhile, consistently measured, index that gives insight into how the secondary markets contain valuable information to new issuers and potential investors. However, we are humble about its precision – it is useful to look at shifts over time rather than precision at a particular point in time. This quarter's calculation is no different.

The title of our Annual report at the beginning of 2015 was “Crawling Along or Coming Off Bottom?”. A glance at the index this month shows that “crawling along the bottom” was the better descriptor. However, the longer the soft market continues the more that “bottom” will be redefined down.

Two qualifying notes – first, there is seasonality in the index which accounts for much of the intra-year ups and downs. Second, the

Federal Reserve has instituted a program of raising interest rates. That rise will impact ILS prices in a coordinated fashion, but not by much and only slowly. Our own internal regressions have shown ILS prices to be influenced by the spread of High Yield bonds to Treasuries much more than the absolute level of Treasuries. High Yield bonds are competitors to ILS. Higher treasuries yields will influence returns (through the floating rate) but not so much on the fixed rate parts of return, i.e., premium.

4) Capital and Risk

Each Quarter we try to anticipate returns in the Traditional Reinsurance market by supposing a figurative reinsurer assumes all the risk in the ILS market, but on a leveraged basis. We are able to do this courtesy of AIR and their Cat models. The results over the last half dozen years are shown in the Section E. They demonstrate that high double digit returns were available in the last hard market after Tohoku but have been reduced to single digit in the subsequent soft market. Most years those returns have been in the high single digits but they are recorded shockingly low in the last six months. Here a qualifying note needs to be inserted.

AIR periodically improves its risk analysis as new information and new techniques become available. No one would want anything less. However, when it comes to inter-period comparative analysis it is important to keep these changes in mind. AIR made their last improvements in September of 2016. Those improvements led to more conservative estimates (i.e., marginally higher levels) of risk for outstanding securities. It is likely that not all market users were instantly acquainted with the change – possibly they were RMS users as RMS did not make a model change at that time. Such changes will only be transmitted slowly through the market. This is by way of explaining very low return on leveraged capital in September last year and in this Quarter. We feel that while returns are low they are probably in low middle digits rather than quite the numbers stated in the table.

Section A:

2012 Deal Statistics and Market Characteristics

2017 ILS FINANCIAL STATISTICS BASE CASE PROBABILITIES - PART 1																
New Issuer	SPV	Cedent	Agents/Managers	Amount (US \$mil)	S&P Rating	Issue Date	Maturity	Exposure Term	Spread Premium (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss	
1. Analyzed Securities																
Aozora 2017-1 Class A Blue Halo Re 2016-1 A Blue Halo Re 2016-1 B Blue Halo Re 2016-2 Bonanza Re 2016-1 A Bonanza Re 2016-1 B Buffalo Re 2017-1 A Buffalo Re 2017-1 B Citrus Re 2017-1 A First Coast Re 2016-1 A Gallilei Re 2016-1 A-1 Gallilei Re 2016-1 B-1 Gallilei Re 2016-1 C-1 Gallilei Re 2016-1 D-1 Gallilei Re 2016-1 E-1 Gallilei Re 2017-1 A-2 Gallilei Re 2017-1 B-2 Gallilei Re 2017-1 C-2 Gallilei Re 2017-1 D-2 Gallilei Re 2017-1 E-2 Laetere Re 2016-1 A Laetere Re 2016-1 B Laetere Re 2016-1 C Nakama Re 2016-1 1 Nakama Re 2016-1 2 Queen Street XII Residential Re 2016-I 10 Residential Re 2016-I 11 Residential Re 2016-I 13 Residential Re 2016-II 2 Residential Re 2016-II 3 Residential Re 2016-II 4 Sanders 2017-1 Skyline Re 2017-1 Class 1 Skyline Re 2017-1 Class 2 Ursa Re 2016-1 A		Sompo Japan Nipponkai	GC	480,000	NR	Mar-17	Apr-21	48	220	223	1.14%	1.65%	0.78%	109	69.1%	
	Allianz	AB		130,000	NR	Jun-16	Jun-19	36	1400	1419	7.24%	8.65%		695	83.7%	
	Allianz	AB		55,000	NR	Jun-16	Jun-19	36	1975	2002	11.53%	15.14%		849	76.2%	
	Allianz	AB		225,000	NR	Jul-16	Jul-19	35	825	836	3.99%	4.28%	3.63%	437	93.2%	
	American Strategic Ins	WIL		150,000	NR	Dec-16	Dec-19	36	375	380	1.52%	2.22%	1.07%	228	68.5%	
	American Strategic Ins	WIL		50,000	NR	Dec-16	Dec-19	36	500	507	2.19%	4.08%	2.10%	288	53.7%	
	ICAT Syndicate 4242	WIL		105,000	NR	Mar-17	Apr-20	37	325	330	1.18%	2.29%	0.55%	212	51.5%	
	ICAT Syndicate 4242	WIL		59,500	NR	Mar-17	Apr-20	37	675	684	4.09%	6.98%	2.29%	275	58.6%	
	Heritage P&C	AB		125,000	NR	Mar-17	Mar-20	36	600	608	3.21%	5.42%	2.19%	287	59.2%	
	Swiss Re America	SR, GC		75,000	NR	May-16	Jun-19	37	36	400	406	1.15%	1.20%	1.07%	291	95.8%
	XL Bermuda	GC, AB		75,000	NR	Dec-16	Jan-20	37	1325	1343	8.65%	12.60%	5.91%	478	68.7%	
	XL Bermuda	GC, AB		125,000	NR	Dec-16	Jan-20	37	800	811	4.55%	5.91%	3.47%	356	77.0%	
	XL Bermuda	GC, AB		175,000	NR	Dec-16	Jan-20	37	625	634	2.75%	3.47%	2.25%	359	79.3%	
	XL Bermuda	GC, AB		175,000	NR	Dec-16	Jan-20	37	525	532	1.86%	2.25%	1.54%	346	82.7%	
	XL Bermuda	GC, AB		200,000	NR	Dec-16	Jan-20	37	450	456	1.29%	1.54%	1.05%	327	83.8%	
	XL Bermuda	GC, AB		50,000	NR	Jan-17	Jan-21	48	1325	1343	8.65%	12.60%	5.91%	478	68.7%	
	XL Bermuda	GC, AB		50,000	NR	Jan-17	Jan-21	48	800	811	4.55%	5.91%	3.47%	356	77.0%	
	XL Bermuda	GC, AB		150,000	NR	Jan-17	Jan-21	48	625	634	2.75%	3.47%	2.25%	359	79.3%	
	XL Bermuda	GC, AB		150,000	NR	Jan-17	Jan-21	48	525	532	1.86%	2.25%	1.54%	346	82.7%	
	XL Bermuda	GC, AB		125,000	NR	Jan-17	Jan-21	48	450	456	1.29%	1.54%	1.05%	327	83.8%	
United P&C & affiliates	SR		30,000	NR	May-16	Jun-17	12	600	608	2.28%	3.08%	1.69%	380	74.0%		
United P&C & affiliates	SR		40,000	NR	May-16	Jun-17	12	950	963	4.97%	7.55%	3.08%	466	65.8%		
United P&C & affiliates	SR		30,000	NR	May-16	Jun-17	12	1774	1125	11.25%	15.12%	7.55%	649	74.4%		
Zenkyoren	AB		550,000	NR	Sep-16	Oct-21	61	60	220	223	0.49%	0.57%	0.41%	174	86.0%	
Zenkyoren	AB		150,000	NR	Sep-16	Oct-21	61	60	325	330	1.47%	1.88%	1.23%	183	78.2%	
MR, GC			190,000	NR	May-16	Apr-20	47	525	532	2.71%	3.53%	2.06%	261	76.8%		
GS, SR, CIT			65,000	NR	May-16	Jun-20	49	1150	1166	7.58%	12.03%	4.61%	408	63.0%		
GS, SR, CIT			75,000	NR	May-16	Jun-20	49	475	482	2.13%	4.61%	0.98%	269	46.2%		
GS, SR, CIT			110,000	BB-	May-16	Jun-20	49	325	330	0.62%	0.98%	0.40%	268	63.3%		
GS, SR, CIT			80,000	NR	Nov-16	Dec-17	12	775	786	5.55%	7.53%	4.18%	231	73.7%		
GS, SR, CIT			150,000	B-	Nov-16	Dec-20	49	525	532	2.91%	4.12%	2.13%	241	70.6%		
GS, SR, CIT			170,000	B	Nov-16	Dec-20	49	350	355	1.53%	2.13%	0.98%	202	71.8%		
AB			375,000	NR	Mar-17	Dec-21	56	300	304	0.86%	1.12%		218	76.8%		
JLT			100,000	NR	Feb-17	Jan-20	34	250	253							
JLT			80,000	NR	Feb-17	Jan-20	34	1200	1217							
SR			500,000	NR	Nov-16	Dec-19	36	400	406	2.18%	2.38%	2.00%	188	91.6%		

Notes to Table 1

- Laetere was issued at a discount. Amount of discount is indicated in the Spread column.
- The table displays securities issued from April 1, 2016 to March 31, 2017. Section 1 includes 36 natural catastrophe issues. Section 2 shows 2 life, mortality or health based security. Section 3 records 28 other issues.
- All deals are converted to a 365-day year as LIBOR convention uses a 360-day year but CAT risk is a 365-day year. Adjusted spreads are therefore comparable to reinsurance pricing.
- Probabilities are calculated using the Base catalogue.
- Expected Excess Return is defined as Adjusted Spread Premium less Expected Loss. Conditional Expected Loss is defined as Expected Loss divided by the Probability of First Dollar Loss.

DISCLAIMER

This paper shall not be considered an offer to sell or the solicitation of an offer to buy securities. All information has been obtained from sources both public and private that are believed to be reliable but the authors make no representation as its ultimate accuracy. The views and opinions are those of the authors and are not intended to guarantee any level of financial performance, risk exposure or investment outcome.

2017 ILS FINANCIAL STATISTICS BASE CASE PROBABILITIES - PART 2																
New Issuer	SPV	Cedent	Agents/Managers	Amount (US \$Mill)	S&P Rating	Issue Date	Maturity	Maturity Term	Exposure Term	Spread Premium (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss
2. Life, Mortality, Health Securities																
Vitality Re VIII 2017 A	Aetna	Aetna	GS, BNP, MR	140,000	BBB+	Jan-17	Jan-21	48	48	175	177	0.01%	0.04%		176	25.0%
			GS, BNP, MR	60,000	BB+	Jan-17	Jan-21	48	48	200	203	0.19%	0.50%		184	38.0%
3. Private and Other Securities																
Alpha Terra Validus I	Terra Brasis Re			9,722		Jan-17	Jan-18	11	11							
			Anex SAC Ltd. Series CX	8,500	NR	Aug-16	Jun-17	9	9							
Anex SAC Ltd. Series DX	Twelve Capital			50,000		Jan-17	Apr-18	14	14							
			Dodeka VIII	23,800	NR	Jun-16	Jan-17	6	6							
Dodeka IX				14,000		Jul-16	Jul-17	11	11							
Dodeka X				21,000		Jul-16	Jan-17	5	5							
Dodeka XI				19,400		Jan-17	Jan-18	11	11							
Horseshoe Re II LC1100		Leadenhall/Lloyds 1100		4,500	BBB+	Sep-16	Jul-19	33	33							
Horseshoe Re II LC2100		Leadenhall/Lloyds 2100		4,500	BBB+	Sep-16	Jul-19	33	33							
Li Re 2016-1		Kaith Re		3,750	NR	May-16	May-17	11	11							
Li Re 2016-2		Kaith Re		10,000		Dec-16	Apr-18	15	15							
Market Re 2016-2			JLT		NR	Jun-16	Jun-17	11	11							
Market Re 2016-3			JLT		NR	Jul-16	Jul-19	35	35							
Market Re 2016-4			JLT		NR	Jun-16	Jun-17	11	11							
Market Re 2016-5			JLT			Sep-16	May-17	7	7							
Mekyl Funding			LCP	57,500	NR	Jun-16										
Oak Leaf Re 2016-1 A			JLT		NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 B			JLT	19,087	NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 C			JLT	18,899	NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 D			JLT	47,670	NR	Jun-16	Jun-17	11	11							
Resilience Re 1642B			WIL	85,000	NR	Apr-16	Apr-17	11	11							
Resilience Re 1661A			WIL	10,000	NR	Jun-16	Jun-17	11	11	475						
Resilience Re Series 1711A			WIL	70,509		Feb-17										
Resilience Re Series 1712A			WIL	6,699		Jan-17	Jan-19	23	23							
Resilience Re Series 1712B			WIL	24,375		Jan-17	Jan-19	23	23							
Resilience Re Series 1712C			WIL	47,000		Jan-17	Jan-18	11	11							
Seaside Re 2017-1		Kaith Re		86,500		Jan-17	Jan-18	11	11							

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2017 ILS FINANCIAL STATISTICS SENSITIVITY CASE PROBABILITIES - PART 1																
New Issuer	SPV	Cedent	Agents/Managers	Amount (US \$mil)	S&P Rating	Issue Date	Maturity	Maturity Term	Exposure Term	Spread Premium (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss
1. Analyzed Securities	Azora 2017-1 Class A	Sompo Japan Nipponkoa	GC	480,000	NR	Mar-17	Apr-21	48	48	220	223	1.14%	1.65%	0.76%	109	69.1%
	Blue Halo Re 2016-1 A	Allianz	AB	130,000	NR	Jun-16	Jun-19	36	36	1400	1419	8.56%	10.13%		563	84.5%
	Blue Halo Re 2016-1 B	Allianz	AB	55,000	NR	Jun-16	Jun-19	36	36	1975	2002	13.19%	16.91%		683	78.0%
	Blue Halo Re 2016-2	Allianz	AB	225,000	NR	Jul-16	Jul-19	35	36	825	836	4.89%	4.82%		387	93.2%
	Bonanza Re 2016-1 A	American Strategic Ins	WIL	150,000	NR	Dec-16	Dec-19	36	36	375	380	1.80%	2.65%	1.23%	200	67.9%
	Bonanza Re 2016-1 B	American Strategic Ins	WIL	50,000	NR	Dec-16	Dec-19	36	36	500	507	2.69%	5.04%	1.36%	238	53.4%
	* Buffalo Re 2017-1 A	ICAT Syndicate 4242	WIL	105,000	NR	Mar-17	Apr-20	37	36	325	330	1.31%	2.52%	0.63%	199	52.0%
	* Buffalo Re 2017-1 B	ICAT Syndicate 4242	WIL	59,500	NR	Mar-17	Apr-20	37	36	675	684	4.46%	7.57%	2.52%	238	58.9%
	Citrus Re 2017-1 A	Heritage P&C	AB	125,000	NR	Mar-17	Mar-20	36	36	600	608	3.65%	6.06%	2.52%	243	60.2%
	First Coast Re 2016-1 A	Swiss Re America	SR, GC	75,000	NR	May-16	Jun-19	37	36	400	406	1.31%	1.37%	1.24%	275	95.6%
	Galilei Re 2016-1 A-1	XL Bermuda	GC, AB	75,000	NR	Dec-16	Jan-20	37	36	1325	1343	9.55%	13.96%	6.47%	388	68.4%
	Galilei Re 2016-1 B-1	XL Bermuda	GC, AB	125,000	NR	Dec-16	Jan-20	37	36	800	811	4.98%	6.47%	3.82%	313	77.0%
	Galilei Re 2016-1 C-1	XL Bermuda	GC, AB	175,000	NR	Dec-16	Jan-20	37	36	625	634	3.02%	3.82%	2.44%	332	79.1%
	Galilei Re 2016-1 D-1	XL Bermuda	GC, AB	175,000	NR	Dec-16	Jan-20	37	36	525	532	2.03%	2.44%	1.71%	329	83.2%
	Galilei Re 2016-1 E-1	XL Bermuda	GC, AB	200,000	NR	Dec-16	Jan-20	37	36	450	456	1.45%	1.71%	1.18%	311	84.8%
	Galilei Re 2017-1 A-2	XL Bermuda	GC, AB	50,000	NR	Jan-17	Jan-21	48	48	1325	1343	9.55%	13.96%	6.47%	388	68.4%
	Galilei Re 2017-1 B-2	XL Bermuda	GC, AB	50,000	NR	Jan-17	Jan-21	48	48	800	811	4.98%	6.47%	3.82%	313	77.0%
	Galilei Re 2017-1 C-2	XL Bermuda	GC, AB	150,000	NR	Jan-17	Jan-21	48	48	625	634	3.02%	3.82%	2.44%	332	79.1%
	Galilei Re 2017-1 D-2	XL Bermuda	GC, AB	150,000	NR	Jan-17	Jan-21	48	48	525	532	2.03%	2.44%	1.71%	329	83.2%
	Galilei Re 2017-1 E-2	XL Bermuda	GC, AB	125,000	NR	Jan-17	Jan-21	48	48	450	456	1.45%	1.71%	1.18%	311	84.8%
	* Laetere Re 2016-1 A	United P&C & affiliates	SR	30,000	NR	May-16	Jun-17	12	12	600	608	2.76%	3.71%	2.04%	332	74.4%
	* Laetere Re 2016-1 B	United P&C & affiliates	SR	40,000	NR	May-16	Jun-17	12	12	950	963	5.98%	8.99%	3.71%	365	66.5%
	* Laetere Re 2016-1 C	United P&C & affiliates	SR	30,000	NR	May-16	Jun-17	12	12	1774	1774	13.18%	17.41%	8.99%	456	75.7%
	Nakama Re 2016-1 1	Zenkyoren	AB	550,000	NR	Sep-16	Oct-21	61	60	220	223	0.49%	0.57%	0.41%	174	86.0%
	Nakama Re 2016-1 2	Zenkyoren	AB	150,000	NR	Sep-16	Oct-21	61	60	325	330	1.47%	1.89%	1.23%	183	78.2%
	Queen Street XII	Munich Re	MR, GC	190,000	NR	May-16	Apr-20	47	47	525	532	2.90%	3.74%	2.24%	242	77.5%
	Residential Re 2016-I 10	USAA	GS, SR, CIT	65,000	NR	May-16	Jun-20	49	48	1150	1166	8.80%	13.75%	5.33%	286	64.0%
	Residential Re 2016-I 11	USAA	GS, SR, CIT	75,000	NR	May-16	Jun-20	49	48	475	482	2.47%	5.33%	1.14%	235	46.3%
	Residential Re 2016-I 13	USAA	GS, SR, CIT	110,000	BB-	May-16	Jun-20	49	48	325	330	0.73%	1.14%	0.48%	257	64.3%
	Residential Re 2016-II 2	USAA	GS, SR, CIT	80,000	B-	Nov-16	Dec-20	49	48	525	532	6.35%	8.58%	4.74%	151	74.0%
	Residential Re 2016-II 3	USAA	GS, SR, CIT	150,000	B	Nov-16	Dec-20	49	48	350	355	1.72%	2.41%	1.14%	203	70.3%
	Residential Re 2016-II 4	USAA	GS, SR, CIT	170,000	B	Nov-16	Dec-20	49	48	300	304	0.97%	1.29%		183	71.4%
	Sanders 2017-1	Alistate	AB	375,000	NR	Mar-17	Dec-21	56	56	300	304				207	75.2%
	Skyline Re 2017-1 Class 1	Cincinnati Ins.	JLT	100,000	NR	Feb-17	Jan-20	34	34	250	253					
	Skyline Re 2017-1 Class 2	Cincinnati Ins.	JLT	80,000	NR	Feb-17	Jan-20	34	34	1200	1217					
	Ursa Re 2016-1 A	Calif Earthquake Auth	SR	500,000	NR	Nov-16	Dec-19	36	36	400	406	2.18%	2.38%	2.00%	188	91.6%

Notes to Table 1

- Laetere was issued at a discount. Amount of discount is indicated in the Spread column.
- The table displays securities issued from April 1, 2016 to March 31, 2017. Section 1 includes 36 natural catastrophe issues. Section 2 shows 2 life, mortality or health based security. Section 3 records 26 other issues.
- All deals are converted to a 365-day year as LIBOR convention uses a 360-day year but CAT risk is a 365-day year. Adjusted spreads are therefore comparable to reinsurance pricing.
- Probabilities are calculated using the Base catalogue.
- Expected Excess Return is defined as Adjusted Spread Premium less Expected Loss. Conditional Expected Loss is defined as Expected Loss divided by the Probability of First Dollar Loss.

2017 ILS FINANCIAL STATISTICS SENSITIVITY CASE PROBABILITIES - PART 2																
New Issuer	SPV	Cedent	Agents/Managers	Amount (US \$Mil)	S&P Rating	Issue Date	Maturity	Term	Exposure Term	Spread Premium (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss
2. Life, Mortality, Health Securities																
Vitality Re VIII 2017 A	Aetna	Aetna	GS, BNP, MR	140,000	BBB+	Jan-17	Jan-21	48	48	175	177	0.01%	0.04%		176	25.0%
				60,000	BB+	Jan-17	Jan-21	48	48	200	203	0.19%	0.50%		184	38.0%
3. Private and Other Securities																
Alpha Terra Validus I	Terra Brasis Re			9,722		Jan-17	Jan-18	11	11							
				8,500	NR	Aug-16	Jan-17	9	9							
Artex SAC Ltd. Series CX				50,000		Jan-17	Apr-18	14	14							
Artex SAC Ltd. Series DX					NR	Jun-16	Jan-17	6	6							
Dodeka VIII	Twelve Capital			23,800		Jul-16	Jul-17	11	11							
Dodeka IX				14,000		Jul-16	Jan-17	5	5							
Dodeka X				21,000		Jul-16	Jan-17	11	11							
Dodeka XI				19,400		Jan-17	Jan-18	11	11							
Horseshoe Re II LC1100	Leadenhall/Lloyds 1100			4,500	BBB+	Sep-16	Jul-19	33	33							
Horseshoe Re II LC2100				4,500	BBB+	Sep-16	Jul-19	33	33							
Li Re 2016-1	Kaith Re			3,750	NR	May-16	May-17	11	11							
Li Re 2016-2	Kaith Re			10,000		Dec-16	Apr-18	15	15							
Market Re 2016-2		JLT			NR	Jun-16	Jun-17	11	11							
Market Re 2016-3		JLT			NR	Jul-16	Jul-19	35	35							
Market Re 2016-4		JLT			NR	Jun-16	Jun-17	11	11							
Market Re 2016-5		JLT				Sep-16	May-17	7	7							
Mekyl Funding		LCP		57,500	NR	Jun-16										
Oak Leaf Re 2016-1 A		JLT			NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 B		JLT		19,087	NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 C		JLT		18,899	NR	Jun-16	Jun-17	11	11							
Oak Leaf Re 2016-1 D		JLT		47,670	NR	Jun-16	Jun-17	11	11							
Resilience Re 1642B		WIL		85,000	NR	Apr-16	Apr-17	11	11							
Resilience Re 1661A		WIL		10,000	NR	Jun-16	Jun-17	11	11	475						
Resilience Re Series 1711A		WIL		70,509		Feb-17										
Resilience Re Series 1712A		WIL		6,699		Jan-17	Jan-19	23	23							
Resilience Re Series 1712B		WIL		24,375		Jan-17	Jan-19	23	23							
Resilience Re Series 1712C		WIL		47,000		Jan-17	Jan-18	11	11							
Seaside Re 2017-1		Kaith Re		86,500		Jan-17	Jan-18	11	11							

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2017 ILS Issues – Notes

As a supplement to the details provided in the preceding tables, we provide some observations on selected issues. These are notable for unusual features, a first time issuer (ceding insurer), perils covered or other aspects of the security.

Residential Reinsurance 2016

As is its custom, USAA has introduced new features with the 2016 version of Residential Reinsurance. The May issuance – totaling \$250 million in three classes – expanded the covered risks to any PCS classified natural catastrophe or weather event (“Other”). And while “Other” excludes flood coverage generally, flood is covered for certain policyholders under hurricane and storm peril definitions. As has been the case recently, all three classes are indemnity, annual aggregate issues. The November issues of three classes included perils and other details similar to the May issues with the exception of Class 2. This has a one year maturity while the others were for four years; this is the first one year issue since Residential Re 2000. Class 2 was also issued at a discount, the first for USAA since their initial issuance in 1997.

First Coast Re

Security First Ins., a first time issuer, sponsored First Coast Re with Swiss Re as intermediary. It provides \$75 million in coverage for exposure to Florida hurricane and storm on an indemnity, per occurrence basis. The issue provides for a reduction in the attachment level for multiple events as existing reinsurance is eroded: \$5 million for events 1 and 2, \$2 million for events 3 and 4, and \$0 beyond 4 events. This feature may have contributed to a reduction in the issue size from an anticipated \$100 million.

Laetere Re

Another first time issuer, United P&C/Family Security Ins. Co./Interboro Ins Co., has issued three classes of Laetere Re 2016-1. Perils include US Gulf and East Coast hurricane and a more unusual group of states for earthquake risk: Massachusetts, New Jersey, North Carolina, Rhode Island and South Carolina. Clearly the bulk of the risk is in hurricane exposure,

accounting for in excess of 98% in all three classes. All classes were issued at a discount, 6% for Class A, 9.5% for Class B and 17.5% for Class C. The expected loss for Class C of 13.18% (WSST) was the second highest of our year.

Blue Halo Re

Allianz returned to the ILS market for the first time in several years (Blue Danube II in 2013). Two classes of Blue Halo 2016-1 were issued in June and a single class of Blue Halo 2016-2 arrived in July. A total of \$410 million was issued across the three classes, an increase from the initial target of \$250 million. Class B of 2016-1 had the highest expected loss of our year (by 0.01%) at 13.19%; understandably it also had the highest coupon at 19.75%. Perils covered are US hurricane and earthquake over a term of three years. For the 2016-1 issues losses are aggregate over the three year term; for 2016-2 losses are aggregate but on an annual basis. It would seem that the market was more receptive to the annual aggregate since the size increase was from \$100 million to \$225 million.

