

VERMONT PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION

*One Bowdoin Square
Boston, MA 02114-2916
(617) 227-7020 (800) 852-2003
Accounting and Administration Departments Fax: (617) 227-8903
Claim Department Fax: (617) 305-0001*

Via Certified Mail/Return Receipt Requested

March 1, 2016

Kaj Samsom
Deputy Commissioner, Insurance Division
Department of Financial Regulation
89 Main Street Drawer 200
Montpelier, VT 05620-3101

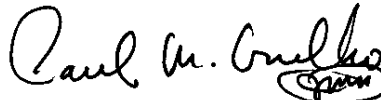
Re: Vermont Property and Casualty Insurance Guaranty Association (the "Association")
Annual Report of the Association for the Year Ending December 31, 2015

Dear Deputy Commissioner Samsom:

Pursuant to the Association Act, enclosed herewith for filing please find duly executed original Annual Report of the Association for the year ending December 31, 2015.

Should you have any questions, please do not hesitate to contact me.

Very truly yours,



Paul M. Gulko
Executive Secretary

Enclosure

cc: The Board of Directors of the Association

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March 1, 2016

To: THE COMMISSIONER OF INSURANCE (the "Commissioner") AND THE MEMBER INSURERS OF THE VERMONT PROPERTY AND CASUALTY INSURANCE GUARANTY ASSOCIATION (the "Association")

Re: The Annual Report of the Association for the Year ending December 31, 2015

During 2015, there were no new insolvencies reported to the Association

On October 30, 2015, the member insurers held their Annual Meeting in Groton, Connecticut in conjunction with other meetings of the member guaranty associations of Guaranty Fund Management Services[®] ("GFMS[®]") and its committees.

The member insurers received and considered the report of the Executive Secretary regarding the ballots transmitted by the member insurers with instructions to vote in favor of the following nominees as Directors: Liberty Mutual Insurance Company, Union Mutual Fire Insurance Company and Vermont Mutual Insurance Company. The Chair thereupon directed the Executive Secretary to cast one vote for the election of the nominees as Directors for a three-year term, expiring in 2018.

The Chair then presented the 2014 Annual Report of the Association to the member insurers. The member insurers thereupon voted that the Annual Report be accepted.

The Plan of Operation was reviewed and the membership concluded that no amendments thereto were recommended at this time.

The annual meeting of the member insurers was thereafter adjourned.

Immediately subsequent thereto, the Board held its Annual Meeting. Brian Eagan, Joanne Locke, Paul Gulko, Dawne Mills, and Kathleen Lavin were elected Chair, Vice Chair, Executive Secretary, Claims Manager and Treasurer, respectively, of the Association. The Board discussed and/or voted the following items:

The Board reviewed the existing contract with GFMS, and recommended no changes thereto.

The Board next received and considered reports concerning claims and recoveries from receivers.

The Board then reviewed the financial condition of the Association, and its operating expenses and covered claim costs, in order to determine whether an assessment or a refund of prior assessments

would be appropriate. The Board determined that neither an assessment nor a refund was warranted.

The member insurers serving on the Board as of December 31, 2015 and their designated representatives are:

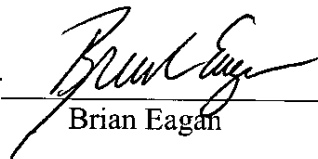
VERMONT MUTUAL INSURANCE COMPANY	Brian Eagan
LIBERTY MUTUAL INSURANCE COMPANY	Joanne Locke
CO-OPERATIVE INSURANCE COMPANIES	Marie Jewett
UNION MUTUAL FIRE INSURANCE COMPANY	Michael Nobles
ZURICH AMERICAN INSURANCE COMPANY	Joyce Hall Mellinger
ATLANTIC SPECIALTY INSURANCE COMPANY	James G. Jordan
GOVERNMENT EMPLOYEES INSURANCE COMPANY	Larry Hinton
CONCORD GENERAL MUTUAL INSURANCE COMPANY	Linda Day
MMG INSURANCE COMPANY	Timothy Vernon

The Statement of Account of the Association, from inception through December 31, 2015, and its Balance Sheet for the same period, are attached hereto and made a part hereof.

Respectfully submitted,

The Board of Directors of the
VERMONT PROPERTY AND
CASUALTY INSURANCE
GUARANTY ASSOCIATION

By its Chair



Brian Eagan

VERMONT P&C INSURANCE GUARANTY ASSOCIATION
Balance Sheet
December 31, 2015
Inception
To Date

Assets:

Checking & Short-Term Cash	\$1,680,042.39
Investments	23,706,008.07

Total Assets	\$25,386,050.46
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Fund Balance	\$25,386,050.46
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Vermont Property & Casualty Insurance Guaranty Association
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015
Total All Insolvencies

	Year To Date	Inception To Date
RECEIPTS:		
Member Assessment Administrative	(\$61,617.44)	\$94,261.74
Member Assessment	-	45,636,897.00
Loan	-	100,000.00
Recovery	2,467,770.50	32,574,041.13
Interest Income	207,114.94	8,955,874.11
Total Receipts	2,613,268.00	87,361,073.98
DISBURSEMENTS:		
Claims Paid	1,491,400.90	32,959,344.82
Helmsman Claims Paid	-	2,783,209.98
Claims Expense Paid	61,132.43	4,223,926.91
Helmsman Claims Expense Paid	-	249,951.05
Premium Refund	-	655,761.73
Member Refund	-	16,769,412.00
Operating Expenses:		
Service Fee - ISO, Etc.	-	32,129.60
G.F.M.S.	161,913.02	2,929,566.23
Legal & Audit	14,719.84	397,326.01
Travel	6,527.41	172,976.75
NCIGF Fee	31,760.00	411,757.64
Insurance	5,500.00	42,143.00
Other	3,110.15	94,271.08
Administrative Expense	-	151,914.08
Interest	-	1,332.64
Loan	-	100,000.00