Nakama Re 2016-1

Nakama covers Japan earthquake risk for Japanese insurer Zenkyoren. Significant details include a five year term, and three overlapping three year aggregate loss periods. The terms were well received - Class 1 increased in size from \$200 million to \$550 and Class 2 from \$50 million to \$150.

Bonanza Re

American Strategic Group has issued two classes of Bonanza Re. Class 1 covers US hurricane and thunderstorm; Class 2 covers US thunderstorm only. Both are on an indemnity, per occurrence issues with a three year term. This contrasts with their earlier Gator Re which was on an aggregate basis. Gator Re, which matured in January, is now under an extended maturity pending development of the final aggregate loss figure. American Strategic has already received a partial recovery from Gator Re.

DISCLAIMER

This paper shall not be considered an offer to sell or the solicitation of an offer to buy securities. All information has been obtained from sources both public and private that are believed to be reliable but the authors make no representation as its ultimate accuracy. The views and opinions are those of the authors and are not intended to guarantee any level of financial performance, risk exposure or investment outcome.

Galilei Re

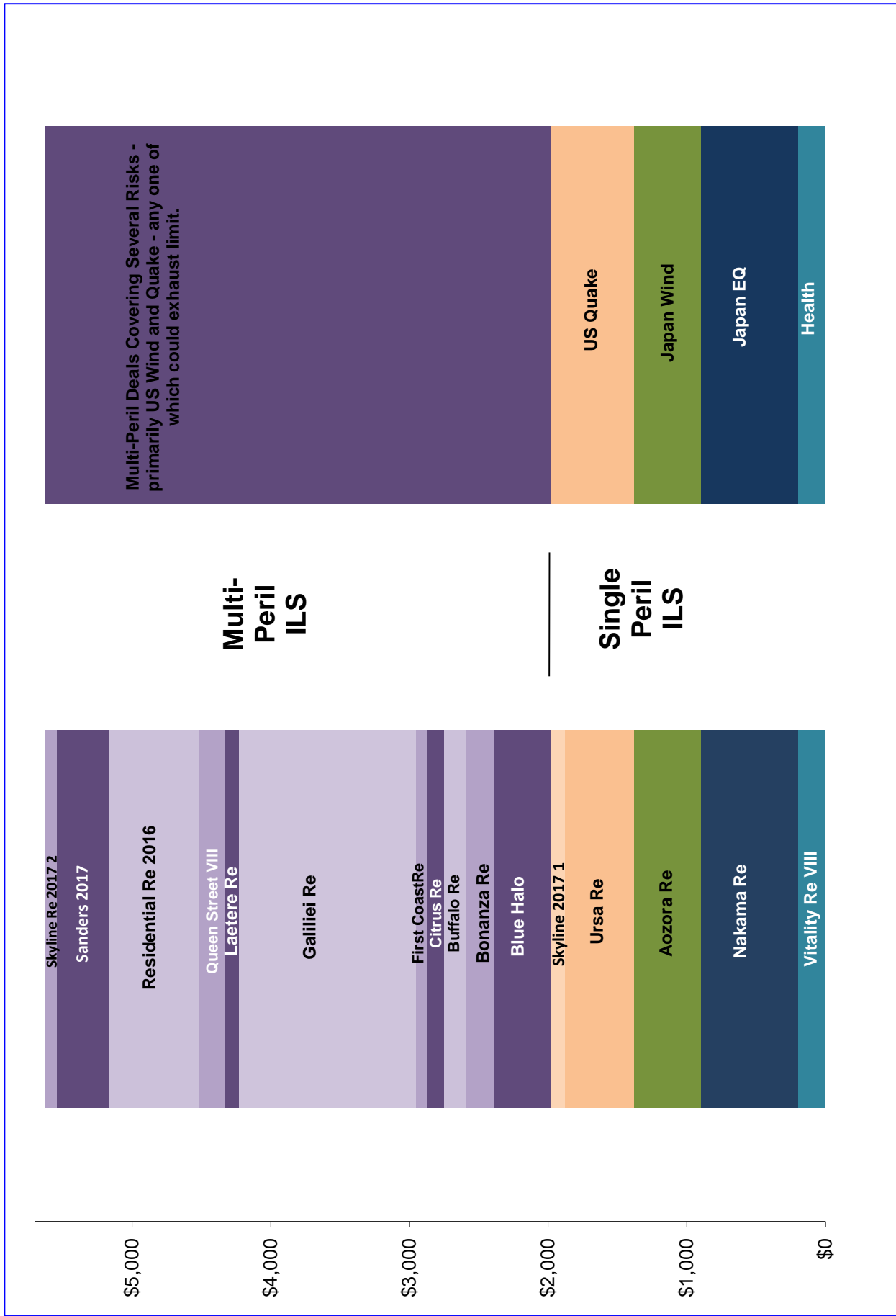
XL Bermuda came to the market with an ambitious Galilei Re issue in a total of ten classes, five in late December and five in early January. The total amount issued was \$1,275 million, an increase from the planned \$1,000 million. All classes cover the same perils – US hurricane, N. American earthquake, European wind, and Australia cyclone and earthquake and all are aggregate, industry loss. PCS will provide industry loss data for US events and PERILS will provide loss information for Euro and Australia events. The PERILS Australia index is being introduced in Galilei for the first time. The primary difference between the two versions of Galilei is that the 2016 issues are for a term of three years while the 2017 issues are for four years.

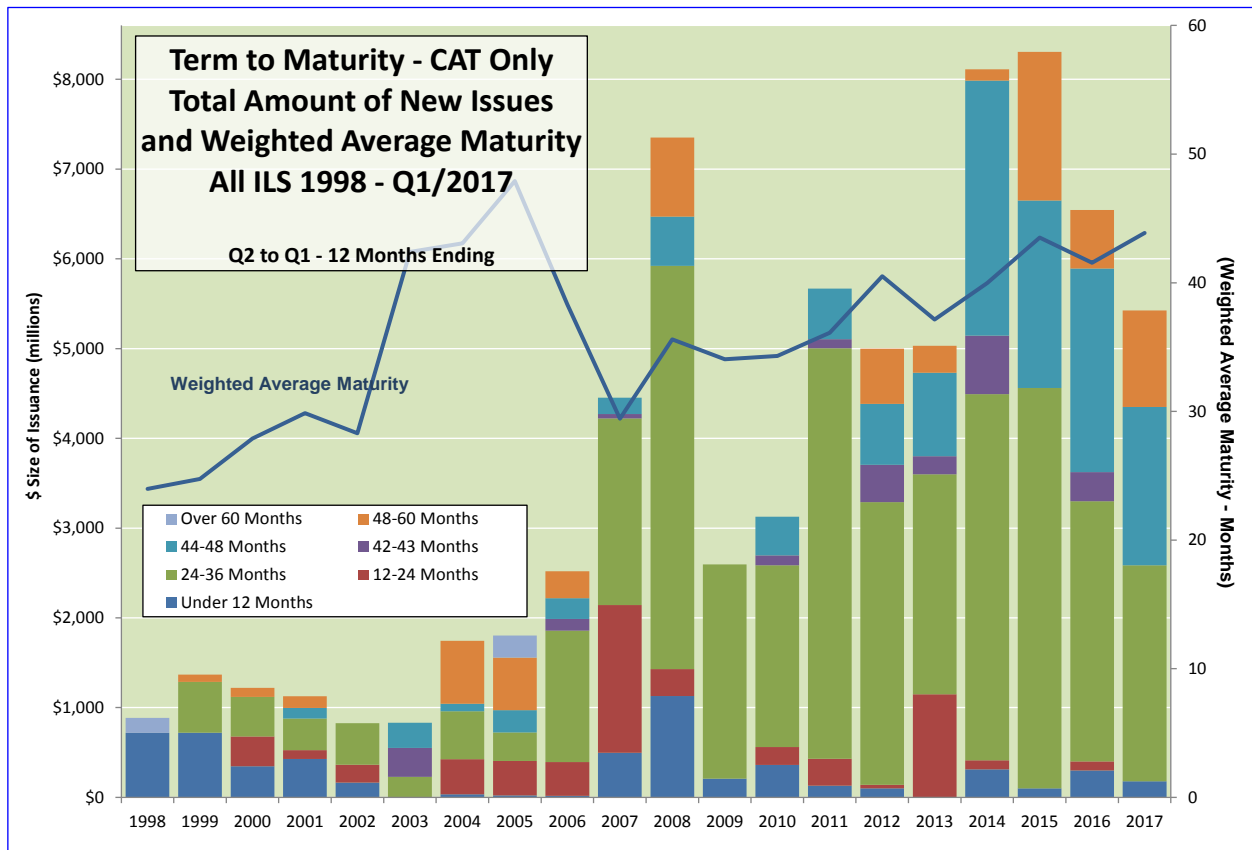
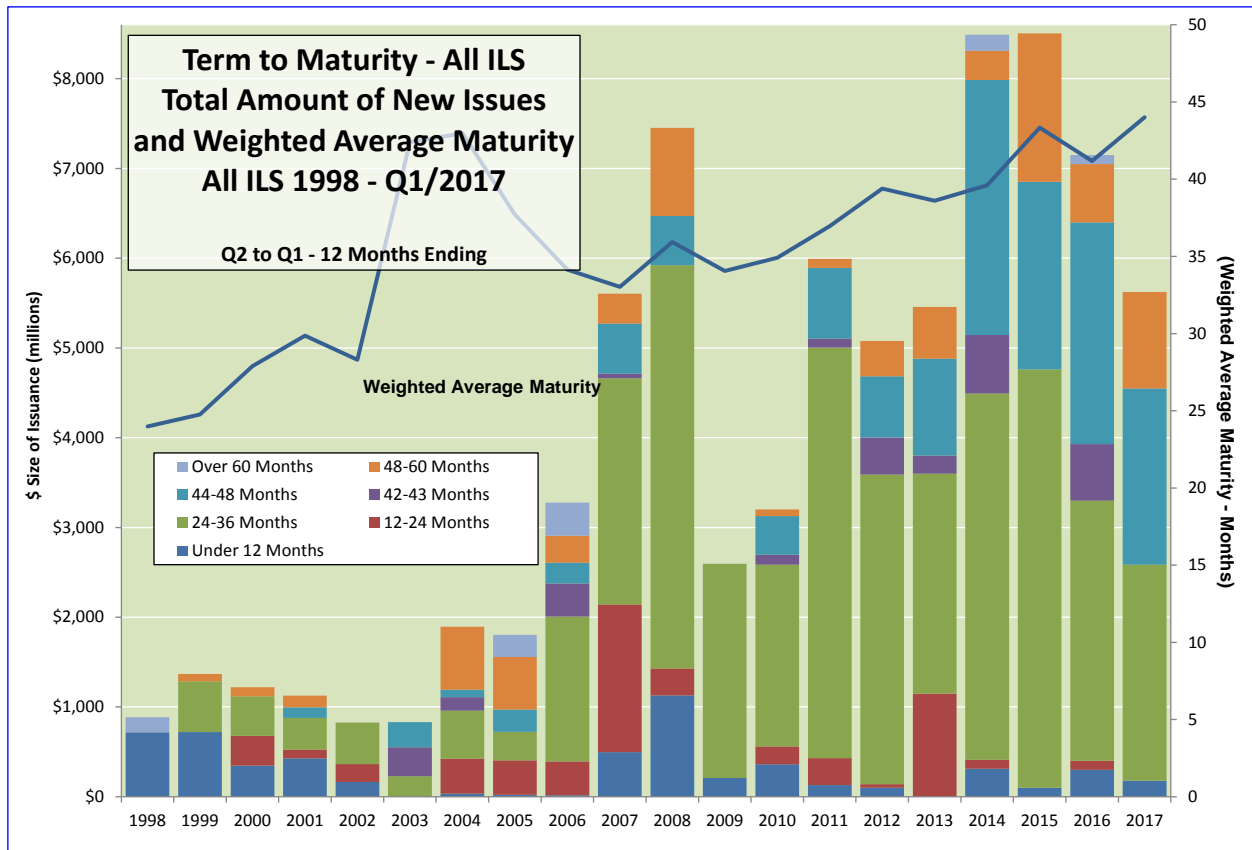
Buffalo Re

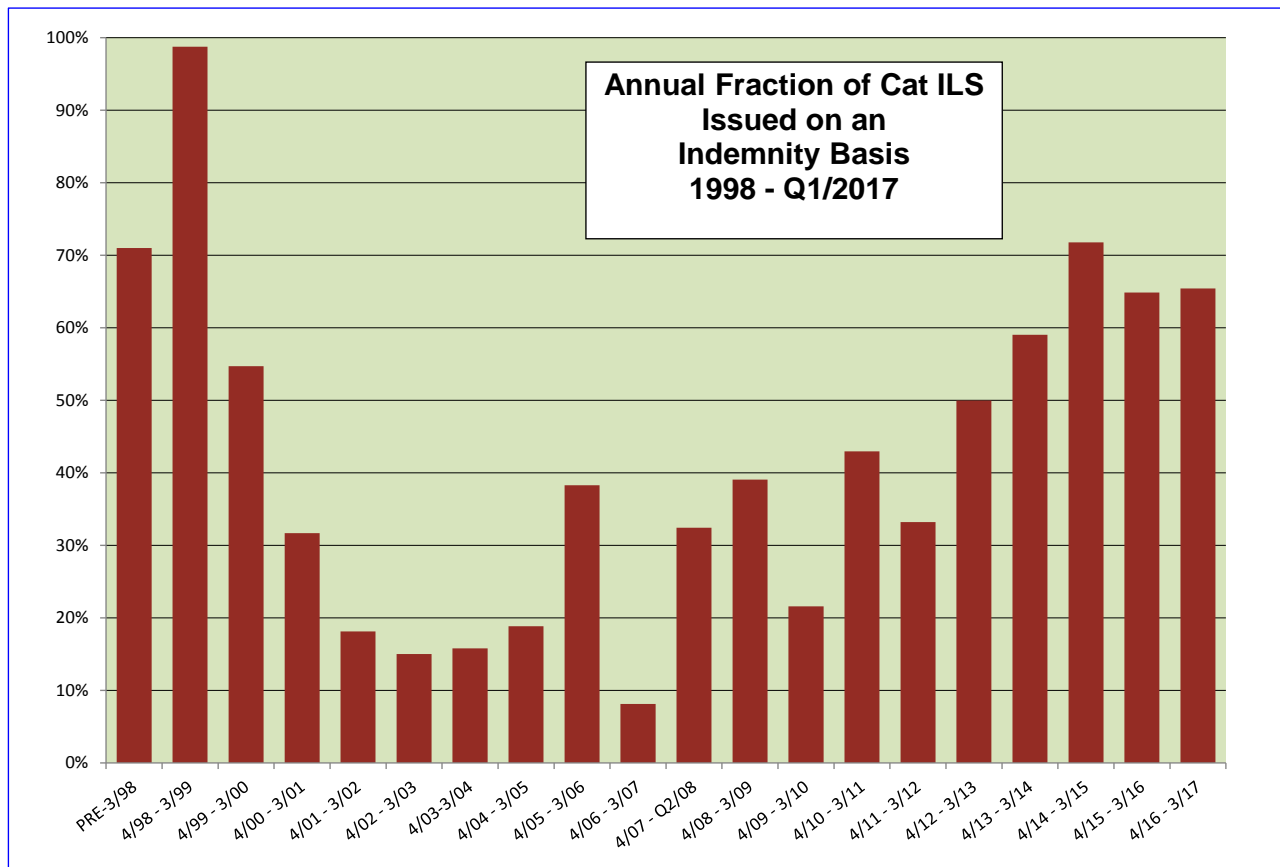
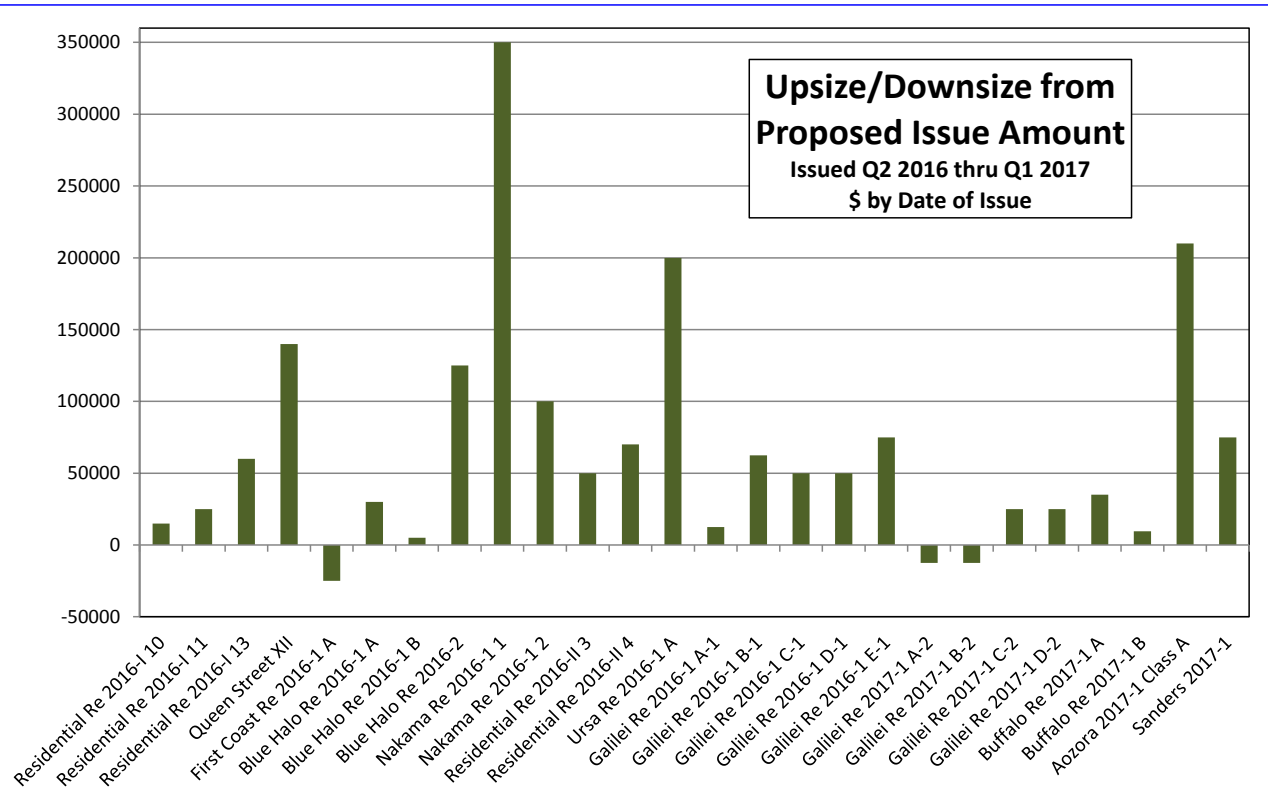
ICAT Syndicate 4242, a Lloyd's syndicate, is the sponsor of Buffalo Re. This is only the second ILS issued by a Lloyd's syndicate; St Agatha Re in 2002 was issued by Hiscox on behalf of its Syndicate 33. Buffalo Re provides indemnity coverage for US hurricane and US earthquake risks.

Aozora

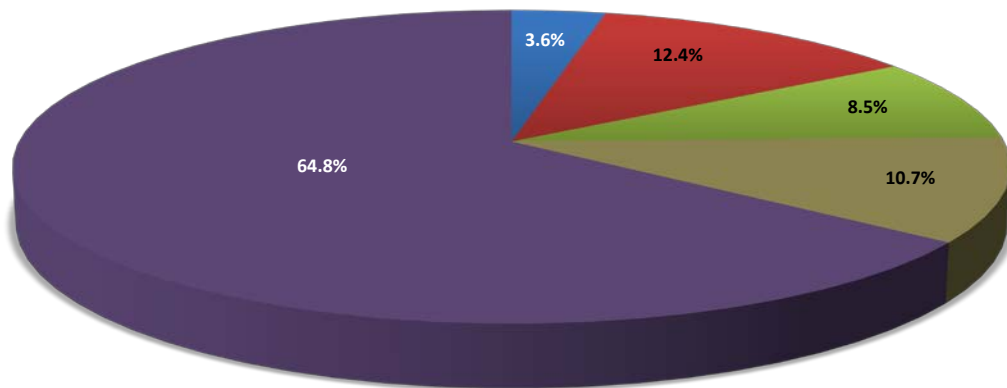
Sompo Japan Nipponkoa returned to the ILS market with a new issue of Aozora. The issue provides coverage for Japan typhoon risk on an indemnity, per occurrence basis over a four year risk period. Aozora was well received by the market as the only pure Japan typhoon issue of the year. The size increased from an initial \$270 million to \$480 million with a risk spread of 2.00%, the lowest of the period.





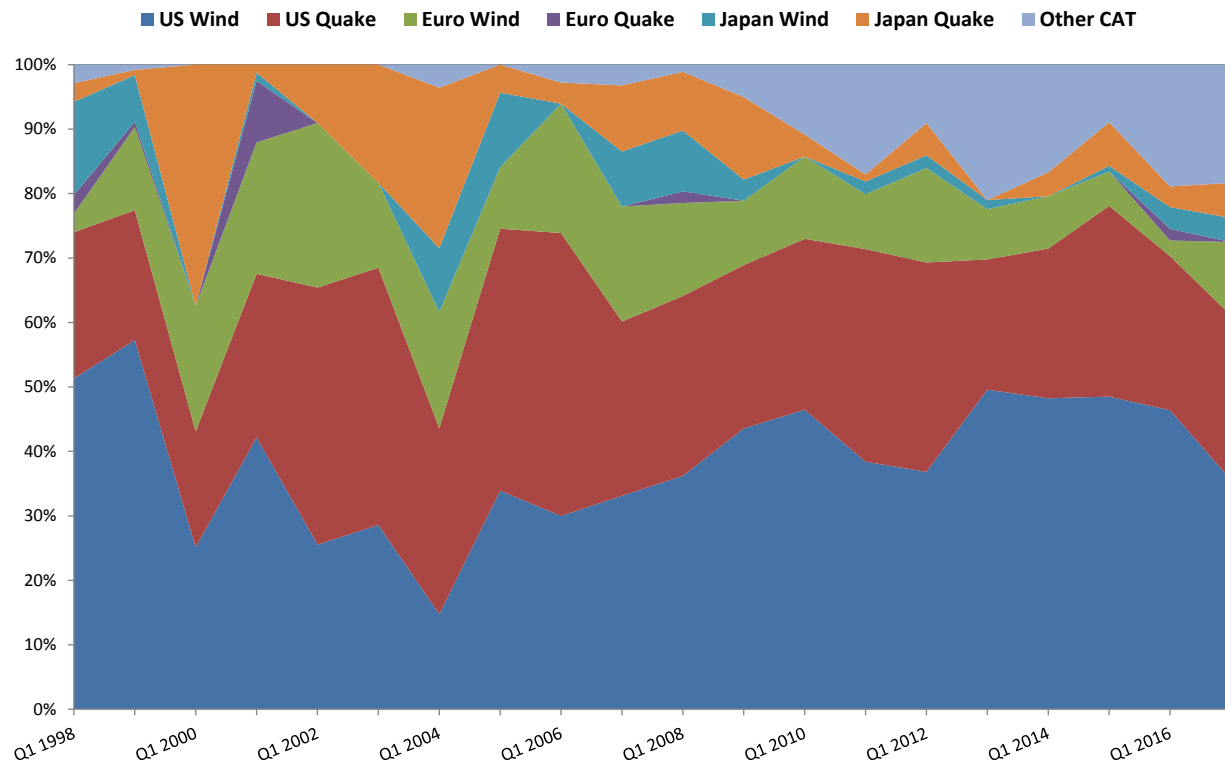


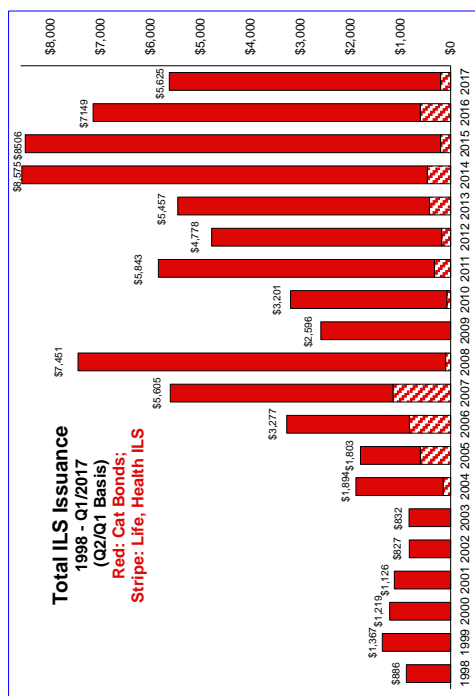
Issuance by Peril
Q2 2016 - Q1 2017



■ Health ■ Japan EQ ■ Japan Wind ■ US EQ ■ Multi-Peril

Peril Exposure Over Time
All CAT ILS 1997 - Q1/2017



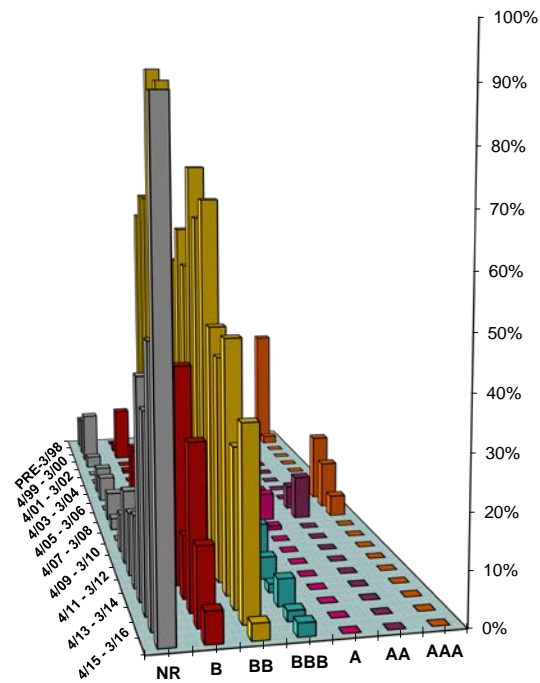


REFERENCE SET (Most Recent Ten Years)	408-308	408-310	408-311	415-312	415-313	415-314	415-315	415-316	415-317	415-318	415-319	415-320	415-321	415-322	415-323	415-324	415-325	415-326	415-327	415-328	415-329	415-330	415-331	415-332	415-333	415-334	415-335	415-336	415-337	415-338	415-339	415-340	415-341	415-342	415-343	415-344	415-345	415-346	415-347	415-348	415-349	415-350	415-351	415-352	415-353	415-354	415-355	415-356	415-357	415-358	415-359	415-360	415-361	415-362	415-363	415-364	415-365	415-366	415-367	415-368	415-369	415-370	415-371	415-372	415-373	415-374	415-375	415-376	415-377	415-378	415-379	415-380	415-381	415-382	415-383	415-384	415-385	415-386	415-387	415-388	415-389	415-390	415-391	415-392	415-393	415-394	415-395	415-396	415-397	415-398	415-399	415-400	415-401	415-402	415-403	415-404	415-405	415-406	415-407	415-408	415-409	415-410	415-411	415-412	415-413	415-414	415-415	415-416	415-417	415-418	415-419	415-420	415-421	415-422	415-423	415-424	415-425	415-426	415-427	415-428	415-429	415-430	415-431	415-432	415-433	415-434	415-435	415-436	415-437	415-438	415-439	415-440	415-441	415-442	415-443	415-444	415-445	415-446	415-447	415-448	415-449	415-450	415-451	415-452	415-453	415-454	415-455	415-456	415-457	415-458	415-459	415-460	415-461	415-462	415-463	415-464	415-465	415-466	415-467	415-468	415-469	415-470	415-471	415-472	415-473	415-474	415-475	415-476	415-477	415-478	415-479	415-480	415-481	415-482	415-483	415-484	415-485	415-486	415-487	415-488	415-489	415-490	415-491	415-492	415-493	415-494	415-495	415-496	415-497	415-498	415-499	415-500	415-501	415-502	415-503	415-504	415-505	415-506	415-507	415-508	415-509	415-510	415-511	415-512	415-513	415-514	415-515	415-516	415-517	415-518	415-519	415-520	415-521	415-522	415-523	415-524	415-525	415-526	415-527	415-528	415-529	415-530	415-531	415-532	415-533	415-534	415-535	415-536	415-537	415-538	415-539	415-540	415-541	415-542	415-543	415-544	415-545	415-546	415-547	415-548	415-549	415-550	415-551	415-552	415-553	415-554	415-555	415-556	415-557	415-558	415-559	415-560	415-561	415-562	415-563	415-564	415-565	415-566	415-567	415-568	415-569	415-570	415-571	415-572	415-573	415-574	415-575	415-576	415-577	415-578	415-579	415-580	415-581	415-582	415-583	415-584	415-585	415-586	415-587	415-588	415-589	415-590	415-591	415-592	415-593	415-594	415-595	415-596	415-597	415-598	415-599	415-600	415-601	415-602	415-603	415-604	415-605	415-606	415-607	415-608	415-609	415-610	415-611	415-612	415-613	415-614	415-615	415-616	415-617	415-618	415-619	415-620	415-621	415-622	415-623	415-624	415-625	415-626	415-627	415-628	415-629	415-630	415-631	415-632	415-633	415-634	415-635	415-636	415-637	415-638	415-639	415-640	415-641	415-642	415-643	415-644	415-645	415-646	415-647	415-648	415-649	415-650	415-651	415-652	415-653	415-654	415-655	415-656	415-657	415-658	415-659	415-660	415-661	415-662	415-663	415-664	415-665	415-666	415-667	415-668	415-669	415-670	415-671	415-672	415-673	415-674	415-675	415-676	415-677	415-678	415-679	415-680	415-681	415-682	415-683	415-684	415-685	415-686	415-687	415-688	415-689	415-690	415-691	415-692	415-693	415-694	415-695	415-696	415-697	415-698	415-699	415-700	415-701	415-702	415-703	415-704	415-705	415-706	415-707	415-708	415-709	415-710	415-711	415-712	415-713	415-714	415-715	415-716	415-717	415-718	415-719	415-720	415-721	415-722	415-723	415-724	415-725	415-726	415-727	415-728	415-729	415-730	415-731	415-732	415-733	415-734	415-735	415-736	415-737	415-738	415-739	415-740	415-741	415-742	415-743	415-744	415-745	415-746	415-747	415-748	415-749	415-750	415-751	415-752	415-753	415-754	415-755	415-756	415-757	415-758	415-759	415-760	415-761	415-762	415-763	415-764	415-765	415-766	415-767	415-768	415-769	415-770	415-771	415-772	415-773	415-774	415-775	415-776	415-777	415-778	415-779	415-780	415-781	415-782	415-783	415-784	415-785	415-786	415-787	415-788	415-789	415-790	415-791	415-792	415-793	415-794	415-795	415-796	415-797	415-798	415-799	415-800	415-801	415-802	415-803	415-804	415-805	415-806	415-807	415-808	415-809	415-810	415-811	415-812	415-813	415-814	415-815	415-816	415-817	415-818	415-819	415-820	415-821	415-822	415-823	415-824	415-825	415-826	415-827	415-828	415-829	415-830	415-831	415-832	415-833	415-834	415-835	415-836	415-837	415-838	415-839	415-840	415-841	415-842	415-843	415-844	415-845	415-846	415-847	415-848	415-849	415-850	415-851	415-852	415-853	415-854	415-855	415-856	415-857	415-858	415-859	415-860	415-861	415-862	415-863	415-864	415-865	415-866	415-867	415-868	415-869	415-870	415-871	415-872	415-873	415-874	415-875	415-876	415-877	415-878	415-879	415-880	415-881	415-882	415-883	415-884	415-885	415-886	415-887	415-888	415-889	415-890	415-891	415-892	415-893	415-894	415-895	415-896	415-897	415-898	415-899	415-900	415-901	415-902	415-903	415-904	415-905	415-906	415-907	415-908	415-909	415-910	415-911	415-912	415-913	415-914	415-915	415-916	415-917	415-918	415-919	415-920	415-921	415-922	415-923	415-924	415-925	415-926	415-927	415-928	415-929	415-930	415-931	415-932	415-933	415-934	415-935	415-936	415-937	415-938	415-939	415-940	415-941	415-942	415-943	415-944	415-945	415-946	415-947	415-948	415-949	415-950	415-951	415-952	415-953	415-954	415-955	415-956	415-957	415-958	415-959	415-960	415-961	415-962	415-963	415-964	415-965	415-966	415-967	415-968	415-969	415-970	415-971	415-972	415-973	415-974	415-975	415-976	415-977	415-978	415-979	415-980	415-981	415-982	415-983	415-984	415-985	415-986	415-987	415-988	415-989	415-990	415-991	415-992	415-993	415-994	415-995	415-996	415-997	415-998	415-999	416-000	416-001	416-002	416-003	416-004	416-005	416-006	416-007	416-008	416-009	416-010	416-011	416-012	416-013	416-014	416-015	416-016	416-017	416-018	416-019	416-020	416-021	416-022	416-023	416-024	416-025	416-026	416-027	416-028	416-029	416-030	416-031	416-032	416-033	416-034	416-035	416-036	416-037	416-038	416-039	416-040	416-041	416-042	416-043	416-044	416-045	416-046	416-047	416-048	416-049	416-050	416-051	416-052	416-053	416-054	416-055	416-056	416-057	416-058	416-059	416-060	416-061	416-062	416-063	416-064	416-065	416-066	416-067	416-068	416-069	416-070	416-071	416-072	416-073	416-074	416-075	416-076	416-077	416-078	416-079	416-080	416-081	416-082	416-083	416-084	416-085	416-086	416-087	416-088	416-089	416-090	416-091	416-092	416-093	416-094	416-095	416-096	416-097	416-098	416-099	416-100	416-101	416-102	416-103	416-104	416-105	416-106	416-107	416-108	416-109	416-110	416-111	416-112	416-113	416-114	416-115	416-116	416-117	416-118	416-119	416-120	416-121	416-122	416-123	416-124	416-125	416-126	416-127	416-128	416-129	416-130	416-131	416-132	416-133	416-134	416-135	416-136	416-137	416-138	416-139	416-140	416-141	416-142	416-143	416-144	416-145	416-146	416-147	416-148	416-149	416-150	416-151	416-152	416-153	416-154	416-155	416-156	416-157	416-158	416-159	416-160	416-161	416-162	416-163	416-164	416-165	416-166	416-167	416-168	416-169	416-170	416-171	416-172	416-173	416-174	416-175	416-176	416-177	416-178	416-179	416-180	416-181	416-182	416-183	416-184	416-185	416-186	416-187	416-188	416-189	416-190	416-191	416-192	416-193	416-194	416-195	416-196	416-197	416-198	416-199	416-200	416-201	416-202	416-203	416-204	416-205	416-206	416-207	416-208	416-209	416-210	416-211	416-212	416-213	416-214	416-215	416-216	416-217	416-218	416-219	416-220	416-221	416-222	416-223	416-224	416-225	416-226	416-227	416-228	416-229	416-230	416-231	416-232	416-233	416-234	416-235	416-236	416-237	416-238	416-239	416-240	416-241	416-242	416-243	416-244	416-245	416-246	416-247	416-248	416-249	416-250	416-251	416-252	416-253	416-254	416-255	416-256	416-257	416-258	416-259	416-260	416-261	416-262	416-263	416-264	416-265	416-266	416-267	416-268	416-269	416-270	416-271	416-272	416-273	416-274	416-275	416-276	416-277	416-278	416-279	416-280	416-281	416-282	416-283	416-284	416-285	416-286	416-287	416-288	416-289	416-290	416-291	416-292	416-293	416-294	416-295	416-296	416-297	416-298	416-299	416-300	416-301	416-302	416-303	416-304	416-305	416-306	416-307	416-308	416-309	416-310	416-311	416-312	416-313	416-314	416-315	416-316	416-317	416-318	416-319	416-320	416-321	416-322	416-323	416-324	416-325	416-326	416-327	416-328	416-329	416-330	416-331	416-332	416-333	416-334	416-335	416-336	416-337	416-338	416-33
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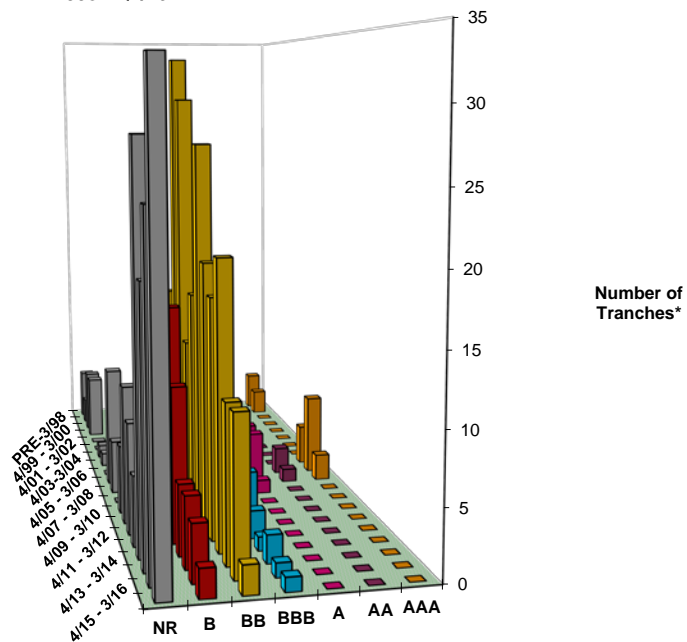
4/07 - 3/08	4/08 - 3/09	4/09 - 3/10	4/10 - 3/11	4/11 - 3/12	4/12 - 3/13	4/13 - 3/14	4/14 - 3/15	4/15 - 3/16	4/16 - 3/17
\$7,451 63 Deals	\$2,596 25 Deals	\$3,201 31 Deals	\$5,993 49 Deals	\$5,078 46 Deals	\$5,457 35 Deals	\$8,575 54 Deals	\$8,506 37 Deals	\$7,149 40 Deals	\$5,625 38 Deals

USD million at Issue, All ILS

Fraction of Issuance in each Credit Rating
1998 - Q1/2017



RATINGS OVER TIME
(by Number of Rated Tranches)
1998 - Q1/2017



*Each issue of a program transactions is considered a separate tranche for this graph.

Section B:
ILS Market Performance

INDEX FEATURES

- ☐ **Market Value Weighted**
Price Weighted Indices overstate potential returns
- ☐ **Multiple Price Sources**
Uses average available Price indications
- ☐ **All CUSIP numbered ILS Included**
- ☐ **Monthly Rebalanced**
Unambiguous calculation rules
- ☐ **Separate Insurance and Financial Returns**
- ☐ **Seasonality Identified**
Historical seasonal price patterns revealed
- ☐ **Swap Losses Allocated to Floating Return and Other Adjusting Assumptions Described Herein**

Current Market Portfolio Index Characteristics

March 31, 2017

All CAT ILS:	Outstanding	In Current Index
No. of ILS in Index	124	119
Matured in March 2017	0	7
New in March 2017	5	2

Market Size:	Outstanding	In Current Index
Par Value	\$22,803,612	\$21,659,112
Market Value	\$212,706,175	\$21,561,675

INDEX RETURNS

Entire Index 2017 Q1

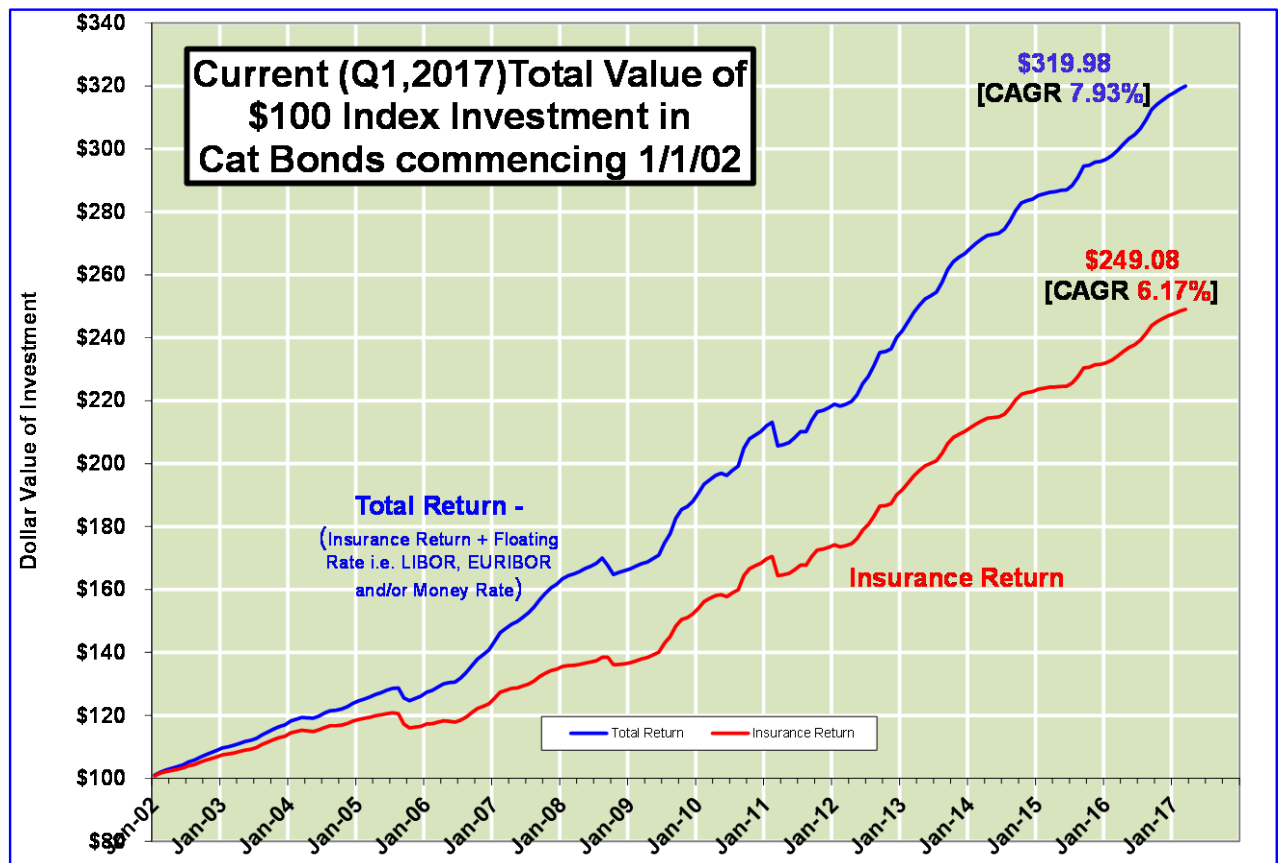
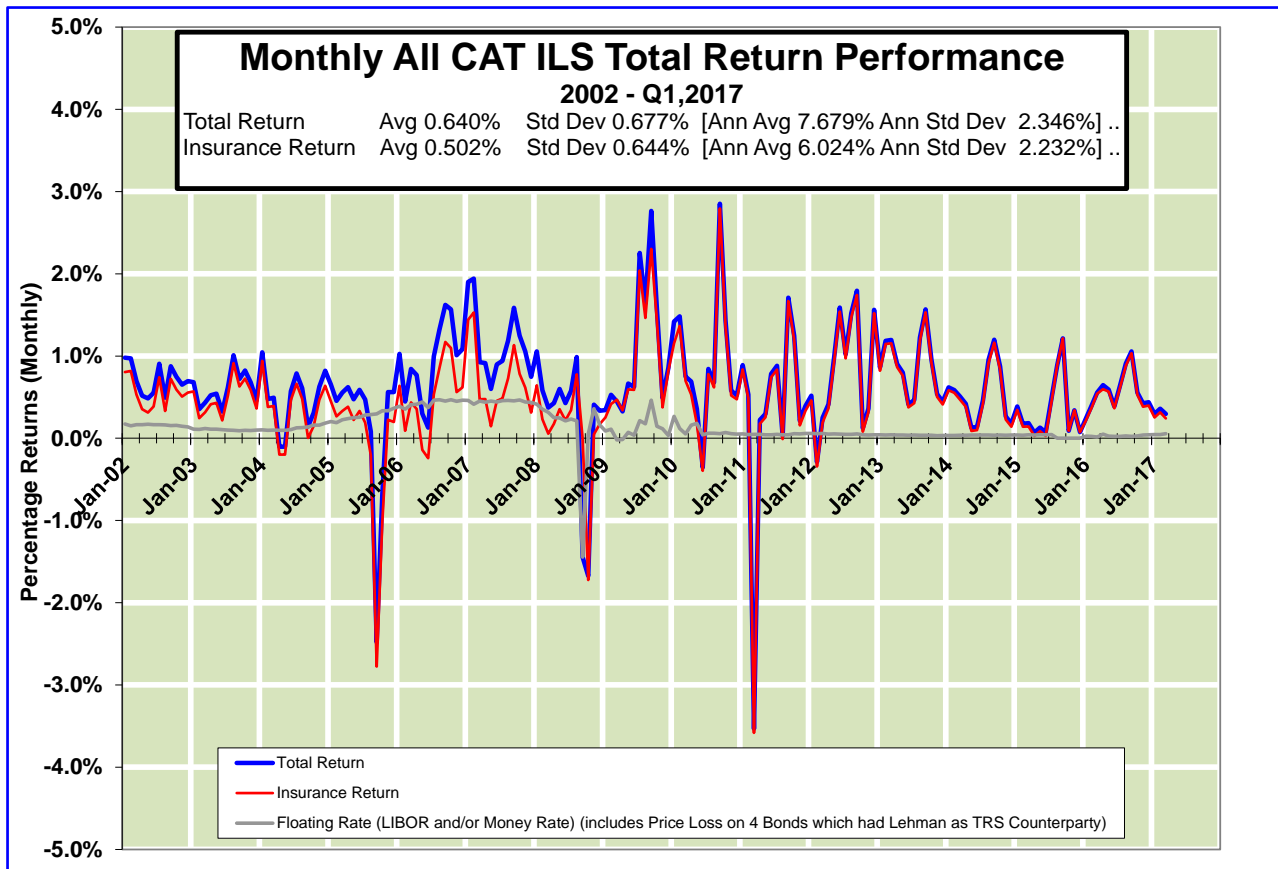
	<u>Total Return</u>	<u>Insurance Return</u>	<u>Floating Return</u>
CAT Return	0.96%	0.81%	0.14%
Life Return	1.94%	1.82%	0.12%
Other Return	0.71%	0.57%	0.14%
Total	0.97%	0.83%	0.14%

Investment Grade Index

	<u>Total Return</u>	<u>Insurance Return</u>	<u>Floating Return</u>
CAT Return	0.00%	0.00%	0.00%
Life Return	0.00%	0.00%	0.00%
Other Return	0.67%	0.52%	0.14%
Total	0.67%	0.52%	0.14%

Sub-Investment Grade Index

	<u>Total Return</u>	<u>Insurance Return</u>	<u>Floating Return</u>
CAT Return	0.96%	0.81%	0.14%
Life Return	1.94%	1.82%	0.12%
Other Return	1.52%	1.38%	0.14%
Total	0.98%	0.84%	0.14%



Lane Financial Insurance Return Index (LFIRI) - Historical

All Cat ILS

Total Returns

Rolling Returns -		3 Months	6 Months	9 Months	12 Months	Index Level
						100
End Mar	2002	2.67%	NA	NA	NA	102.67
End Jun	2002	1.56%	4.27%	NA	NA	104.27
End Sep	2002	2.29%	3.89%	6.67%	NA	106.67
End Dec	2002	2.11%	4.45%	6.08%	8.91%	108.91
End Mar	2003	1.47%	3.61%	5.99%	7.65%	110.52
End Jun	2003	1.40%	2.89%	5.06%	7.47%	112.06
End Sep	2003	2.37%	3.80%	5.33%	7.55%	114.72
End Dec	2003	1.98%	4.39%	5.85%	7.41%	116.98
End Mar	2004	2.03%	4.04%	6.51%	7.99%	119.36
End Jun	2004	0.36%	2.40%	4.42%	6.90%	119.79
End Sep	2004	1.55%	1.92%	3.98%	6.04%	121.64
End Dec	2004	1.77%	3.34%	3.72%	5.82%	123.79
End Mar	2005	1.68%	3.47%	5.07%	5.46%	125.87
End Jun	2005	1.69%	3.40%	5.23%	6.85%	128.00
End Sep	2005	-1.94%	-0.28%	1.39%	3.18%	125.52
End Dec	2005	0.44%	-1.51%	0.16%	1.84%	126.07
End Mar	2006	2.33%	2.78%	0.79%	2.50%	129.01
End Jun	2006	1.20%	3.57%	4.02%	2.00%	130.57
End Sep	2006	3.99%	5.24%	7.70%	8.17%	135.77
End Dec	2006	3.70%	7.84%	9.14%	11.69%	140.80
End Mar	2007	4.84%	8.72%	13.06%	14.42%	147.62
End Jun	2007	2.43%	7.39%	11.37%	15.81%	151.21
End Sep	2007	3.76%	6.28%	11.43%	15.55%	156.89
End Dec	2007	3.08%	6.96%	9.56%	14.86%	161.73
End Mar	2008	2.02%	5.17%	9.12%	11.78%	165.00
End Jun	2008	1.46%	3.52%	6.71%	10.72%	167.42
End Sep	2008	0.11%	1.57%	3.63%	6.82%	167.59
End Dec	2008	-0.94%	-0.84%	0.61%	2.65%	166.01
End Mar	2009	1.32%	0.37%	0.47%	1.94%	168.21
End Jun	2009	1.62%	2.97%	2.00%	2.10%	170.94
End Sep	2009	6.80%	8.54%	9.98%	8.94%	182.57
End Dec	2009	2.95%	9.96%	11.74%	13.22%	187.96
End Mar	2010	3.69%	6.76%	14.02%	15.87%	194.91
End Jun	2010	0.69%	4.41%	7.49%	14.81%	196.25
End Sep	2010	4.42%	5.14%	9.03%	12.25%	204.93
End Dec	2010	2.55%	7.09%	7.82%	11.81%	210.16
End Mar	2011	-2.16%	0.33%	4.77%	5.50%	205.62
End Jun	2011	1.31%	-0.88%	1.65%	6.14%	208.31
End Sep	2011	2.64%	3.98%	1.73%	4.33%	213.80
End Dec	2011	1.86%	4.55%	5.92%	3.63%	217.78
End Mar	2012	0.48%	2.35%	5.05%	6.43%	218.83
End Jun	2012	3.02%	3.51%	5.44%	8.22%	225.43
End Sep	2012	4.40%	7.54%	8.06%	10.07%	235.34
End Dec	2012	2.06%	6.54%	9.76%	10.28%	240.18
End Mar	2013	3.28%	5.40%	10.04%	13.35%	248.05
End Jun	2013	2.13%	5.48%	7.65%	12.38%	253.33
End Sep	2013	3.29%	5.49%	8.95%	11.19%	261.67
End Dec	2013	1.95%	5.31%	7.55%	11.07%	266.77
End Mar	2014	1.72%	3.70%	7.12%	9.40%	271.37
End Jun	2014	0.68%	2.42%	4.41%	7.85%	273.22
End Sep	2014	2.63%	3.34%	5.12%	7.16%	280.42
End Dec	2014	1.32%	3.99%	4.70%	6.50%	284.12
End Mar	2015	0.75%	2.08%	4.77%	5.49%	286.25
End Jun	2015	0.27%	1.02%	2.36%	5.05%	287.03
End Sep	2015	2.61%	2.89%	3.66%	5.03%	294.53
End Dec	2015	0.51%	3.14%	3.42%	4.19%	296.03
End Mar	2016	1.20%	1.71%	4.37%	4.65%	299.57
End Jun	2016	1.63%	2.85%	3.37%	6.07%	304.46
End Sep	2016	2.64%	4.31%	5.56%	6.10%	312.50
End Dec	2016	1.43%	4.10%	5.80%	7.07%	316.96
End Mar	2017	0.96%	2.40%	5.10%	6.81%	319.98

Note: The difference between Total Return and the Insurance Return is the Floating Return.

Calculated monthly these two components are additive, however when monthly returns are compounded over several months, component numbers must be similarly compounded. Because of differential compounding, addition of the components may diverge over time from compounded total returns.

Lane Financial Insurance Return Index (LFIRI) - Historical

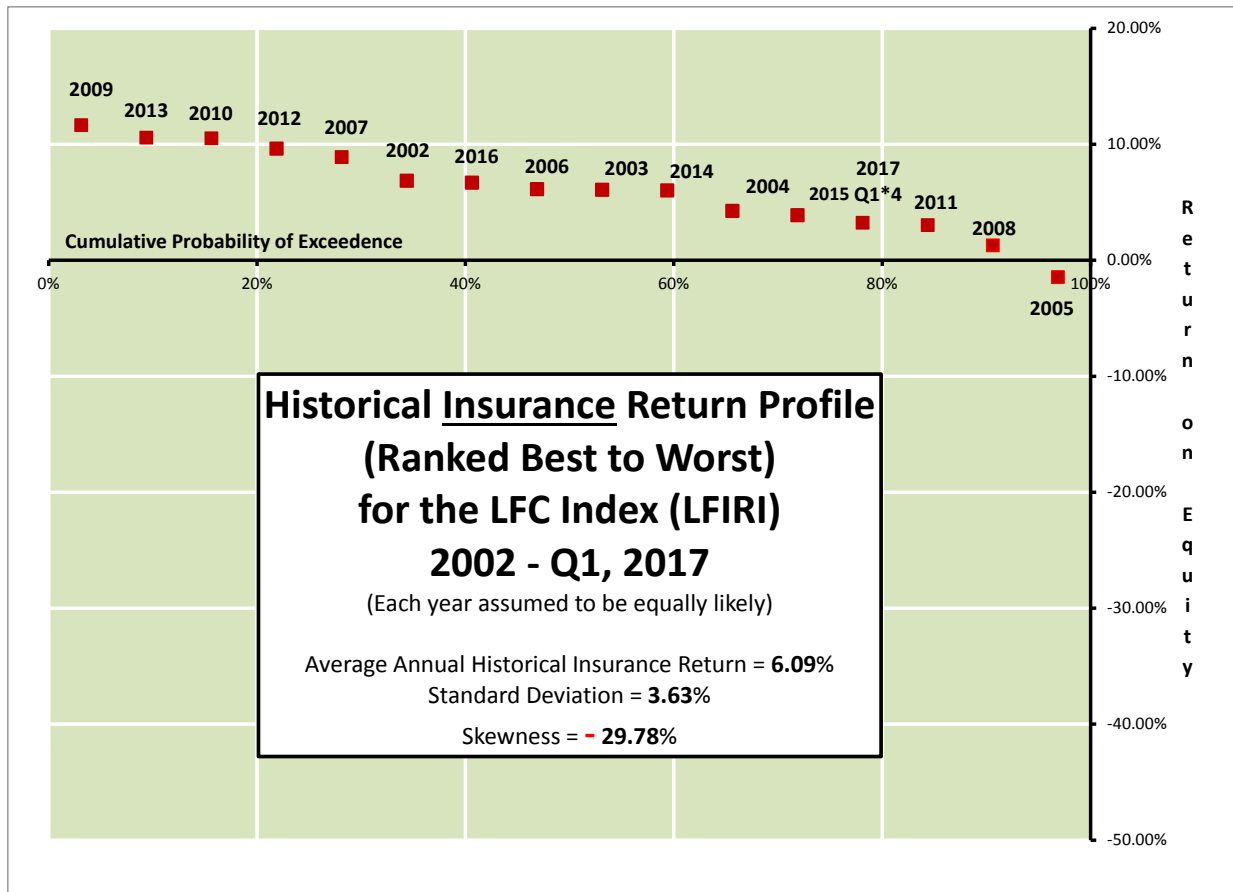
All Cat ILS

Insurance Return Component

Rolling Returns -		3 Months	6 Months	9 Months	12 Months	
						100
End Mar	2002	2.17%	NA	NA	NA	102.17
End Jun	2002	1.06%	3.25%	NA	NA	103.25
End Sep	2002	1.81%	2.88%	5.11%	NA	105.11
End Dec	2002	1.66%	3.50%	4.59%	6.86%	106.86
End Mar	2003	1.13%	2.81%	4.67%	5.78%	108.07
End Jun	2003	1.07%	2.21%	3.91%	5.79%	109.23
End Sep	2003	2.08%	3.16%	4.33%	6.07%	111.49
End Dec	2003	1.68%	3.79%	4.90%	6.09%	113.37
End Mar	2004	1.72%	3.43%	5.58%	6.71%	115.32
End Jun	2004	0.07%	1.79%	3.50%	5.65%	115.40
End Sep	2004	1.15%	1.22%	2.96%	4.70%	116.73
End Dec	2004	1.26%	2.43%	2.50%	4.26%	118.20
End Mar	2005	1.05%	2.33%	3.50%	3.57%	119.45
End Jun	2005	0.94%	2.00%	3.29%	4.48%	120.57
End Sep	2005	-2.79%	-1.88%	-0.85%	0.41%	117.20
End Dec	2005	-0.59%	-3.37%	-2.46%	-1.44%	116.51
End Mar	2006	1.17%	0.57%	-2.24%	-1.32%	117.87
End Jun	2006	-0.03%	1.14%	0.54%	-2.27%	117.83
End Sep	2006	2.58%	2.55%	3.75%	3.13%	120.87
End Dec	2006	2.29%	4.93%	4.90%	6.13%	123.65
End Mar	2007	3.48%	5.85%	8.58%	8.55%	127.95
End Jun	2007	1.08%	4.60%	7.00%	9.76%	129.33
End Sep	2007	2.36%	3.47%	7.07%	9.53%	132.39
End Dec	2007	1.72%	4.12%	5.25%	8.91%	134.66
End Mar	2008	0.93%	2.67%	5.09%	6.23%	135.92
End Jun	2008	0.75%	1.69%	3.44%	5.88%	136.94
End Sep	2008	1.13%	1.88%	2.83%	4.60%	138.48
End Dec	2008	-1.51%	-0.40%	0.35%	1.28%	136.39
End Mar	2009	1.14%	-0.38%	0.74%	1.49%	137.95
End Jun	2009	1.53%	2.69%	1.14%	2.28%	140.06
End Sep	2009	5.92%	7.54%	8.77%	7.13%	148.35
End Dec	2009	2.65%	8.72%	10.39%	11.65%	152.28
End Mar	2010	3.25%	5.99%	12.26%	13.97%	157.23
End Jun	2010	0.31%	3.57%	6.31%	12.60%	157.71
End Sep	2010	4.24%	4.56%	7.96%	10.82%	164.40
End Dec	2010	2.37%	6.71%	7.04%	10.51%	168.29
End Mar	2011	-2.30%	0.01%	4.25%	4.57%	164.42
End Jun	2011	1.18%	-1.15%	1.19%	5.48%	166.35
End Sep	2011	2.51%	3.71%	1.32%	3.72%	170.52
End Dec	2011	1.69%	4.24%	5.47%	3.04%	173.40
End Mar	2012	0.31%	2.00%	4.56%	5.79%	173.94
End Jun	2012	2.86%	3.18%	4.92%	7.55%	178.91
End Sep	2012	4.24%	7.23%	7.56%	9.38%	186.51
End Dec	2012	1.93%	6.25%	9.30%	9.63%	190.10
End Mar	2013	3.16%	5.15%	9.61%	12.74%	196.10
End Jun	2013	2.01%	5.23%	7.26%	11.81%	200.05
End Sep	2013	3.18%	5.25%	8.58%	10.67%	206.41
End Dec	2013	1.85%	5.08%	7.20%	10.58%	210.22
End Mar	2014	1.62%	3.49%	6.78%	8.93%	213.62
End Jun	2014	0.57%	2.20%	4.08%	7.39%	214.83
End Sep	2014	2.52%	3.10%	4.77%	6.70%	220.24
End Dec	2014	1.21%	3.75%	4.34%	6.03%	222.89
End Mar	2015	0.63%	1.84%	4.41%	5.00%	224.30
End Jun	2015	0.15%	0.78%	1.99%	4.56%	224.63
End Sep	2015	2.57%	2.72%	3.37%	4.61%	230.40
End Dec	2015	0.51%	3.09%	3.24%	3.89%	231.57
End Mar	2016	1.13%	1.64%	4.26%	4.41%	234.19
End Jun	2016	1.53%	2.68%	3.20%	5.86%	237.78
End Sep	2016	2.56%	4.14%	5.31%	5.85%	243.87
End Dec	2016	1.32%	3.91%	5.51%	6.70%	247.08
End Mar	2017	0.81%	2.14%	4.75%	6.36%	249.08

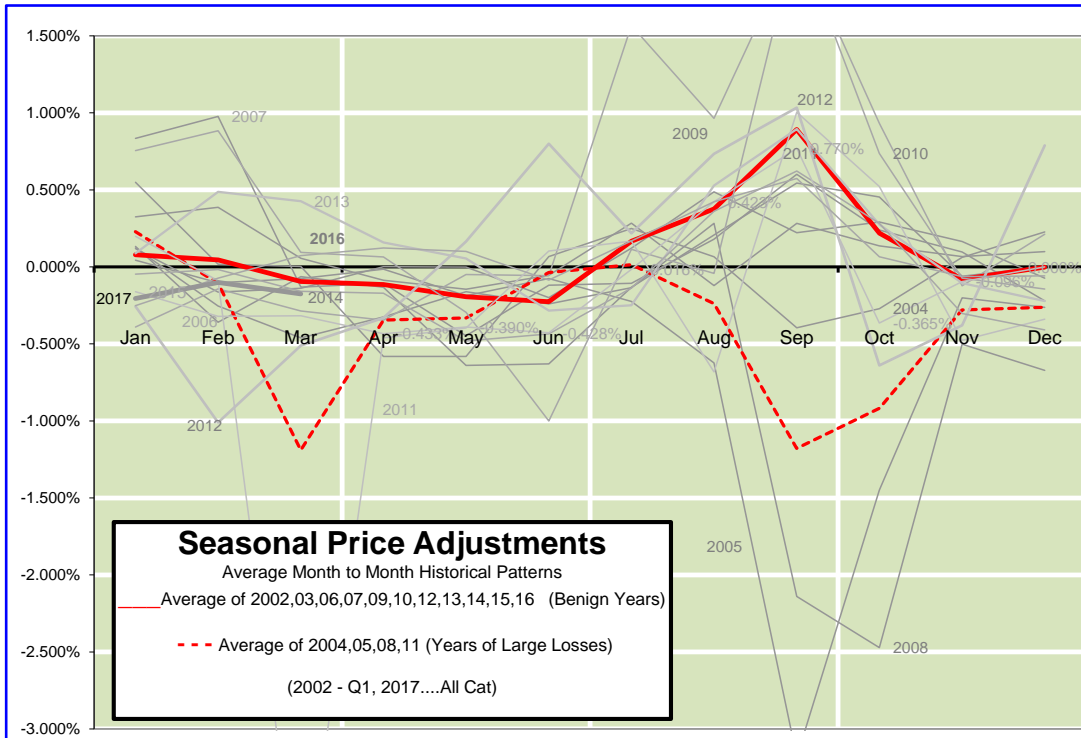
Note: The difference between Total Return and the Insurance Return is the Floating Return.

Calculated monthly these two components are additive, however when monthly returns are compounded over several months, component numbers must be similarly compounded. Because of differential compounding, addition of the components may diverge over time from compounded total returns.



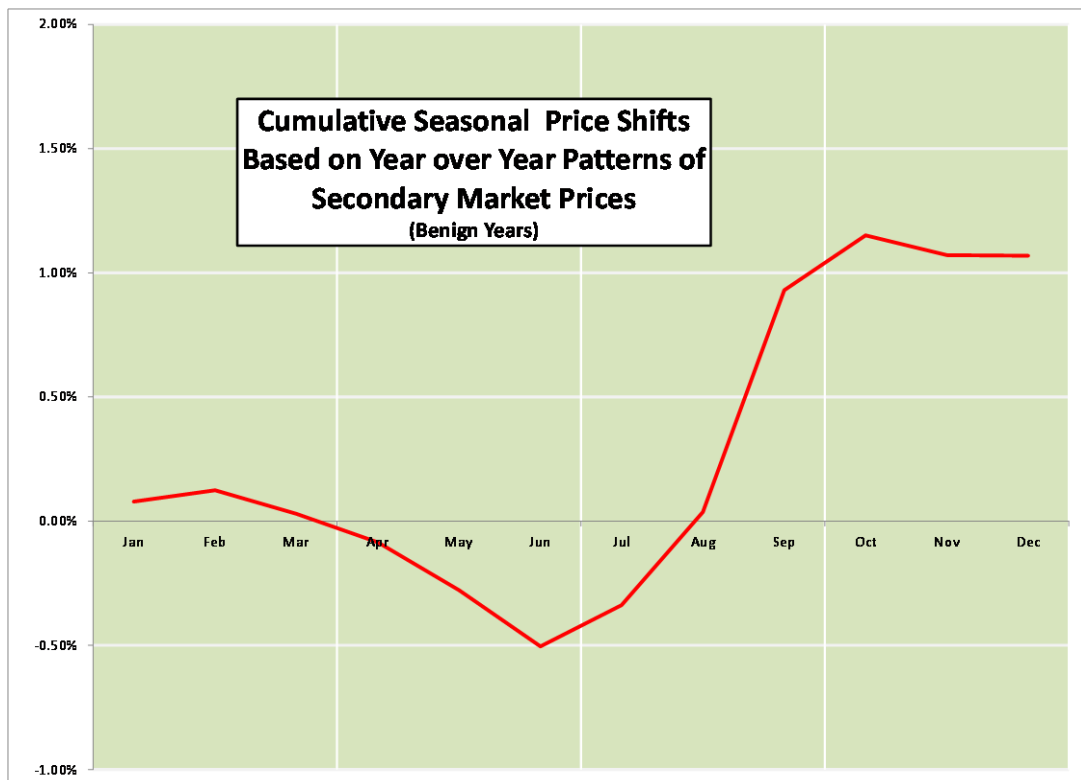
Calendar Annual Returns, ALL Cat

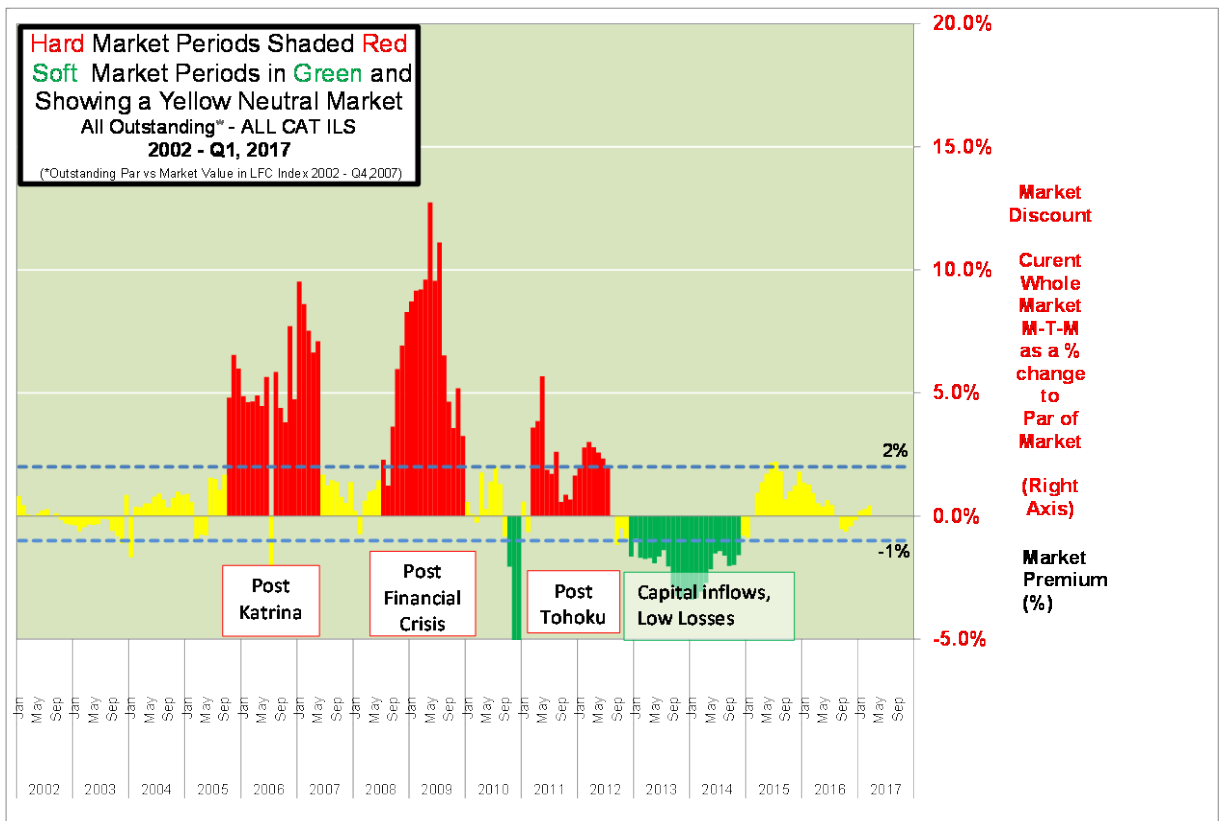
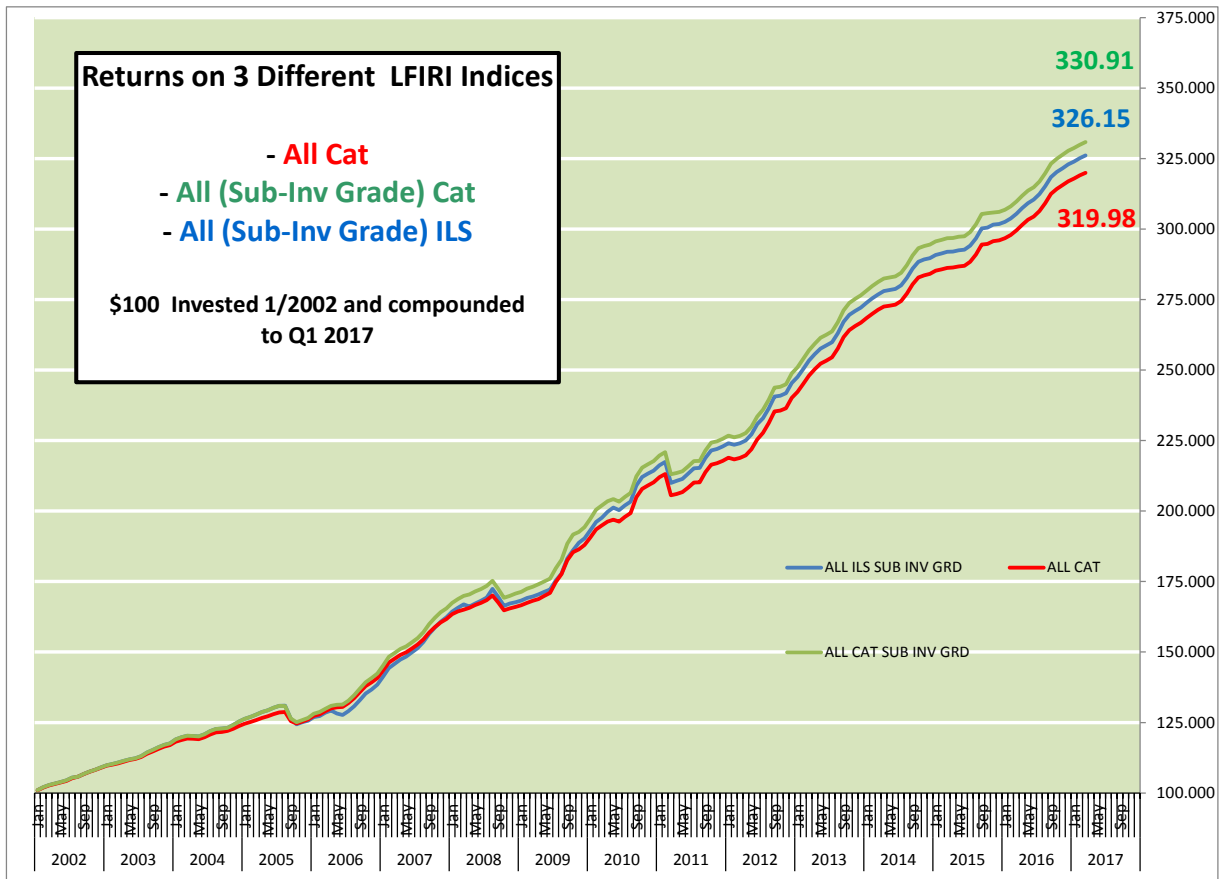
<u>Year</u>	<u>Total</u>	<u>Insurance</u>	<u>Floating</u>	<u>Price</u>
2002	8.91%	6.86%	1.93%	1.23%
2003	7.41%	6.09%	1.25%	0.83%
2004	5.82%	4.26%	1.50%	-0.59%
2005	1.84%	-1.44%	3.31%	-6.22%
2006	11.69%	6.13%	5.27%	-0.68%
2007	14.86%	8.91%	5.50%	1.80%
2008	2.65%	1.28%	1.35%	-6.78%
2009	13.22%	11.65%	1.43%	4.45%
2010	11.81%	10.51%	1.18%	3.26%
2011	3.63%	3.04%	0.57%	-4.67%
2012	10.28%	9.63%	0.60%	0.59%
2013	11.07%	10.58%	0.45%	2.07%
2014	6.50%	6.03%	0.45%	-0.89%
2015	4.19%	3.89%	0.29%	-1.71%
2016	7.07%	6.70%	0.35%	1.00%
2017 Q1*4	3.82%	3.24%	0.58%	1.05%
<i>Annual Average</i>	<i>7.80%</i>	<i>6.09%</i>	<i>1.63%</i>	<i>-0.33%</i>
<i>Std Dev</i>	<i>4.03%</i>	<i>3.63%</i>	<i>1.66%</i>	<i>3.18%</i>



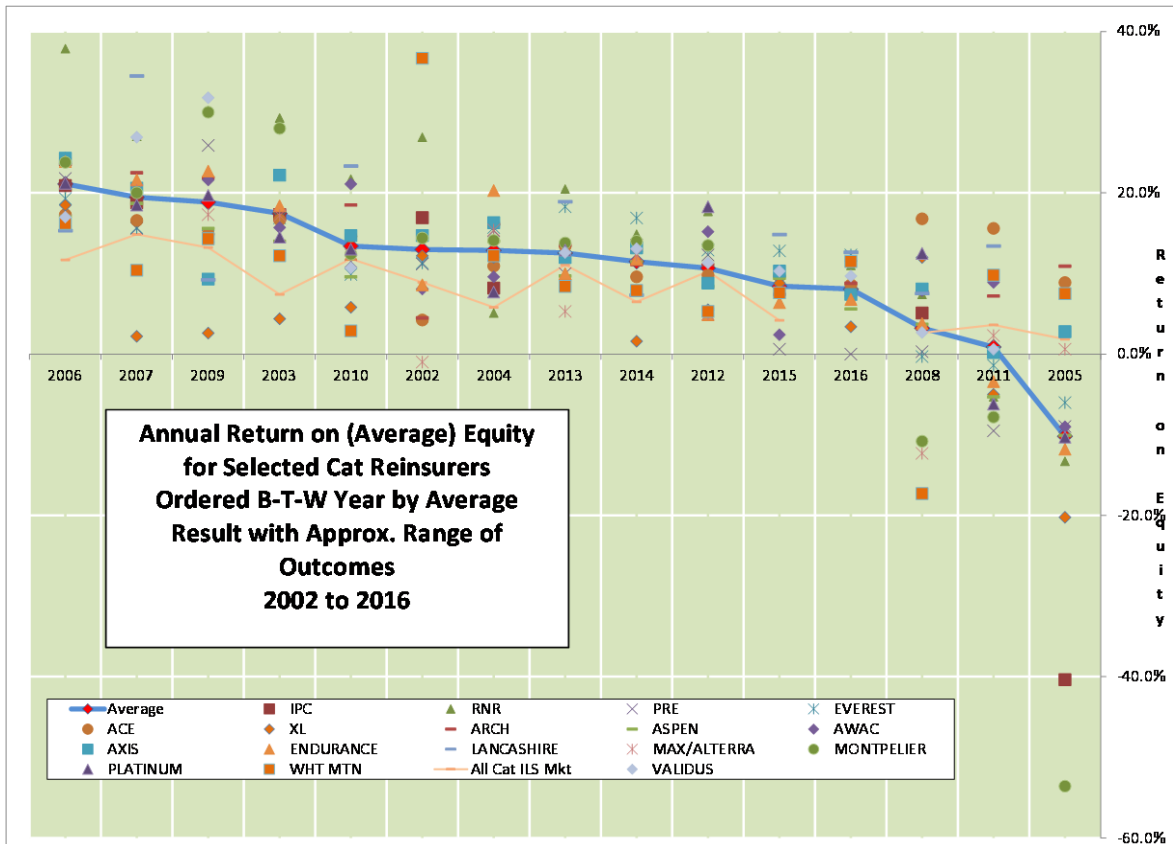
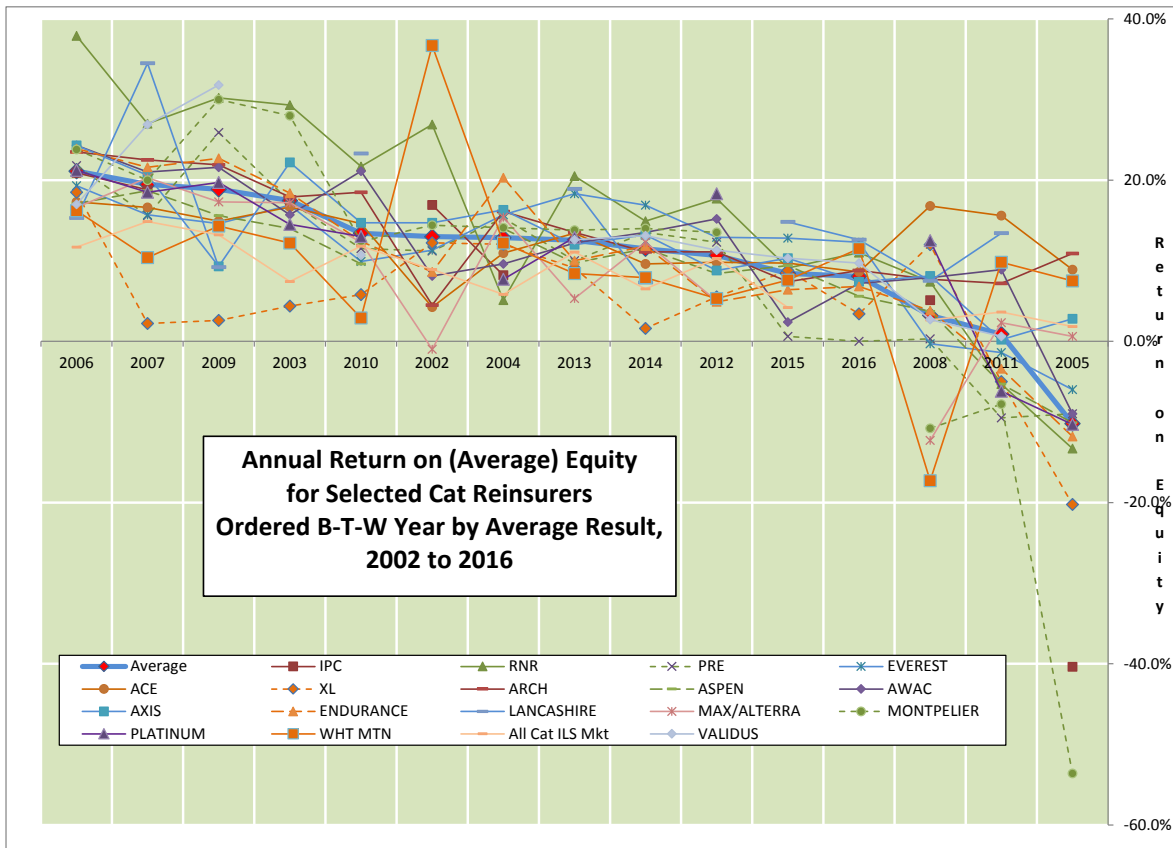
Monthly Seasonal Price Shifts	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Average of Benign Years 02/03/06/07/09/10/12/13/14/15/16/17 Months of Seasonal High and Low	0.08%	0.05%	-0.09%	-0.11%	-0.19%	-0.23%	0.17%	0.38%	0.89%	0.22%	-0.08%	0.00%
						Low			High			
Average of Significant Loss Years 04/05/08/11 Months when Loss takes place - shaded	0.23%	-0.11%	-1.19%	-0.35%	-0.33%	-0.04%	0.01%	-0.24%	-1.18%	-0.92%	-0.28%	-0.26%
			Loss	Loss				Loss	Loss	Loss	Loss	

Updated Mar 2017



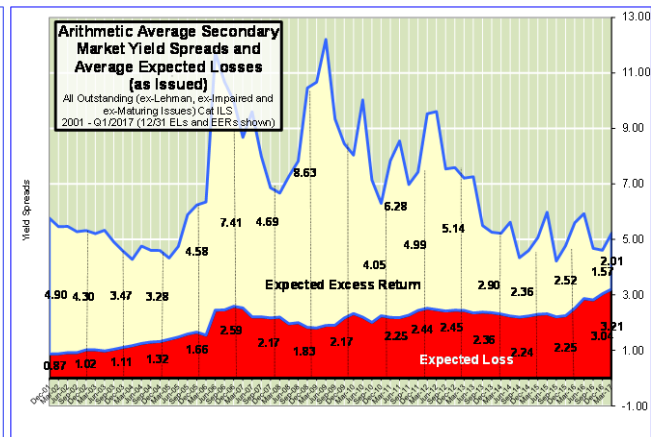
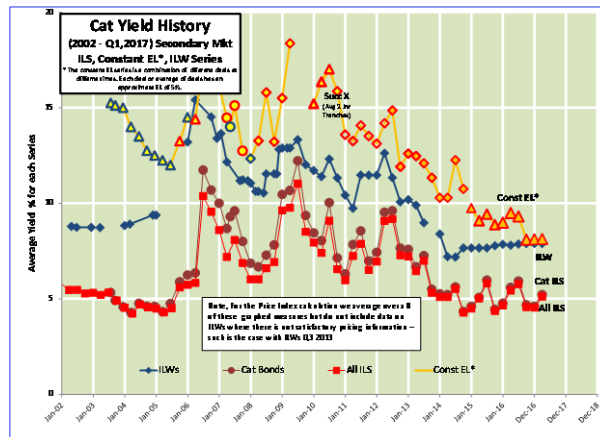
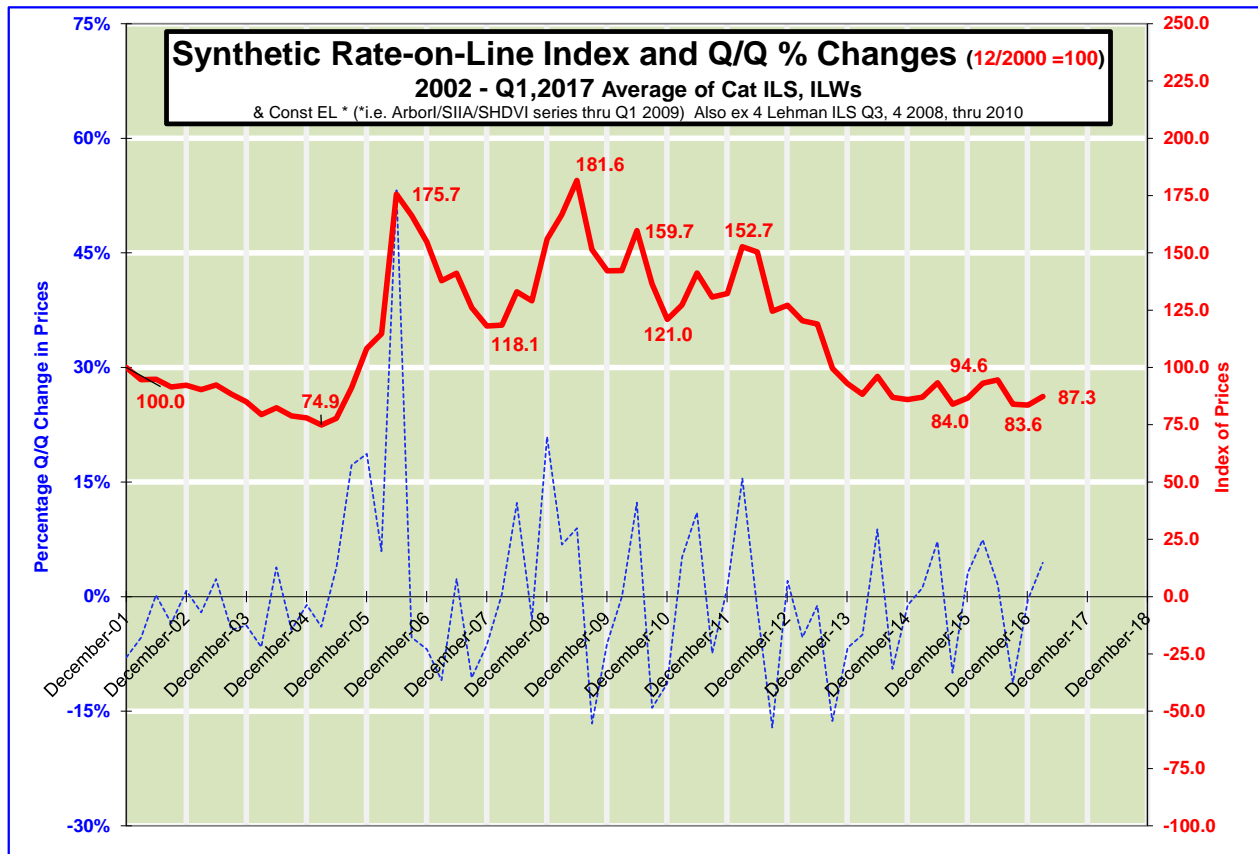


Section C:
Reinsurer Historical Returns



Section D:

ILS Market Prices (Premiums or Rates-on-Line)



Section E:
Risk Adjusted Analysis

Expected Returns from the ILS "Market" Portfolio

	Spring 2/28/2011	Fall 9/30/2011	Spring 3/15/2012	Fall* 9/30/2012	Spring 3/28/2013	Fall 9/30/2013	Spring 3/31/2014	Fall 9/30/2014	Spring 3/20/2015	Fall 9/30/2015	Spring 3/31/2016	Fall 9/30/2016	Spring 3/31/2017
Pre-Season	5.11%	6.43%	8.51%	7.54%	6.63%	4.96%	4.56%	4.07%	4.59%	4.19%	4.98%	3.99%	4.28%
Post-Season	1.96%	1.89%	2.09%	2.42%	1.91%	1.83%	1.78%	1.73%	1.84%	1.77%	1.82%	2.95%	2.31%
Expected Return	3.15%	4.54%	6.42%	5.12%	4.72%	3.13%	2.77%	2.34%	2.75%	2.42%	3.16%	1.04%	1.97%
"Multiple" of Risk	2.6	3.4	4.1	3.1	3.5	2.7	2.6	2.4	2.5	2.4	2.7	1.4	1.9

VaR - Calculated at the 99 percentile Gross Loss level

	2/28/2011	9/30/2011	3/15/2012	9/30/2012	3/28/2013	9/30/2013	3/31/2014	9/30/2014	3/20/2015	9/30/2015	3/31/2016	9/30/2016	3/31/2017
Expected Return	3.15%	4.54%	6.42%	5.12%	4.72%	3.13%	2.77%	2.34%	2.75%	2.42%	3.16%	1.04%	1.97%
Market Portfolio													
1:100 Gross Loss Level	-24.31%	-29.03%	-35.81%	NA	-33.63%	-30.77%	-30.24%	-29.10%	-32.12%	-29.92%	-31.33%	-43.28%	-39.66%
EXPECTED													
Return for Tail Risk (VaR99)	12.96%	15.64%	17.93%	NA	14.04%	10.17%	9.16%	8.04%	8.56%	8.09%	10.09%	2.40%	4.97%

VaR - Calculated at the 99.6 percentile Gross Loss level

	2/28/2011	9/30/2011	3/15/2012	9/30/2012	3/28/2013	9/30/2013	3/31/2014	9/30/2014	3/20/2015	9/30/2015	3/31/2016	9/30/2016	3/31/2017
Expected Return	3.15%	4.54%	6.42%	5.12%	4.72%	3.13%	2.77%	2.34%	2.75%	2.42%	3.16%	1.04%	1.97%
Market Portfolio													
1:250 Gross Loss Level	-35.96%	-41.03%	-48.11%	NA	-42.70%	-41.21%	-38.26%	-37.59%	-39.27%	-36.82%	-38.18%	-50.70%	-45.64%
EXPECTED													
Return for Tail Risk (VaR99.6)	8.76%	11.07%	13.34%	NA	11.05%	7.59%	7.25%	6.23%	7.00%	6.57%	8.28%	2.05%	4.31%

* The 9/30/12 risk analysis was not conducted. Yields and EL's recorded are for comparative symmetry purposes

NOTE: The VaR point loss is taken on Gross "Losses". This should not be confused with other LFC graphs and presentations which often show the "Return" VaR points.

NOTE: The market portfolio does not include "impaired" or "soon-to-mature" securities.

NOTE: Beginning 9/30/2016 estimate is made under the new AIR model

2011 to 2017 Comparison of Market* Risk Profiles

	2/28/2011	9/30/2011	3/15/2012	9/30/2012	3/28/2013	9/30/2013	3/31/2014	9/30/2014	3/20/2015	9/30/2015	3/31/2016	9/30/2016	3/31/2017
Wtd Avg Portfolio Secondary Mkt Yield	5.11%	7.27%	8.51%	NA	6.63%	4.96%	4.56%	4.07%	4.59%	4.19%	4.98%	3.99%	4.28%
Wtd Avg Portfolio rEL #	1.95%	1.88%	2.09%	NA	1.91%	1.83%	1.78%	1.73%	1.84%	1.77%	1.82%	2.95%	2.31%
Multiple (r)	2.6	3.9	4.1	NA	3.5	2.7	2.6	2.4	2.5	2.4	2.7	1.4	1.9
Max (1:10,000) Gross Loss	58.04%	65.47%	67.87%	NA	61.22%	61.18%	59.29%	60.87%	59.26%	56.24%	54.60%	64.59%	62.46%
Capital Necessary for 1:250 Loss (before allowance for yield or premium, income or overhead)	35.96%	39.81%	48.11%	NA	42.70%	41.21%	38.26%	37.59%	38.27%	36.82%	38.18%	50.70%	45.64%
1:250 Loss													
Allowable Limit at 1:250 per \$100 Capital	\$278	\$251	\$208	NA	\$234	\$243	\$261	\$266	\$255	\$272	\$262	\$197	\$219
Gross Revenue on 1:250 Cap	14.22%	18.25%	17.69%	NA	15.53%	12.04%	11.91%	10.63%	11.69%	11.40%	13.04%	7.87%	9.37%
Exp Profit on 1:250 Cap	8.80%	13.54%	13.35%	NA	11.05%	7.60%	7.25%	6.23%	7.00%	6.57%	8.28%	2.06%	4.31%
Other Portfolio Characteristics													
Outstanding* Billions of Market Value	\$10.04	\$9.81	\$10.85	NA	\$12.29	\$15.47	\$16.86	\$19.06	\$19.00	\$20.55	\$20.19	\$18.34	\$17.65
Mkt Wtd Avg Secondary Market Price	101.96	100.18	99.55	NA	103.67	103.98	103.62	102.72	101.98	101.54	100.36	101.82	101.12
Mkt Wtd Avg Issue Coupon	7.79%	7.91%	8.05%	NA	9.00%	8.00%	7.09%	6.23%	5.89%	5.37%	5.40%	5.52%	5.22%
Mkt Wtd Avg Secondary Market Yield	5.11%	7.27%	8.51%	NA	6.63%	4.96%	4.56%	4.07%	4.59%	4.19%	4.98%	3.99%	4.28%
Avg Maturity (Months)	21	21	24	NA	22	23	23	24	24	23	25	22	26

Note that the Scenario comparisons are relative to those used in our risk and counterparty modeling

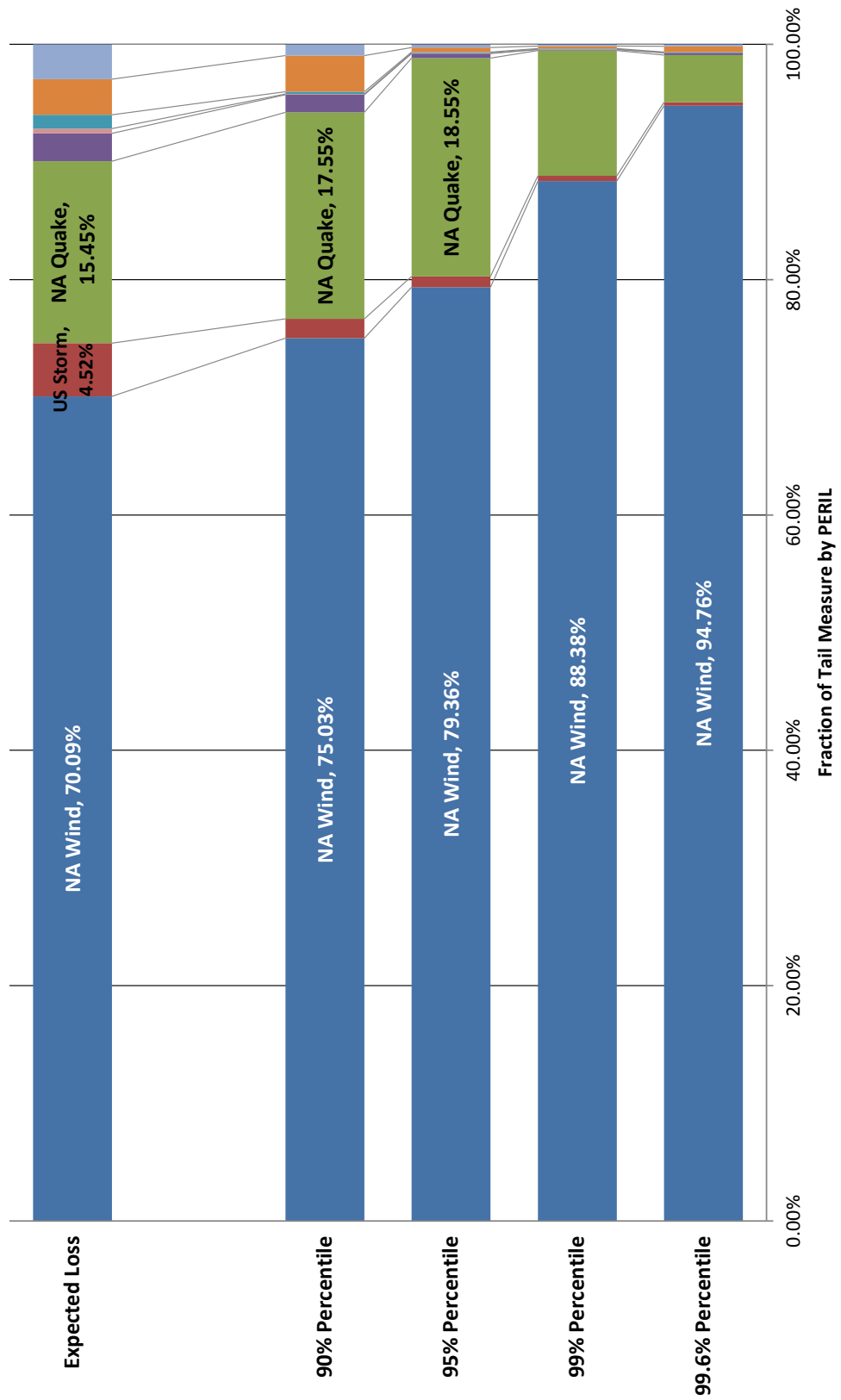
* All ELs are based on the use of modified ELs by AIR300 include

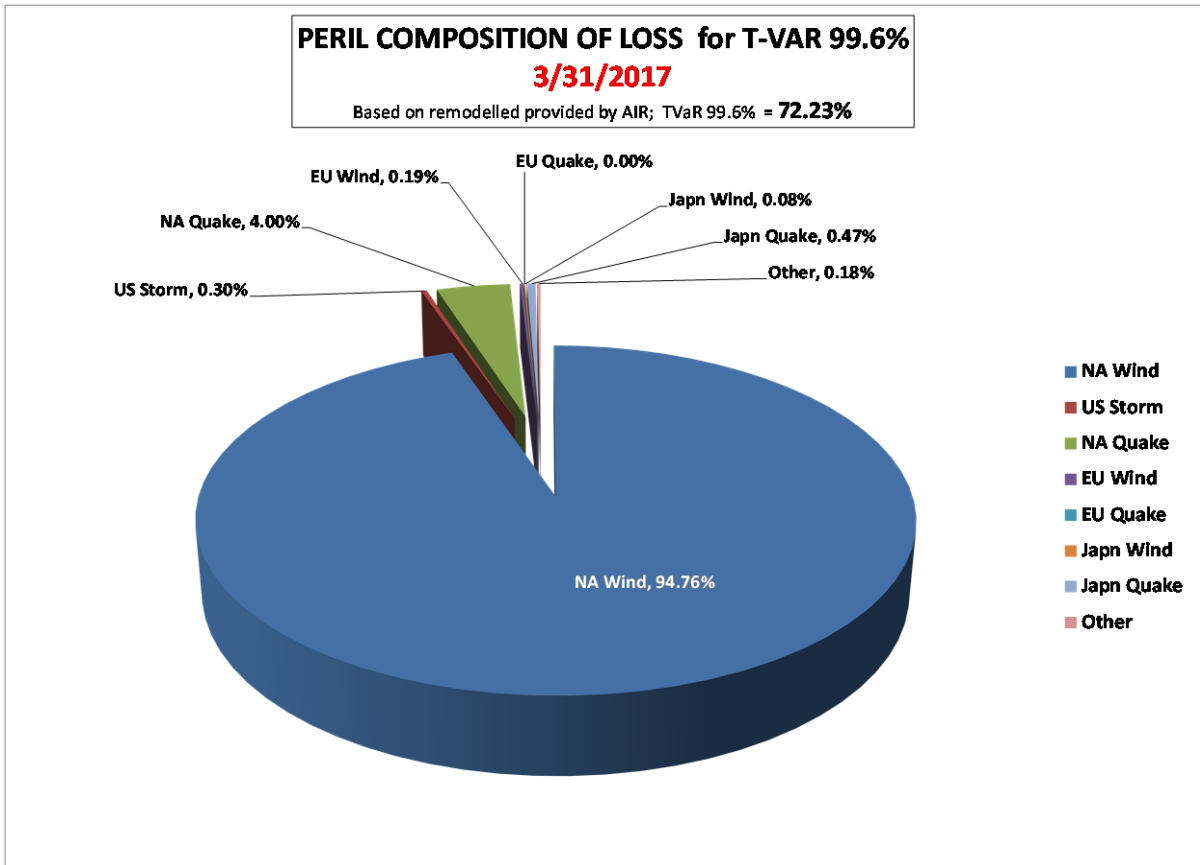
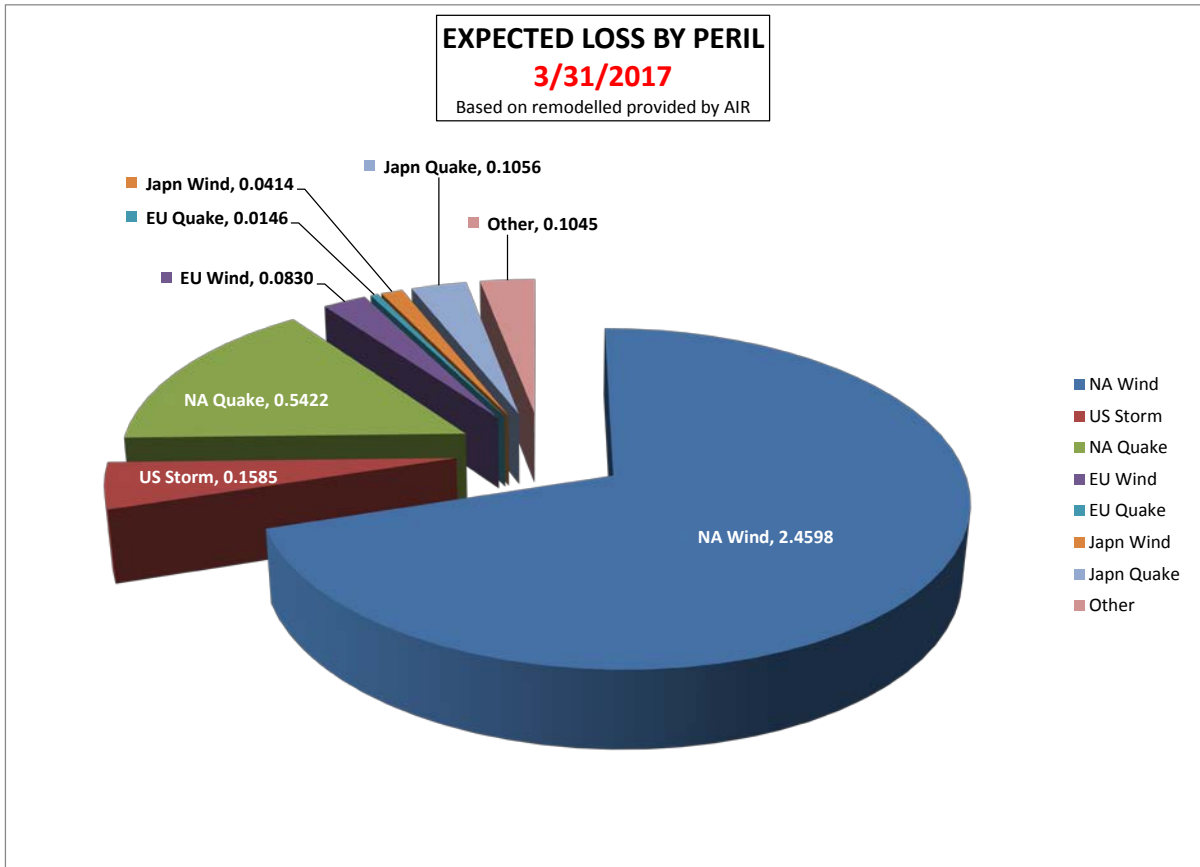
* The "Market" and "Outstanding" columns are "unimpaired" numbers

The reported ELs include market risk (losses < \$50 million) and counterparty risk (losses > \$50 million)

Revised 1/26/2017 estimate is made under the new AIR model

PERIL COMPOSITION - at Expected Loss and Various TVaR Points in the Tail
3/31/2017





Section F:
USAA Case Study

USAA Issues - 1997 to 2016 - Base Case Probabilities

Issue	Underwriters	Amount (US \$Mill)	S&P Rating	Issue Date	Maturity	Maturity Term	Exposure Term	Spread Premium to LIBOR (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss
Residential Re I A-1	GS, ML, Leh	163.8	AAAr	Jun-97	Jun-98	12	12	250	253	0.00%	0.0000	0.0000	253	0.00%
Residential Re I A-2	GS, ML, Leh	313.2	BB	Jun-97	Jun-98	12	12	576	584	0.63%	1.0000	0.4200	521	0.63%
Residential Re II	GS, ML, Leh	450.0		Jun-98	Jun-99	12	12	416	422	0.58%	0.8700	0.3200	364	0.67%
Residential Re III	GS, ML, Leh	200.0	BB	Jun-99	Jun-00	12	12	366	371	0.44%	0.7600	0.2600	327	0.58%
Residential Re 2000	GS, ML, Leh	200.0	BB+	May-00	Jun-01	12	12	410	416	0.54%	0.9500	0.3100	362	0.57%
Residential Re 2001	GS, ML, Leh	150.0	BB+	May-01	Jun-04	36	36	499	506	0.68%	1.1200	0.4100	438	0.61%
Residential Re 2002	GS, ML, Leh	125.0	BB+	May-02	Jun-05	36	36	490	497	0.67%	1.1200	0.4000	430	0.60%
Residential Re 2003	GS, BNP	160.0	BB+	May-03	Jun-06	36	36	495	502	0.48%	1.1000	0.2800	454	0.44%
Residential Re 2004 A	GS, BNP	127.5	BB	May-04	Jun-07	36	36	595	603	1.21%	1.8800	0.7100	482	0.64%
Residential Re 2004 B	GS, BNP	100.0	B	May-04	Jun-07	36	36	950	963	3.16%	5.0300	1.9000	647	0.63%
Residential Re 2005 A	GS, BNP	91.0	BB	May-05	Jun-08	36	36	545	553	1.43%	2.1700	0.9300	410	0.66%
Residential Re 2005 B	GS, BNP	85.0	B	May-05	Jun-08	36	36	845	857	3.41%	5.2700	2.1800	516	0.65%
Residential Re 2006 A	GS, BNP	47.5	B	Jun-06	Jun-09	36	36	1000	1014	1.93%	2.7100	1.3500	821	0.71%
Residential Re 2006 B	GS, BNP	0.0	B							3.94%	6.0300	2.5200		
Residential Re 2006 C	GS, BNP	75.0	BB+	Jun-06	Jun-09	36	36	750	760	0.49%	0.6300	0.3700	711	0.78%
Residential Re 2006 D	GS, BNP	0.0	BB							0.84%	1.1100	0.6300		
Residential Re 2007-1	GS, BNP, Leh	145.0	BB	May-07	Jun-10	36	36	725	735	1.02%	1.4500	0.6900	633	0.70%
Residential Re 2007-1.2	GS, BNP, Leh	125.0	B	May-07	Jun-10	36	36	1025	1039	2.05%	3.0300	1.4500	834	0.68%
Residential Re 2007-1.3	GS, BNP, Leh	75.0	B	May-07	Jun-10	36	36	1225	1242	2.74%	4.4500	1.6200	968	0.62%
Residential Re 2007-1.4	GS, BNP, Leh	155.0	BB+	May-07	Jun-10	36	36	600	608	0.42%	0.5900	0.3400	566	0.71%
Residential Re 2007-1.5	GS, BNP, Leh	100.0	BB+	May-07	Jun-10	36	36	775	786	0.77%	1.0200	0.5900	709	0.75%
Residential Re 2008-1	GS, Leh	125.0	BB	May-08	Jun-11	36	36	675	684	1.26%	1.8300	0.7900	558	0.69%
Residential Re 2008-2	GS, Leh	125.0	B	May-08	Jun-11	36	36	1150	1166	2.85%	4.3200	1.8400	881	0.66%
Residential Re 2008-4	GS, Leh	100.0	BB+	May-08	Jun-11	36	36	525	532	0.46%	0.5300	0.3900	486	0.87%
Residential Re 2009-1	GS, Aon, BNP	70.0	BB-	Jun-09	Jun-12	36	36	1300	1318	1.30%	1.9000	0.8200	1188	0.68%
Residential Re 2009-2	GS, Aon, BNP	60.0	B-	Jun-09	Jun-12	36	36	1700	1724	2.88%	4.1900	1.9200	1436	0.69%
Residential Re 2009-4	GS, Aon, BNP	120.0	BB-	Jun-09	Jun-12	36	36	1250	1267	0.87%	1.3600	0.5000	1180	0.64%
Residential Re 2010-1	GS, Aon, DB	162.5	BB	May-10	Jun-13	36	36	660	669	0.76%	1.0900	0.5700	593	0.70%
Residential Re 2010-2	GS, Aon, DB	72.5	B+	May-10	Jun-13	36	36	890	902	1.57%	2.2400	1.1100	745	0.70%
Residential Re 2010-3	GS, Aon, DB	52.5	B-	May-10	Jun-13	36	36	1300	1318	3.37%	4.7900	2.2600	981	0.70%
Residential Re 2010-4	GS, Aon, DB	117.5	NR	May-10	Jun-13	36	36	1300	1318	2.42%	4.2300	1.3100	1076	0.57%
Residential Re 2010 II-1	GS, Aon, DB	210.0	BB	Dec-10	Jun-13	30	30	625	634	0.62%	0.8900	0.4600	572	0.70%
Residential Re 2010 II-2	GS, Aon, DB	50.0	NR	Dec-10	Jun-13	30	30	725	735	1.30%	1.8600	0.9100	605	0.70%
Residential Re 2010 II-3	GS, Aon, DB	40.0	NR	Dec-10	Jun-13	30	30	1075	1090	2.79%	3.9200	1.8800	811	0.71%
Residential Re 2011-1.1	GS, SRe, BAML	57.0	B+	May-11	Jun-15	48	48	900	913	1.65%	2.3100	1.1800	748	0.71%
Residential Re 2011-1.2	GS, SRe, BAML	33.0	B-	May-11	Jun-15	48	48	1200	1217	3.33%	4.8500	2.3300	884	0.69%
Residential Re 2011-1.5	GS, SRe, BAML	160.0	B	May-11	Jun-15	48	48	875	887	0.85%	1.3300	0.5000	802	0.64%
Residential Re 2011-II.1	GS, SRe, DB	100.0	NR	Nov-11	Dec-15	48	48	890	902	1.65%	2.3100	1.1800	737	0.71%
Residential Re 2011-II.2	GS, SRe, DB	50.0	NR	Nov-11	Dec-15	48	48	1325	1343	3.33%	4.8500	2.3300	1010	0.69%
Residential Re 2012-I.3	GS, SRe, DB	50.0	BB-	May-12	Jun-16	48	48	1000	1014	1.61%	2.2600	1.1300	853	0.71%
Residential Re 2012-I.5	GS, SRe, DB	110.0	BB-	May-12	Jun-16	48	48	800	811	0.54%	0.8500	0.3700	757	0.64%
Residential Re 2012-I.7	GS, SRe, DB	40.0	NR	May-12	Jun-16	48	48	2200	2231	6.19%	8.0800	4.5100	1612	0.77%
Residential Re 2012-II.1	GS, SRe, DB	155.0	BB+	Nov-12	Dec-16	48	48	450	456	0.42%	0.53%	0.33%	414	79.2%
Residential Re 2012-II.2	GS, SRe, DB	70.0	BB	Nov-12	Dec-16	48	48	575	583	0.81%	1.12%	0.53%	502	72.3%
Residential Re 2012-II.3	GS, SRe, DB	95.0	NR	Nov-12	Dec-16	48	48	1275	1293	3.26%	4.77%	2.27%	967	68.3%
Residential Re 2012-II.4	GS, SRe, DB	80.0	NR	Nov-12	Dec-16	48	48	1900	1926	6.77%	8.31%	4.79%	1249	72.7%
Residential Re 2013-I.3	GS, SR, DB	95.0	B-	May-13	Jun-17	48	48	925	938	3.26%	4.75%	2.27%	812	68.6%
Residential Re 2013-I.11	GS, SR, DB	205.0	NR	May-13	Jun-17	48	48	800	811	2.10%	4.55%	0.85%	601	46.2%
Residential Re 2013-II.1	GS, SR, DB	80.0	NR	Dec-13	Dec-17	48	48	2000	2028	13.06%	21.38%	8.06%	722	61.1%
Residential Re 2013-II.4	GS, SR, DB	70.0	BB-	Dec-13	Dec-17	48	48	525	532	1.61%	2.26%	1.11%	371	71.2%
Residential Re 2014-I.10	GS, SR, DB	80.0	NR	May-14	Jun-18	48	48	1500	1521	9.86%	11.84%	8.08%	535	83.3%
Residential Re 2014-I.13	GS, SR, DB	50.0	NR	May-14	Jun-18	48	48	350	355	0.54%	0.85%	0.39%	301	63.5%
Residential Re 2014-II.4	GS, SR, DB	100.0	NR	Dec-14	Dec-18	48	48	480	487	1.61%	2.26%	1.04%	326	71.2%
Residential Re 2015-I.10	GS, SR, DB	50.0	NR	May-15	Jun-19	48	48	1100	1115	6.20%	8.33%	4.63%	493	74.4%
Residential Re 2015-I.11	GS, SR, DB	100.0	NR	May-15	Jun-19	48	48	600	608	2.16%	4.63%	0.89%	392	46.7%
Residential Re 2015-II.3	GS, SR, DB	125.0	B-	Dec-15	Dec-19	48	48	725	735	3.26%	4.75%	2.27%	409	68.6%
Espada Re 2016-1	ReW, SD	50.0	NR	Mar-16	Jun-20	51	51	575	583	1.93%	8.33%	0.34%	390	23.2%
Residential Re 2016-I.10	GS, SR, CI	65.0	NR	May-16	Jun-20	48	48	1150	1166	7.58%	12.03%	4.61%	408	63.0%
Residential Re 2016-I.11	GS, SR, CI	75.0	NR	May-16	Jun-20	48	48	475	482	2.13%	4.61%	0.98%	269	46.2%
Residential Re 2016-I.13	GS, SR, CI	110.0	BB-	May-16	Jun-20	48	48	325	330	0.62%	0.98%	0.40%	268	63.3%
Residential Re 2016-II.2	GS, SR, CI	80.0	NR	Nov-16	Dec-17	12	12	775	786	5.55%	7.53%	4.18%	231	73.7%
Residential Re 2016-II.3	GS, SR, CI	150.0	B-	Nov-16	Dec-20	48	48	525	532	2.91%	4.12%	2.13%	241	70.6%
Residential Re 2016-II.4	GS, SR, CI	170.0	B-	Nov-16	Dec-20	48	48	350	355	1.53%	2.13%	0.98%	202	71.8%

Notes to Table 1

Underwriters: GS: Goldman Sachs; ML: Merrill Lynch; CI: Citigroup; Leh: Lehman Brothers; BNP: BNP Paribas; Aon: Aon Benfield; DB: Deutsche Bank; SRe: Swiss Re Capital Markets; BAML: Bank of America Merrill Lynch.

ReW: ReWire; SD: SDDCO Brokerage Advisors

Residential Re 2006 Classes B and D were proposed but never issued. Combined proposed issuance over four classes would have been \$150 million. Actual issuance in two classes was \$122.5 million. Classes A and B were per occurrence coverages. Classes C and D were aggregate coverages and thus more consistent with prior single class or Class A Residential Re issues.

Residential Re 2007 thru 2010 are programs with an undisclosed total possible issuance.

Residential Re 2010-II.2, 3 & 4 were issued in December 2010, the first time that USAA has issued in other than the usual May/June issue cycle.

Residential Re 2011 issues were issued with a four year maturity, the first time USAA has issued for more than a three year maturity; December issues carried full four year maturity.

All deals are converted to a 365-day year as LIBOR convention uses a 360-day year but CAT risk is a 365-day year. Adjusted spreads are therefore comparable to reinsurance pricing.

Expected Excess Return is defined as Adjusted Spread Premium less Expected Loss. Conditional Expected Loss is defined as Expected Loss divided by the Probability of First Dollar Loss.

USAA Issues - 1997 to 2016 - Sensitivity Case Probabilities

Issue	Underwriters	Amount (US \$Mil)	S&P Rating	Issue Date	Maturity	Maturity Term	Exposure Term	Spread Premium to LIBOR (bps)	Adjusted Spread Premium (Annual)	Expected Loss (Annual)	Probability of 1st \$ Loss (Annual)	Probability of Exhaust (Annual)	Expected Excess Return (Annual)	Conditional Expected Loss
Residential Re I A-1	GS, ML, Leh	163.8	AAAr	Jun-97	Jun-98	12	12	250	253	0.00%	0.0000	0.0000	253	0.00%
Residential Re I A-2	GS, ML, Leh	313.2	BB	Jun-97	Jun-98	12	12	576	584	0.63%	1.0000	0.4200	521	0.63%
Residential Re II	GS, ML, Leh	450.0		Jun-98	Jun-99	12	12	416	422	0.58%	0.8700	0.3200	364	0.67%
Residential Re III	GS, ML, Leh	200.0	BB	Jun-99	Jun-00	12	12	366	371	0.44%	0.7600	0.2600	327	0.58%
Residential Re 2000	GS, ML, Leh	200.0	BB+	May-00	Jun-01	12	12	410	416	0.54%	0.9500	0.3100	362	0.57%
Residential Re 2001	GS, ML, Leh	150.0	BB+	May-01	Jun-04	36	36	499	506	0.68%	1.1200	0.4100	438	0.61%
Residential Re 2002	GS, ML, Leh	125.0	BB+	May-02	Jun-05	36	36	490	497	0.67%	1.1200	0.4000	430	0.60%
Residential Re 2003	GS, BNP	160.0	BB+	May-03	Jun-06	36	36	495	502	0.48%	1.1000	0.2800	454	0.44%
Residential Re 2004 A	GS, BNP	127.5	BB	May-04	Jun-07	36	36	595	603	1.21%	1.8800	0.7100	482	0.64%
Residential Re 2004 B	GS, BNP	100.0	B	May-04	Jun-07	36	36	950	963	3.16%	5.0300	1.9000	647	0.63%
Residential Re 2005 A	GS, BNP	91.0	BB	May-05	Jun-08	36	36	545	553	1.43%	2.1700	0.9300	410	0.66%
Residential Re 2005 B	GS, BNP	85.0	B	May-05	Jun-08	36	36	845	857	3.41%	5.2700	2.1800	516	0.65%
Residential Re 2006 A	GS, BNP	47.5	B	Jun-06	Jun-09	36	36	1000	1014	2.66%	3.7000	1.9600	748	0.72%
Residential Re 2006 B	GS, BNP	0.0	B							5.42%	8.1600	3.3700		
Residential Re 2006 C	GS, BNP	75.0	BB+	Jun-06	Jun-09	36	36	750	760	0.74%	1.0600	0.5100	686	0.70%
Residential Re 2006 D	GS, BNP	0.0	BB							1.44%	2.0300	1.0600		
Residential Re 2007-1	GS, BNP, Leh	145.0	BB	May-07	Jun-10	36	36	725	735	1.16%	1.6100	0.8000	619	0.72%
Residential Re 2007-1 2	GS, BNP, Leh	125.0	B	May-07	Jun-10	36	36	1025	1039	2.42%	3.6600	1.6100	797	0.66%
Residential Re 2007-1 3	GS, BNP, Leh	75.0	B	May-07	Jun-10	36	36	1225	1242	3.30%	5.3700	2.0200	912	0.61%
Residential Re 2007-1 4	GS, BNP, Leh	155.0	BB+	May-07	Jun-10	36	36	600	608	0.58%	0.8000	0.4200	550	0.73%
Residential Re 2007-1 5	GS, BNP, Leh	100.0	BB+	May-07	Jun-10	36	36	775	786	1.02%	1.4000	0.8000	684	0.73%
Residential Re 2008-1	GS, Leh	125.0	BB	May-08	Jun-11	36	36	675	684	1.49%	2.1500	0.9300	535	0.69%
Residential Re 2008-2	GS, Leh	125.0	B	May-08	Jun-11	36	36	1150	1166	3.32%	5.0800	2.1700	834	0.65%
Residential Re 2008-4	GS, Leh	100.0	BB+	May-08	Jun-11	36	36	525	532	0.54%	0.6400	0.4700	478	0.84%
Residential Re 2009-1	GS, Aon, BNP	70.0	BB-	Jun-09	Jun-12	36	36	1300	1318	1.53%	2.2200	0.9500	1165	0.69%
Residential Re 2009-2	GS, Aon, BNP	60.0	B-	Jun-09	Jun-12	36	36	1700	1724	3.34%	4.8700	2.2500	1390	0.69%
Residential Re 2009-4	GS, Aon, BNP	120.0	BB-	Jun-09	Jun-12	36	36	1250	1267	1.05%	1.6600	0.6000	1162	0.63%
Residential Re 2010-1	GS, Aon, DB	162.5	BB	May-10	Jun-13	36	36	660	669	0.87%	1.2800	0.6500	582	0.68%
Residential Re 2010-2	GS, Aon, DB	72.5	B+	May-10	Jun-13	36	36	890	902	1.81%	2.5700	1.3000	721	0.70%
Residential Re 2010-3	GS, Aon, DB	52.5	B-	May-10	Jun-13	36	36	1300	1318	3.81%	5.4900	2.5900	937	0.69%
Residential Re 2010-4	GS, Aon, DB	117.5	NR	May-10	Jun-13	36	36	1300	1318	2.98%	5.1500	1.6500	1020	0.58%
Residential Re 2010 II-1	GS, Aon, DB	210.0	BB	Dec-10	Jun-13	30	30	625	634	0.71%	1.0400	0.5300	563	0.68%
Residential Re 2010 II-2	GS, Aon, DB	50.0	NR	Dec-10	Jun-13	30	30	725	735	1.48%	2.1200	1.0600	587	0.70%
Residential Re 2010 II-3	GS, Aon, DB	40.0	NR	Dec-10	Jun-13	30	30	1075	1090	3.14%	4.4300	2.1500	776	0.71%
Residential Re 2011-1 1	GS, SRe, BAML	57.0	B+	May-11	Jun-15	48	48	900	913	1.88%	2.6100	1.3300	725	0.72%
Residential Re 2011-1 2	GS, SRe, BAML	33.0	B-	May-11	Jun-15	48	48	1200	1217	3.77%	5.5300	2.6300	840	0.68%
Residential Re 2011-1 5	GS, SRe, BAML	160.0	B	May-11	Jun-15	48	48	875	887	1.06%	1.7600	0.6100	781	0.60%
Residential Re 2011-II 1	GS, SRe, DB	100.0	NR	Nov-11	Dec-15	48	48	890	902	1.88%	2.6100	1.3300	714	0.72%
Residential Re 2011-II 2	GS, SRe, DB	50.0	NR	Nov-11	Dec-15	48	48	1325	1343	3.77%	5.5300	2.6300	966	0.68%
Residential Re 2012-1 3	GS, SRe, DB	50.0	BB-	May-12	Jun-16	48	48	1000	1014	1.82%	2.5500	1.2800	832	0.71%
Residential Re 2012-1 5	GS, SRe, DB	110.0	BB-	May-12	Jun-16	48	48	800	811	0.58%	0.9300	0.3900	753	0.62%
Residential Re 2012-1 7	GS, SRe, DB	40.0	NR	May-12	Jun-16	48	48	2200	2231	6.94%	8.9500	5.1200	1537	0.78%
Residential Re 2012-II 1	GS, SRe, DB	155.0	BB+	Nov-12	Dec-16	48	48	450	456	0.48%	0.61%	0.38%	408	78.7%
Residential Re 2012-II 2	GS, SRe, DB	70.0	BB	Nov-12	Dec-16	48	48	575	583	0.91%	1.27%	0.61%	492	71.7%
Residential Re 2012-II 3	GS, SRe, DB	95.0	NR	Nov-12	Dec-16	48	48	1275	1293	3.67%	5.39%	2.56%	926	68.1%
Residential Re 2012-II 4	GS, SRe, DB	80.0	NR	Nov-12	Dec-16	48	48	1900	1926	7.61%	10.40%	5.42%	1165	73.2%
Residential Re 2013-1 3	GS, SR, DB	95.0	B-	May-13	Jun-17	48	48	925	938	3.68%	5.36%	2.58%	570	68.7%
Residential Re 2013-1 11	GS, SR, DB	205.0	NR	May-13	Jun-17	48	48	800	811	2.60%	5.54%	1.05%	551	46.9%
Residential Re 2013-II 1	GS, SR, DB	80.0	NR	Dec-13	Dec-17	48	48	2000	2028	14.23%	22.90%	8.97%	605	62.1%
Residential Re 2013-II 4	GS, SR, DB	70.0	BB-	Dec-13	Dec-17	48	48	525	532	1.80%	2.55%	1.24%	352	70.6%
Residential Re 2014-1 10	GS, SR, DB	80.0	NR		Jun-18	48	48	1500	1521	11.31%	13.53%	9.35%	390	83.6%
Residential Re 2014-1 13	GS, SR, DB	50.0	NR		Jun-18	48	48	350	355	0.63%	1.00%	0.44%	232	63.0%
Residential Re 2014-II 4	GS, SR, DB	100.0	NR	Dec-14	Dec-18	48	48	480	487	1.79%	2.51%	1.17%	308	71.3%
Residential Re 2015-1 10	GS, SR, DB	50.0	NR	May-15	Jun-19	48	48	1100	1115	7.28%	9.65%	5.43%	387	75.4%
Residential Re 2015-1 11	GS, SR, DB	100.0	NR	May-15	Jun-19	48	48	600	608	2.50%	5.43%	1.03%	358	46.0%
Residential Re 2015-II 3	GS, SR, DB	125.0	B-	Dec-15	Dec-19	48	48	725	735	3.65%	5.31%	2.55%	370	68.7%
Espada Re 2016-1	ReW, SD	50.0	NR	Mar-16	Jun-20	51	51	575	583	2.55%	9.65%	0.41%	328	26.4%
Residential Re 2016-I 10	GS, SR, CI	65.0	NR	May-16	Jun-20	48	48	1150	1166	8.80%	13.75%	5.33%	286	64.0%
Residential Re 2016-I 11	GS, SR, CI	75.0	NR	May-16	Jun-20	48	48	475	482	2.47%	5.33%	1.14%	235	46.3%
Residential Re 2016-I 13	GS, SR, CI	110.0	BB-	May-16	Jun-20	48	48	325	330	0.73%	1.14%	0.48%	257	64.0%
Residential Re 2016-II 2	GS, SR, CI	80.0	NR	Nov-16	Dec-17	12	12	775	786	6.35%	8.58%	4.74%	151	74.0%
Residential Re 2016-II 3	GS, SR, CI	150.0	B-	Nov-16	Dec-20	48	48	525	532	3.29%	4.68%	2.42%	203	70.3%
Residential Re 2016-II 4	GS, SR, CI	170.0	B-	Nov-16	Dec-20	48	48	350	355	1.72%	2.41%	1.14%	183	71.4%

Notes to Table 1

Underwriters: GS: Goldman Sachs; ML: Merrill Lynch; CI: Citigroup; Leh: Lehman Brothers; BNP: BNP Paribas; Aon: Aon Benfield; DB: Deutsche Bank; SRe: Swiss Re Capital Markets; BAML: Bank of America Merrill Lynch.

ReW: ReWire; SD: SDDCO Brokerage Advisors

Residential Re 2006 Classes B and D were proposed but never issued. Combined proposed issuance over four classes would have been \$150 million. Actual issuance in two classes was \$122.5 million. Classes A and B were per occurrence coverages.

Classes C and D were aggregate coverages and thus more consistent with prior single class or Class A Residential Re issues.

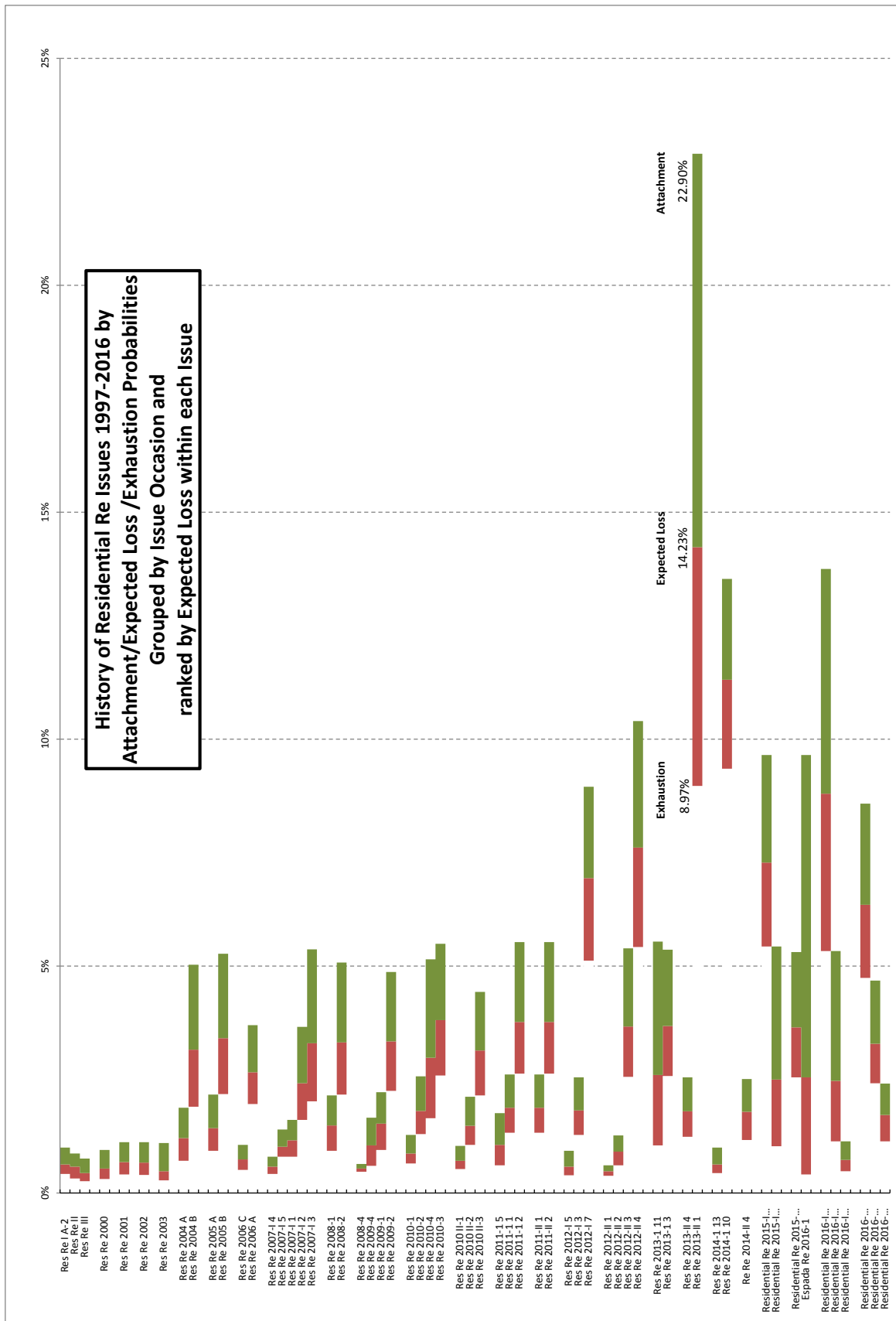
Residential Re 2007 thru 2010 are programs with an undisclosed total possible issuance.

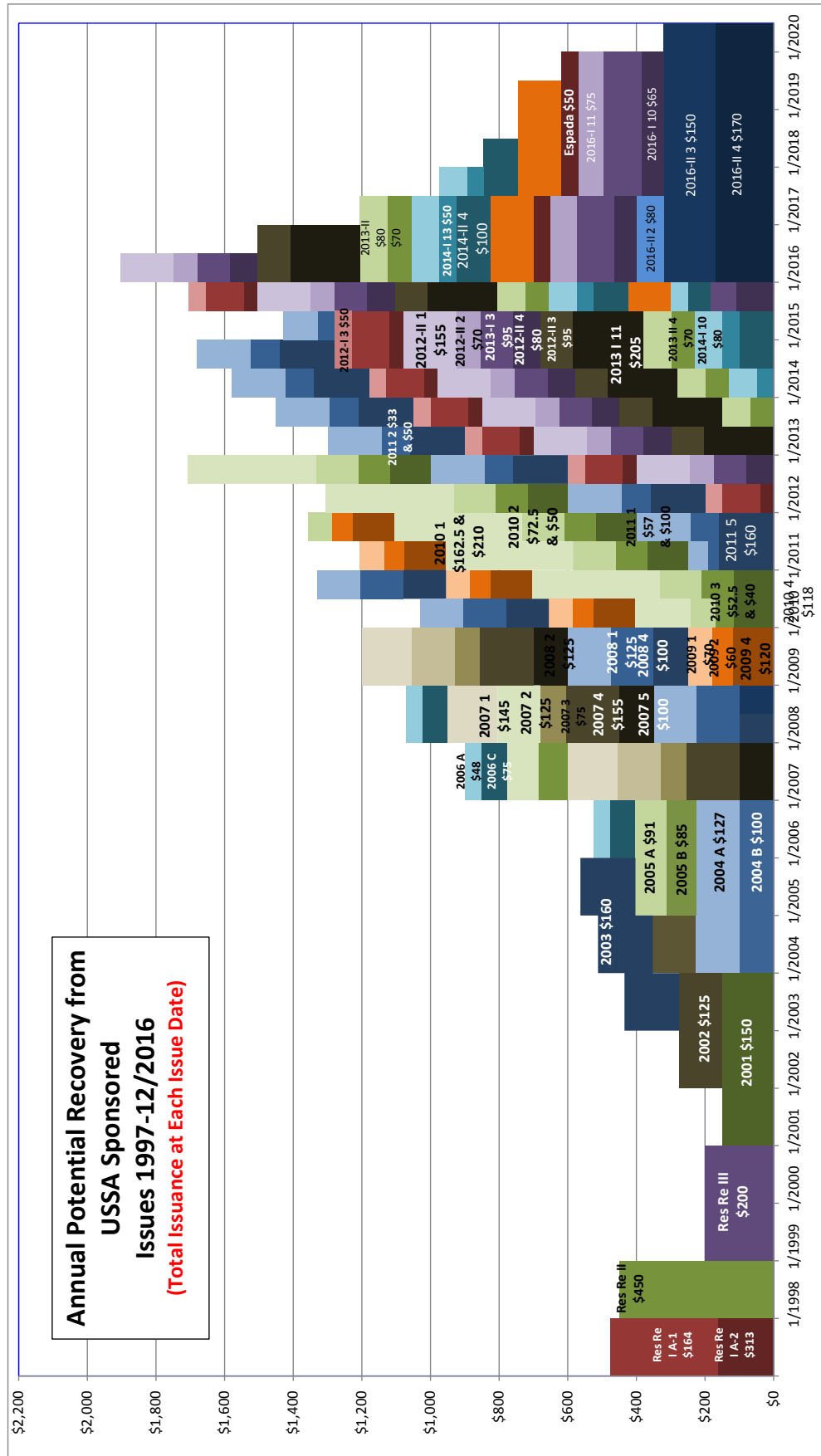
Residential Re 2010-II 2, 3 & 4 were issued in December 2010, the first time that USAA has issued in other than the usual May/June issue cycle.

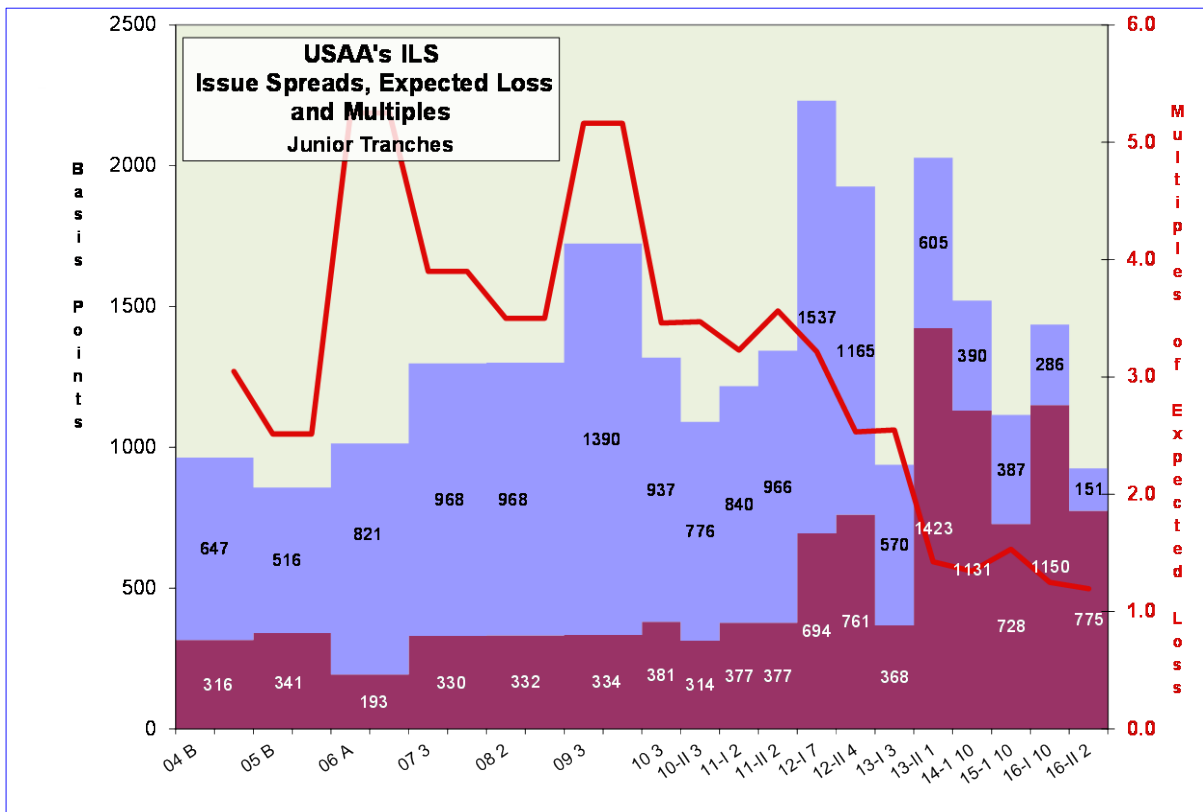
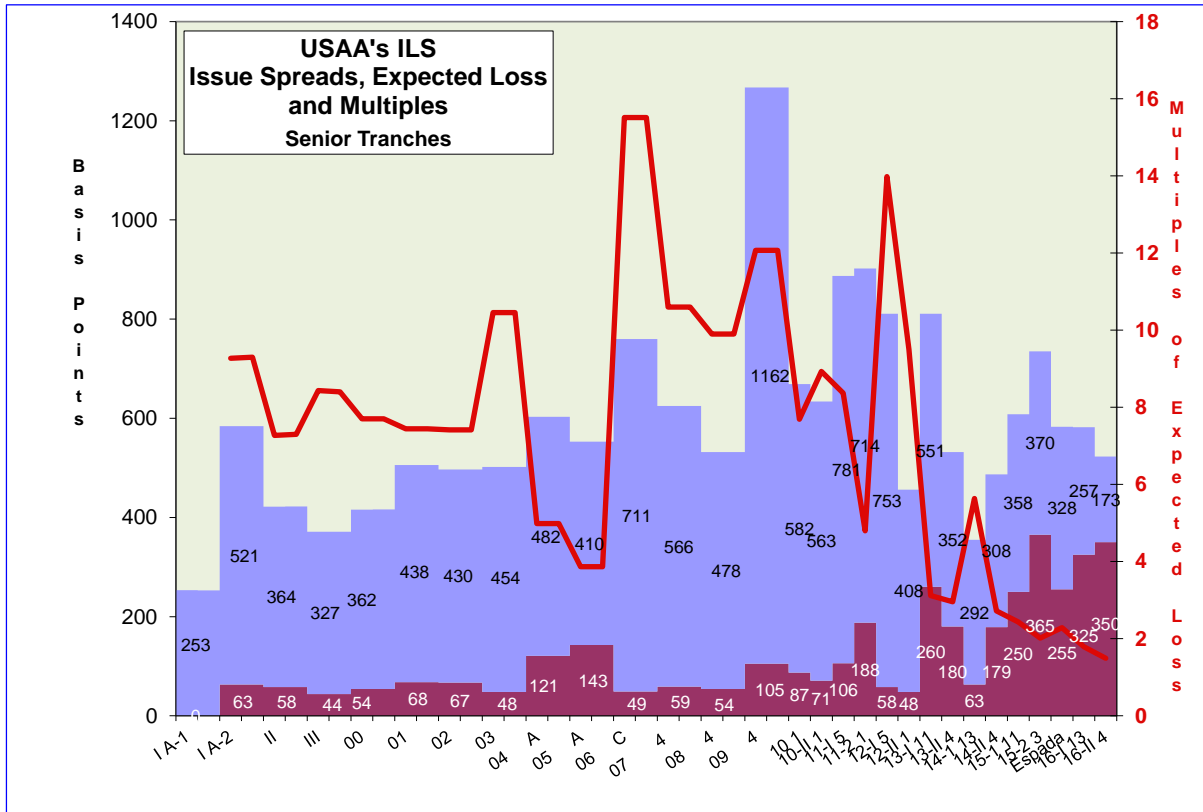
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All deals are converted to a 365-day year as LIBOR convention uses a 360-day year but CAT risk is a 365-day year. Adjusted spreads are therefore comparable to reinsurance pricing.

Expected Excess Return is defined as Adjusted Spread Premium less Expected Loss. Conditional Expected Loss is defined as Expected Loss divided by the Probability of First Dollar Loss.







Section G:
Quarter-End Secondary Market Prices

June 30, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications	September 30, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
	Jul-15	Hannover RE	Acorn Re 2015-1 A	3.40%	1.83		Jul-15	Hannover RE	Acorn Re 2015-1 A	3.40%	1.78
	Mar-16	Mitsui Sumitomo	Akibare Re 2016-1 A	2.50%	2.08		Mar-16	Mitsui Sumitomo	Akibare Re 2016-1 A	2.50%	1.90
	May-14	Hannover Re	Alamo Re Ltd. 2014-1	6.35%	3.44		May-14	Hannover Re	Alamo Re Ltd. 2014-1	6.35%	2.03
	May-15	Hannover Re	Alamo Re 2015-1 A	2.90%	4.08		May-15	Hannover Re	Alamo Re 2015-1 A	2.90%	3.33
	May-15	Hannover Re	Alamo Re 2015-1 B	4.60%	3.44		May-15	Hannover Re	Alamo Re 2015-1 B	4.60%	2.79
	May-14	Sampo/Nipponkoa	Aozora Re 2014-1 B	2.00%	2.18		May-14	Sampo/Nipponkoa	Aozora Re 2014-1 B	2.00%	1.57
	May-16	Sampo/Nipponkoa	Aozora Re 2016-1 A	2.20%	2.07		Mar-16	Sampo/Nipponkoa	Aozora Re 2016-1 A	2.20%	1.92
	May-14	Am Coastal	Armor Re 2014-1 Class A	4.00%	5.70		May-14	Am Coastal	Armor Re 2014-1 Class A	4.00%	3.03
	Feb-15	SCOR	Atlas IX Capital 2015-1 A	7.00%	6.91		Feb-15	SCOR	Atlas IX Capital 2015-1 A	7.00%	6.40
	Jan-16	SCOR	Atlas IX Capitl 2016-1 A	7.50%	6.67		Jan-16	SCOR	Atlas IX Capitl 2016-1 A	7.50%	6.02
	Jun-15	UniposalSal	Azzuro Re I	2.15%	2.19		Jun-15	UniposalSal	Azzuro Re I	2.15%	2.16
New Issue in Quarter	Jun-16	Allianz Risk Tr	Blue Halo Re 2016-1 A	14.00%	13.87		Jun-16	Allianz Risk Tr	Blue Halo Re 2016-1 A	14.00%	12.22
New Issue in Quarter	Jun-16	Allianz Risk Tr	Blue Halo Re 2016-1 B	19.75%	19.60		Jun-16	Allianz Risk Tr	Blue Halo Re 2016-1 B	19.75%	17.79
	Sep-15	Turkey Cat Pool	Bosphorus 2015-1 A	3.25%	2.82		Jul-16	Allianz Risk Tr	Blue Halo Re 2016-2	8.25%	7.09
	Apr-13	Nationwide	Caelus Re 2013-II Class A	6.85%	4.53		Sep-15	Turkey Cat Pool	Bosphorus 2015-1 A	3.25%	2.65
	Mar-16	Nationwide	Caelus Re IV 2016-1 A	5.50%	4.86		Apr-13	Nationwide	Caelus Re 2013-II Class A	6.85%	2.46
	Oct-13	AXA Global	Calypso II A	2.60%	1.82		Mar-16	Nationwide	Caelus Re IV 2016-1 A	5.50%	4.28
	Oct-13	AXA Global	Calypso II B	2.90%	2.46		Oct-13	AXA Global	Calypso II A	2.60%	2.46
	Apr-14	Heritage P&C	Citrus Re Ltd. 2014-1 A	4.25%	5.13		Oct-13	AXA Global	Calypso II B	2.90%	2.64
	Apr-14	Heritage P&C	Citrus Re 2014-2 Class 1	3.75%	5.05		Apr-14	Heritage P&C	Citrus Re Ltd. 2014-1 A	4.25%	2.72
	Apr-15	Heritage P&C	Citrus Re Ltd. 2015-1 Class A	4.75%	5.12		Apr-14	Heritage P&C	Citrus Re 2014-2 Class 1	3.75%	2.46
	Apr-15	Heritage P&C	Citrus Re Ltd. 2015-1 Class B	6.00%	6.52		Apr-15	Heritage P&C	Citrus Re Ltd. 2015-1 Class A	4.75%	3.46
	Apr-15	Heritage P&C	Citrus Re Ltd. 2015-1 Class C	9.00%	9.74		Apr-15	Heritage P&C	Citrus Re Ltd. 2015-1 Class B	6.00%	5.13
	Mar-16	Heritage P&C	Citrus Re 2016-1 D-50	7.50%	7.24		Mar-16	Heritage P&C	Citrus Re Ltd. 2015-1 Class C	9.00%	7.19
	Mar-16	Heritage P&C	Citrus Re 2016-1 E-50	10.50%	10.44		Mar-16	Heritage P&C	Citrus Re 2016-1 D-50	7.50%	6.13
	Apr-15	Mass Prop U/W	Cranberry Re 2015-1 A	3.80%	2.91		Mar-16	Heritage P&C	Citrus Re 2016-1 E-50	10.50%	9.05
	Mar-14	Chubb Ins Cos.	East Lane Re VI 2014-1 A	2.75%	2.71		Apr-15	Mass Prop U/W	Cranberry Re 2015-1 A	3.80%	2.15
	Mar-15	Chubb Ins Cos.	East Lane Re VI 2015-1 A	3.75%	3.32		Mar-14	Chubb Ins Cos.	East Lane Re VI 2014-1 A	2.75%	2.01
	Mar-16	USAA	Espada Re 2016-1	5.75%	5.53		Mar-15	Chubb Ins Cos.	East Lane Re VI 2015-1 A	3.75%	2.62
	Apr-14	Citizen's Prop.	Everglades Re 2014-1 Class A	7.50%	5.08		Mar-16	USAA	Espada Re 2016-1	5.75%	5.26
	May-15	Citizen's Prop.	Everglades Re II 2015-1 Class A	5.15%	4.94		Apr-14	Citizen's Prop.	Everglades Re 2014-1 Class A	7.50%	3.53
New Issue in Quarter	May-16	Swiss Re Am	First Coast Re 2016-1 A	4.00%	3.73		May-15	Citizen's Prop.	Everglades Re II 2015-1 Class A	5.15%	3.64
	Oct-13	Catlin Ins	Galileo Re	7.40%	5.62		May-16	Swiss Re Am	First Coast Re 2016-1 A	4.00%	3.20
	Feb-15	Catlin Ins	Galileo Re 2015-1 Class A	13.50%	11.43		Oct-13	Catlin Ins	Galileo Re	7.40%	3.62
	Jan-16	Catlin Ins	Galileo Re 2016-1 A	13.50%	12.58		Feb-15	Catlin Ins	Galileo Re 2015-1 Class A	13.50%	10.46
	Jan-16	Catlin Ins	Galileo Re 2016-1 B	9.00%	8.32		Jan-16	Catlin Ins	Galileo Re 2016-1 A	13.50%	11.62
	Jan-16	Catlin Ins	Galileo Re 2016-1 C	7.00%	6.42		Jan-16	Catlin Ins	Galileo Re 2016-1 B	9.00%	7.46
Distressed	Mar-14	Am Strat Ins	Gator Re 2014-1 Class A	6.50%	49.06		Jan-16	Catlin Ins	Galileo Re 2016-1 C	7.00%	5.93
	Sep-14	CA State Ins Fd	Golden State Re II 2014-1 A	2.50%	2.50		Mar-14	Am Strat Ins	Gator Re 2014-1 Class A	6.50%	26.01
	Jul-13	Groupama	Green Fields II 2013-1 A	2.75%	2.08		Sep-14	CA State Ins Fd	Golden State Re II 2014-1 A	2.20%	2.36
	Apr-14	Everest Re	Kilimanjaro Re 2014-1 Class A	4.50%	4.83		Jul-13	Groupama	Green Fields II 2013-1 A	2.75%	2.44
	Apr-14	Everest Re	Kilimanjaro Re 2014-1 Class B	4.75%	4.50		Apr-14	Everest Re	Kilimanjaro Re 2014-1 Class A	4.50%	3.58
	Nov-14	Everest Re	Kilimanjaro Re 2014-2 Class C	3.75%	3.33		Apr-14	Everest Re	Kilimanjaro Re 2014-1 Class B	4.75%	3.47
	Dec-15	Everest Re	Kilimanjaro Re 2015-1 D	9.25%	8.63		Nov-14	Everest Re	Kilimanjaro Re 2014-2 Class C	3.75%	3.13
	Dec-15	Everest Re	Kilimanjaro Re 2015-1 E	6.75%	6.33		Dec-15	Everest Re	Kilimanjaro Re 2015-1 D	9.25%	7.73
	Mar-14	Tokio Marine	Kizuna Re II Class A	2.25%	2.18		Dec-15	Everest Re	Kilimanjaro Re 2015-1 E	6.75%	5.38
	Mar-14	Tokio Marine	Kizuna Re II Class B	2.50%	2.46		Mar-14	Tokio Marine	Kizuna Re II Class A	2.25%	2.01
New Issue in Quarter	May-16	United P&C	Laetere Re 2016-1 A	6.00%	6.12		Mar-14	Tokio Marine	Kizuna Re II Class B	2.50%	2.30
New Issue in Quarter	May-16	United P&C	Laetere Re 2016-1 B	9.50%	9.88		May-16	United P&C	Laetere Re 2016-1 A	6.00%	2.49
New Issue in Quarter	May-16	United P&C	Laetere Re 2016-1 C	17.50%	19.89		May-16	United P&C	Laetere Re 2016-1 B	9.50%	4.19
	Apr-14	Generali	Lion I Re	2.25%	2.44		May-16	United P&C	Laetere Re 2016-1 C	17.50%	8.37
	Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class A	9.75%	7.89		Apr-14	Generali	Lion I Re	2.25%	2.36
	Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class B	12.00%	9.81		Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class A	9.75%	6.08
	Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class C	17.00%	14.41		Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class B	12.00%	7.89
	May-15	Travellers	Long Point Re III 2015-1 Class A	3.75%	3.24		Dec-13	Argo Re	Loma Re Ltd. 2013-1 Class C	17.00%	11.55
	Mar-16	Safepoint	Manatee Re Ltd. 2015-1 Class A	5.00%	5.41		May-15	Travellers	Long Point Re III 2015-1 Class A	3.75%	2.18
	Mar-16	Safepoint	Manatee Re 2016-1 A	5.25%	5.31		Mar-16	Safepoint	Manatee Re Ltd. 2013-1 Class A	5.00%	4.10
	Mar-16	Safepoint	Manatee Re 2016-1 C	16.25%	16.25		Mar-16	Safepoint	Manatee Re 2016-1 A	5.25%	4.53
	Mar-14	State Farm	Merna Re V	2.00%	2.03		Mar-16	Safepoint	Manatee Re 2016-1 C	16.25%	14.06
	Mar-15	State Farm	Merna Re 2015-1	2.00%	2.05		Mar-14	State Farm	Merna Re V	2.00%	1.68
	May-16	State Farm	Merna Re 2016-1	2.25%	2.05		Mar-15	State Farm	Merna Re 2015-1	2.00%	1.67
Matures Next Quarter	Jul-13	First Mutual Trans	MetroCat Re Ltd. 2013-1 Class A	4.50%	3.44		May-16	State Farm	Merna Re 2016-1	2.25%	1.49
	Jul-13	Renaissance Re	Mona Lisa Re 2013-2 Class A	7.30%	4.85		Jul-13	Renaissance Re	Mona Lisa Re 2013-2 Class A	7.30%	2.37
	Nov-12	Swiss Re	Mythen Re Ltd. 2012-2 A	8.50%	7.71		Nov-12	Swiss Re	Mythen Re Ltd. 2012-2 A	8.50%	4.16
	Nov-12	Swiss Re	Mythen Re Ltd. 2012-2 C	11.75%	15.36		Nov-12	Swiss Re	Mythen Re Ltd. 2012-2 C	11.75%	9.29
Matures Next Quarter	Sep-13	Zenkyoren	Nakama Re Ltd.	2.75%	2.11		Mar-14	Zenkyoren	Nakama Re 2014-1 Class 1	2.25%	2.10
	Mar-14	Zenkyoren	Nakama Re 2014-1 Class 1	2.25%	2.17		May-14	Zenkyoren	Nakama Re 2014-1 Class 2	2.50%	2.12
	May-14	Zenkyoren	Nakama Re 2014-1 Class 2	2.50%	2.15		Dec-14	Zenkyoren	Nakama Re 2014-2 Class 1	2.13%	2.00
	Dec-14	Zenkyoren	Nakama Re 2014-2 Class 1	2.13%	2.09		Dec-14	Zenkyoren	Nakama Re 2014-2 Class 2	2.88%	2.34
	Dec-14	Zenkyoren	Nakama Re 2014-2 Class 2	2.33%	2.33		Dec-15	Zenkyoren	Nakama Re 2015-1 1	2.88%	2.66
	Dec-15	Zenkyoren	Nakama Re 2015-1 1	2.88%	2.59		Dec-15	Zenkyoren	Nakama Re 2015-1 2	3.25%	2.49
	Dec-15	Zenkyoren	Nakama Re 2015-1 2	3.25%	2.61		Sep-16	Zenkyoren	Nakama Re 2016-1 1	2.20%	2.14
Matures Next Quarter	Aug-13	AXIS Re	Northshore Re 2013-1 Class A	7.25%	7.10		Sep-16	Zenkyoren	Nakama Re 2016-1 2	3.25%	3.19
	May-13	Louisiana Cit.	Pelican Re 2013-1 Class A	6.00%	4.77		May-13	Louisiana Cit.	Pelican Re 2013-1 Class A	6.00%	2.48
	Apr-15	Louisiana Cit.	Pelican III Re	6.00%	6.15		Apr-15	Louisiana Cit.	Pelican III Re	6.00%	4.65
	Oct-15	Pass RR Ins	PennUnion Re 2015-1 A	4.50%	4.36		Oct-15	Pass RR Ins	PennUnion Re 2015-1 A	4.50%	3.61
	Dec-13	Am Mod Ins Grp	Queen City Re	3.50%	6.50		Dec-13	Am Mod Ins Grp	Queen City Re	3.50%	4.10
	Mar-14	Munich Re	Queen Street IX	5.50%	5.89		Mar-14	Munich Re	Queen Street IX	5.50%	5.00
	Mar-15	Munich Re	Queen Street X	5.75%	5.79		Mar-15	Munich Re	Queen Street X	5.75%	5.26
	Dec-15	Munich Re	Queen Street XI	6.15%	6.10		Dec-15	Munich Re	Queen Street XI	6.15%	5.72
New Issue in Quarter	May-16	Munich Re	Queen Street XII	5.25%	5.22		May-16	Munich Re	Queen Street XII	5.25%	4.88
	Nov-12	USAA	Residential Re 2012-II Class 1	4.50%	5.06		Nov-12	USAA	Residential Re 2012-II Class 1	4.50%	2.64
	Nov-12	USAA	Residential Re 2012-II Class 2	5.75%	6.49		Nov-12	USAA	Residential Re 2012-II Class 2	5.75%	3.61
	Nov-12	USAA	Residential Re 2012-II Class 3	12.75%	11.09		Nov-12	USAA	Residential Re 2012-II Class 3	12.75%	6.83
	Nov-12	USAA	Residential Re 2012-II Class 4	19.00%	17.67		Nov-12	USAA	Residential Re 2012-II Class 4	19.00%	10.60
	May-13	USAA	Residential Re 2013-1 Class 3	9.25%	5.58		May-13	USAA	Residential Re 2013-1 Class 3	9.25%	3.27
	May-13	USAA	Residential Re 2013-1 Class 11	8.00%	4.94		May-13	USAA	Residential Re 2013-1 Class 11	8.00%	2.58
	Dec-13	USAA	Residential Re 2013-II Class 1	20.00%	18.84		Dec-13	USAA	Residential Re 2013-II Class 1	20.00%	16.02
	Dec-13	USAA	Residential Re 2013-II Class 4	5.25%	5.43		Dec-13	USAA	Residential Re 2013-II Class 4	5.25%	4.27
	May-14	USAA	Residential Re 2014-1 Class 10	15.00%	14.57		May-14	USAA	Residential Re 2014-1 Class 10	15.00%	12.51
	May-14	USAA	Residential Re 2014-1 Class 13	3.50%	3.26		May-14	USAA	Residential Re 2014-1 Class 13	3.50%	2.51
	Dec-14	USAA	Residential Re 2014-II Class 4	4.80%	4.98		Dec-14	USAA	Residential Re 2014-II Class 4	4.80%	4.34
	May-15	USAA	Residential Re 2015-I 10	11.00%	10.48		May-15	USAA	Residential Re 2015-I 10	11.00%	9.49
	May-15	USAA	Residential Re 2015-I 11	6.00%	5.04		May-15	USAA	Residential Re 2015-I 11	6.00%	4.50
	Dec-15	USAA	Residential Re 2015-II 3	7.25%	7.16		Dec-15	USAA	Residential Re 2015-II 3	7.25%	6.33
New Issue in Quarter	May-16	USAA	Residential Re 2016-I 10	11.50%	11.23		May-16	USAA	Residential Re 2016-I 10	11.50%	10.52
New Issue in Quarter	May-16	USAA	Residential Re 2016-I 11	4.75%	4.75		May-16	USAA	Residential Re 2016-I 11	4.75%	4.43
New Issue in Quarter	May-16	USAA	Residential Re 2016-I 13	3.24%	3.11		May-16	USAA	Residential Re 2016-I 13	3.24%	2.83
	Mar-14	Great Am Ins	Riverfront Re Ltd.	4.00%	6.09		Mar-14	Great Am Ins	Riverfront Re Ltd.	4.00%	4.05
	May-13	Allstate	Sanders Re Ltd.2013-1 Class A	3.50%	3.88		May-13	Allstate	Sanders Re Ltd.2013-1 Class A	3.50%	2.23
	May-13	Allstate	Sanders Re Ltd.2013-1 Class B	4.00%	4.20		May-13	Allstate	Sanders Re Ltd.2013-1 Class B	4.00%	2.54
	May-14	Allstate	Sanders Re 2014-1 Class B	3.00%	3.40		May-14	Allstate	Sanders Re 2014-1 Class B	3.00%	2.21
	May-14	Allstate	Sanders Re 2014-1 Class C	3.25%	3.84		May-14	Allstate	Sanders Re 2014-1 Class C	3.25%	2.48
	May-14	Allstate	Sanders Re 2014-1 Class D	3.90%	4.12		May-14	Allstate	Sanders Re 2014-1 Class D	3.90%	3.18
	May-14	Allstate	Sanders Re 2014-2 Class A	3.90%	3.68						

December 31, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications	March 31, 2017 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
	Jul-15 Hannover RE		Acorn Re 2015-1 A	3.40%	1.63		Jul-15 Hannover RE		Acorn Re 2015-1 A	3.40%	1.42
	Mar-16 Mitsui Sumitomo		Akibare Re 2016-1 A	2.50%	1.84		Mar-16 Mitsui Sumitomo		Akibare Re 2016-1 A	2.50%	1.67
	May-14 Hannover Re		Alamo Re Ltd. 2014-1	6.35%	1.87		May-14 Hannover Re		Alamo Re Ltd. 2014-1	6.35%	1.50
	May-15 Hannover Re		Alamo Re 2015-1 A	2.90%	3.33		May-15 Hannover Re		Alamo Re 2015-1 A	2.90%	2.81
	May-15 Hannover Re		Alamo Re 2015-1 B	4.60%	2.82		May-15 Hannover Re		Alamo Re 2015-1 B	4.60%	2.28
	May-14 Sampo/Nipponkoa		Aozora Re 2014-1 B	2.00%	1.22		May-14 Sampo/Nipponkoa		Aozora Re 2014-1 B	2.00%	4.11
	Mar-16 Sampo/Nipponkoa		Aozora Re 2016-1 A	2.20%	1.88		Mar-16 Sampo/Nipponkoa		Aozora Re 2016-1 A	2.20%	1.57
	Feb-15 SCOR		Atlas IX Capital 2015-1 A	7.00%	6.12		Mar-17 Sampo/Nipponkoa		Aozora 2017-1 A	2.00%	1.94
	Jan-16 SCOR		Atlas IX Capital 2016-1 A	7.50%	5.70		Feb-15 SCOR		Atlas IX Capital 2015-1 A	7.00%	6.07
	Jun-15 UnipolSai		Azzuro Re I	2.15%	2.12		Jan-16 SCOR		Atlas IX Capital 2016-1 A	7.50%	5.42
	Jun-16 Allianz Risk Tr		Blue Halo Re 2016-1 A	14.00%	12.68		Jun-15 UnipolSai		Azzuro Re I	2.15%	1.99
	Jun-16 Allianz Risk Tr		Blue Halo Re 2016-1 B	19.75%	18.56		Jun-16 Allianz Risk Tr		Blue Halo Re 2016-1 A	14.00%	13.85
	Jul-16 Allianz Risk Tr		Blue Halo Re 2016-2	8.25%	6.55		Jun-16 Allianz Risk Tr		Blue Halo Re 2016-1 B	19.75%	20.27
	Dec-16 Am Strategic Ins		Bonanza Re 2016-1 A	3.75%	3.86		Jul-16 Allianz Risk Tr		Blue Halo Re 2016-2	8.25%	6.44
	Dec-16 Am Strategic Ins		Bonanza Re 2016-1 B	5.00%	5.14		Dec-16 Am Strategic Ins		Bonanza Re 2016-1 A	3.75%	3.73
	Sep-15 Turkey Cat Pool		Bosphorus 2015-1 A	3.25%	2.73		Dec-16 Am Strategic Ins		Bonanza Re 2016-1 B	5.00%	4.22
	Apr-13 Nationwide		Caelus Re 2013-II Class A	6.85%	1.83		Sep-15 Turkey Cat Pool		Bosphorus 2015-1 A	3.25%	9.92
	Mar-16 Nationwide		Caelus Re 2016-1 E-50	3.92%	3.92		Mar-17 CAT Syn 4242		Buffalo Re 2017-1 A	3.25%	3.23
	Oct-13 AXA Global		Calyppo II A	2.60%	4.00		Mar-17 CAT Syn 4242		Buffalo Re 2017-1 B	6.75%	6.72
	Oct-13 AXA Global		Calyppo II B	2.90%	2.31		Apr-13 Nationwide		Caelus Re 2013-II Class A	6.85%	5.92
	Apr-14 Heritage P&C		Citrus Re Ltd. 2014-1 A	4.25%	1.94		Mar-16 Nationwide		Caelus Re IV 2016-1 A	5.50%	3.62
	Apr-14 Heritage P&C		Citrus Re 2014-2 Class 1	3.75%	1.89		Calyppo II B		Citrus Re 2014-1 A	2.90%	1.85
	Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class A	4.75%	3.17		Apr-14 Heritage P&C		Citrus Re Ltd. 2014-2 Class 1	4.25%	1.70
	Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class B	6.00%	4.75		Apr-14 Heritage P&C		Citrus Re 2014-2 Class 1	3.75%	1.59
	Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class C	9.00%	6.99		Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class A	4.75%	3.39
	Mar-16 Heritage P&C		Citrus Re 2016-1 D-50	7.50%	5.68		Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class B	6.00%	5.51
	Mar-16 Heritage P&C		Citrus Re 2016-1 E-50	10.50%	8.69		Apr-15 Heritage P&C		Citrus Re Ltd. 2015-1 Class C	9.00%	8.14
	Apr-15 Mass Prop UW		Cranberry Re 2015-1 A	3.80%	2.05		Mar-16 Heritage P&C		Citrus Re 2016-1 D-50	7.50%	6.14
	Mar-14 Chubb Ins Cos.		East Lane Re VI 2014-1 A	2.75%	2.05		Mar-16 Heritage P&C		Citrus Re 2016-1 E-50	10.50%	9.32
	Mar-15 Chubb Ins Cos.		East Lane Re VI 2015-1 A	3.75%	2.71		Mar-17 Heritage P&C		Citrus Re 2017-1 A	6.00%	6.04
	Mar-16 USAA		Espada Re 2016-1	5.75%	5.34		Apr-15 Mass Prop UW		Cranberry Re 2015-1 A	3.80%	2.12
	Apr-14 Citizen's Prop.		Everglades Re 2014-1 Class A	7.50%	1.81		Mar-14 Chubb Ins Cos.		East Lane Re VI 2014-1 A	2.75%	2.41
	May-15 Citizen's Prop.		Everglades Re II 2015-1 Class A	5.15%	3.37		Mar-15 Chubb Ins Cos.		East Lane Re VI 2015-1 A	3.75%	2.92
	May-16 Swiss Re Am		First Coast Re 2016-1 A	4.00%	3.18		Mar-16 USAA		Espada Re 2016-1	5.75%	5.47
	Dec-16 XL Bermuda		Gallie Re 2016-1 A-1	13.25%	13.19		Apr-14 Citizen's Prop.		Everglades Re 2014-1 Class A	7.50%	1.96
	Dec-16 XL Bermuda		Gallie Re 2016-1 B-1	8.00%	7.94		May-15 Citizen's Prop.		Everglades Re II 2015-1 Class A	5.15%	4.19
	Dec-16 XL Bermuda		Gallie Re 2016-1 C-1	6.25%	6.19		May-16 Swiss Re Am		First Coast Re 2016-1 A	4.00%	3.26
	Dec-16 XL Bermuda		Gallie Re 2016-1 D-1	5.25%	5.20		Dec-16 XL Bermuda		Gallie Re 2016-1 A-1	13.25%	13.15
	Dec-16 XL Bermuda		Gallie Re 2016-1 E-1	4.50%	4.45		Dec-16 XL Bermuda		Gallie Re 2016-1 B-1	8.00%	7.96
	Oct-13 Catlin Ins		Galileo Re	7.40%	4.53		Dec-16 XL Bermuda		Gallie Re 2016-1 C-1	6.25%	6.07
	Feb-15 Catlin Ins		Galileo Re 2015-1 Class A	13.50%	10.17		Dec-16 XL Bermuda		Gallie Re 2016-1 D-1	5.25%	5.14
	Jan-16 Catlin Ins		Galileo Re 2016-1 A	13.50%	11.41		Dec-16 XL Bermuda		Gallie Re 2016-1 E-1	4.50%	4.47
	Jan-16 Catlin Ins		Galileo Re 2016-1 B	9.00%	7.23		Jan-17 XL Bermuda		Gallie Re 2017-1 A-2	13.25%	13.10
	Jan-16 Catlin Ins		Galileo Re 2016-1 C	7.00%	5.80		Dec-16 XL Bermuda		Gallie Re 2017-1 B-2	8.00%	7.98
	Mat Not Qtr/Distressed		Gator Re 2014-1 Class A	6.50%	1974.45		Jan-17 XL Bermuda		Gallie Re 2017-1 C-2	6.25%	6.07
	Sep-14 CA State Ins Fd		Golden State Re II 2014-1 A	2.20%	2.27		Jan-17 XL Bermuda		Gallie Re 2017-1 D-2	5.25%	5.16
	Jul-13 Groupama		Green Fields II 2013-1 A	2.75%	5.23		Jan-17 XL Bermuda		Gallie Re 2017-1 E-2	4.50%	4.49
	Apr-14 Everest Re		Kilimanjaro Re 2014-1 Class A	4.50%	3.51		Feb-15 Catlin Ins		Galileo Re 2015-1 Class A	13.50%	10.43
	Apr-14 Everest Re		Kilimanjaro Re 2014-1 Class B	4.75%	3.14		Jan-16 Catlin Ins		Galileo Re 2016-1 A	13.50%	12.19
	Nov-14 Everest Re		Kilimanjaro Re 2014-2 Class C	3.75%	3.16		Jan-16 Catlin Ins		Galileo Re 2016-1 B	9.00%	7.57
	Dec-15 Everest Re		Kilimanjaro Re 2015-1 D	9.25%	7.64		Jan-16 Catlin Ins		Galileo Re 2016-1 C	7.00%	6.33
	Dec-15 Everest Re		Kilimanjaro Re 2015-1 E	6.75%	5.53		Mar-14 Am Strat Ins		Gator Re 2014-1 Class A	6.50%	36.86
	Mar-14 Tokio Marine		Kizuna Re II Class A	2.25%	1.88		Sep-14 CA State Ins Fd		Golden State Re II 2014-1 A	2.20%	2.23
	Mar-14 Tokio Marine		Kizuna Re II Class B	2.50%	2.18		Apr-14 Everest Re		Kilimanjaro Re 2014-1 Class A	4.50%	4.24
	May-16 United P&C		Laetere Re 2016-1 A	6.00%	2.13		Apr-14 Everest Re		Kilimanjaro Re 2014-1 Class B	4.75%	3.52
	May-16 United P&C		Laetere Re 2016-1 B	9.50%	3.10		Nov-14 Everest Re		Kilimanjaro Re 2014-2 Class C	3.75%	2.98
	May-16 United P&C		Laetere Re 2016-1 C	17.50%	6.01		Dec-15 Everest Re		Kilimanjaro Re 2015-1 D	9.25%	7.71
	Apr-14 Generali		Lion I Re	2.25%	3.17		Dec-15 Everest Re		Kilimanjaro Re 2015-1 E	6.75%	5.64
	Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class A	9.75%	6.33		Mar-14 Tokio Marine		Kizuna Re II Class A	2.25%	1.99
	Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class B	12.00%	8.17		Mar-14 Tokio Marine		Kizuna Re II Class B	2.50%	2.37
	Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class C	17.00%	12.72		May-16 United P&C		Laetere Re 2016-1 A	6.00%	3.01
	May-15 Travellers		Long Point Re III 2015-1 Class A	3.75%	2.23		May-16 United P&C		Laetere Re 2016-1 B	9.50%	4.09
	Mar-16 Safepoint		Manatee Re Ltd. 2015-1 Class A	5.00%	4.31		May-16 United P&C		Laetere Re 2016-1 C	17.50%	8.41
	Mar-16 Safepoint		Manatee Re 2016-1 A	5.25%	4.50		Apr-14 Generali		Lion I Re	2.25%	1.97
	Mar-16 Safepoint		Manatee Re 2016-1 C	16.25%	15.46		Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class A	9.75%	6.77
	Mar-14 State Farm		Merna Re V	2.00%	1.69		Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class B	12.00%	8.93
	Mar-15 State Farm		Merna Re 2015-1	2.00%	1.73		Dec-13 Argo Re		Loma Re Ltd. 2013-1 Class C	17.00%	14.28
	May-16 State Farm		Merna Re 2016-1	2.25%	2.01		May-15 Travellers		Long Point Re III 2015-1 Class A	3.75%	2.67
	Jul-13 Renaissance Re		Mona Lisa Re 2013-2 Class A	7.30%	2.10		Mar-16 Safepoint		Manatee Re Ltd. 2015-1 Class A	5.00%	4.62
	Nov-12 Swiss Re		Nyhyten Re Ltd. 2012-2 A	8.50%	3.84		Mar-16 Safepoint		Manatee Re 2016-1 C	5.25%	5.31
	Mar-14 Zenkoyen		Nakama Re 2014-1 Class 1	2.25%	2.09		Manatee Re 2016-1 C		Merna Re V	16.25%	19.80
	Mar-14 Zenkoyen		Nakama Re 2014-1 Class 2	2.50%	2.07		Mar-14 State Farm		Merna Re V	2.00%	4.08
	Dec-14 Zenkoyen		Nakama Re 2014-2 Class 1	2.13%	2.07		Mar-15 State Farm		Merna Re 2015-1	2.00%	1.81
	Dec-14 Zenkoyen		Nakama Re 2014-2 Class 2	2.88%	2.26		May-16 State Farm		Merna Re 2016-1	2.25%	1.98
	Dec-15 Zenkoyen		Nakama Re 2015-1 1	2.88%	2.67		Jul-13 Renaissance Re		Mona Lisa Re 2013-2 Class A	7.30%	2.70
	Dec-15 Zenkoyen		Nakama Re 2015-1 2	3.25%	2.48		Mar-14 Zenkoyen		Nakama Re 2014-1 Class 1	2.25%	1.94
	Sep-16 Zenkoyen		Nakama Re 2016-1 1	2.20%	2.10		May-14 Zenkoyen		Nakama Re 2014-1 Class 2	2.50%	1.81
	May-13 Louisiana Cit.		Nakama Re 2016-1 2	3.25%	3.16		Dec-14 Zenkoyen		Nakama Re 2014-2 Class 1	2.13%	1.85
	Apr-15 Louisiana Cit.		Pelican III Re	6.00%	2.60		Dec-14 Zenkoyen		Nakama Re 2014-2 Class 2	2.88%	1.98
	Oct-15 Pass RR Ins		PennUnion Re 2015-1 A	4.50%	3.65		Dec-15 Zenkoyen		Nakama Re 2015-1 1	2.88%	2.50
	Dec-13 Am Mod Ins Grp		Queen City Re	3.50%	7.84		Dec-15 Zenkoyen		Nakama Re 2015-1 2	3.25%	2.13
	Mar-14 Munich Re		Queen Street IX	5.50%	5.10		Sep-16 Zenkoyen		Nakama Re 2016-1 1	2.20%	1.80
	Mar-15 Munich Re		Queen Street X	5.75%	5.41		Sep-16 Zenkoyen		Nakama Re 2016-1 2	3.25%	2.61
	Dec-15 Munich Re		Queen Street XI	6.15%	5.69		May-13 Louisiana Cit.		Pelican Re 2013-1 Class A	6.00%	1.45
	May-16 Munich Re		Queen Street XII	5.25%	4.89		Apr-15 Louisiana Cit.		Pelican III Re	6.00%	4.24
	May-13 USAA		Residential Re 2013-1 Class 3	9.25%	2.42		Oct-15 Pass RR Ins		PennUnion Re 2015-1 A	4.50%	3.97
	May-13 USAA		Residential Re 2013-1 Class 11	8.00%	2.50		Mar-16 Munich Re		Queen Street IX	5.50%	4.59
	Dec-13 USAA		Residential Re 2013-II Class 1	20.00%	16.64		May-16 Munich Re		Queen Street X	5.75%	5.12
	Dec-13 USAA		Residential Re 2013-II Class 4	5.25%	4.26		Dec-15 Munich Re		Queen Street XI	6.15%	5.36
	May-14 USAA		Residential Re 2014-1 Class 10	15.00%	12.04		May-16 Munich Re		Queen Street XII	5.25%	4.86
	May-14 USAA		Residential Re 2014-1 Class 13	3.50%	2.36		May-13 USAA		Residential Re 2013-1 Class 3	9.25%	2.96
	Dec-14 USAA		Residential Re 2014-II Class 4	4.80%	4.35		May-13 USAA		Residential Re 2013-1 Class 11	8.00%	3.13
	May-15 USAA		Residential Re 2015-1 10	11.00%	9.60		Dec-13 USAA		Residential Re 2013-II Class 1	20.00%	18.73
	May-15 USAA		Residential Re 2015-1 11	6.00%	4.61		Residential Re 2015-II 10		Residential Re 2013-II Class 4	5.25%	4.53
	Dec-15 USAA		Residential Re 2015-II 3	7.25%	6.36		May-14 USAA		Residential Re 2014-1 Class 10	15.00%	13.24
	May-16 USAA		Residential Re 2016-1 10	11.50%	10.70		May-14 USAA		Residential Re 2014-1 Class 13	3.50%	2.61
	May-16 USAA		Residential Re 2016-1 11	4.75%	4.52		Dec-14 USAA		Residential Re 2014-II Class 4	4.80%	4.67
	May-16 USAA		Residential Re 2016-1 13	3.24%	2.86		May-15 USAA		Residential Re 2015-1 10	11.00%	9.75
	Nov-16 USAA		Residential Re 2016-II 2	7.75%	8.24		May-15 USAA		Residential Re 2015-1 11	6.00%	4.95
	Nov-16 USAA		Residential Re 2016-II 3	5.25%	5.33		Dec-15 USAA		Residential Re 2015-II 3	7.25%	6.15
	Nov-16 USAA		Residential Re 2016-II 4	3.50%	3.59		May-16 USAA		Residential Re 2016-II 10	11.50%	10.81
	Mar-14 Great Am Ins		Riverfront Re Ltd.	4.00%	5.61		May-16 USAA		Residential Re 2016-1 11	4.75%	4.75
	May-13 Allstate		Sanders Re Ltd.2013-1 Class A	3.50%	2.63		May-16 USAA		Residential Re 2016-1 13	3.24%	3.09
	May-13 Allstate		Sanders Re Ltd.2013-1 Class B	4.00%	2.49		Nov-16 USAA		Residential Re 2016-II 2	7.75%	8.29
	May-14 Allstate		Sanders Re 2014-1 Class A	3.00%	2.20		Nov-16 USAA		Residential Re 2016-II 3	5.25%	5.09
	May-14 Allstate		Sanders Re 2014-1 Class C	3.25%	2.42		Nov-16 USAA		Residential Re 2016-II 4	3.50%	3.82
	May-14 Allstate		Sanders Re 2014-1 Class D	3.90%	3.11						

June 28, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
New Issue in Quarter New Issue in Quarter	Sep-13	SCOR	Atlas IX Capital Ltd. Class B	3.25%	2.69
	Apr-15	AXA Global	Benu Capital Class A	2.55%	2.50
	Apr-15	AXA Global	Benu Capital Class B	3.35%	3.29
	Dec-10	Swiss Re	Kortis	5.00%	1.17
	Jul-12	Swiss Re	Vita V 2012-I D-1	2.70%	1.93
	Jul-12	Swiss Re	Vita V 2012-I E-1	3.40%	2.48
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 A	2.75%	1.72
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 B	3.75%	2.00
	Jan-14	Aetna	Validity Re V Ltd. 2014 A	1.75%	1.68
	Jan-14	Aetna	Validity Re V Ltd. 2014 B	2.50%	2.06
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 A	1.75%	1.67
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 B	2.10%	2.04
September 30, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
	Sep-13	SCOR	Atlas IX Capital Ltd. Class B	3.25%	2.47
	Apr-15	AXA Global	Benu Capital Class A	2.55%	2.36
	Apr-15	AXA Global	Benu Capital Class B	3.35%	3.04
	Dec-10	Swiss Re	Kortis	5.00%	3.51
	Jul-12	Swiss Re	Vita V 2012-I D-1	2.70%	1.90
	Jul-12	Swiss Re	Vita V 2012-I E-1	3.40%	2.23
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 A	2.75%	1.68
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 B	3.75%	1.94
	Jan-14	Aetna	Validity Re V Ltd. 2014 A	1.75%	1.67
	Jan-14	Aetna	Validity Re V Ltd. 2014 B	2.50%	1.97
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 A	1.75%	1.67
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 B	2.10%	1.96
December 31, 2016 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
New Issue in Quarter	Sep-13	SCOR	Atlas IX Capital Ltd. Class B	3.25%	2.72
	Apr-15	AXA Global	Benu Capital Class A	2.55%	2.93
	Apr-15	AXA Global	Benu Capital Class B	3.35%	3.33
	Dec-10	Swiss Re	Kortis	5.00%	3.23
	Jul-12	Swiss Re	Vita V 2012-I D-1	2.70%	2.02
	Jul-12	Swiss Re	Vita V 2012-I E-1	3.40%	2.45
	Dec-15	Swiss Re	Vita Capital VI	2.90%	2.86
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 A	2.75%	1.92
	Jan-13	Aetna	Validity Re IV Ltd. 2013-1 B	3.75%	2.13
	Jan-14	Aetna	Validity Re V Ltd. 2014 A	1.75%	1.93
	Jan-14	Aetna	Validity Re V Ltd. 2014 B	2.50%	2.19
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 A	1.75%	1.89
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 B	2.10%	2.18
March 31, 2017 Secondary Market Prices	Issue Date	Sponsor	Issuer	Spread at Issue	Average Market Indications
New Issue in Quarter New Issue in Quarter	Sep-13	SCOR	Atlas IX Capital Ltd. Class B	3.25%	2.16
	Apr-15	AXA Global	Benu Capital Class A	2.55%	2.18
	Apr-15	AXA Global	Benu Capital Class B	3.35%	2.80
	Dec-15	Swiss Re	Vita Capital VI	2.90%	2.31
	Jan-14	Aetna	Validity Re V Ltd. 2014 A	1.75%	2.09
	Jan-14	Aetna	Validity Re V Ltd. 2014 B	2.50%	2.14
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 A	1.75%	1.90
	Jan-15	Aetna	Validity Re VI Ltd. 2015-1 B	2.10%	2.00
	Jan-16	Aetna	Validity Re VII 2016 A	2.15%	2.08
	Jan-16	Aetna	Validity Re VII 2016 B	2.65%	1.98
	Jan-17	Aetna	Validity Re VIII 2017 A	1.75%	1.71
	Jan-17	Aetna	Validity Re VIII 2017 B	2.00%	1.89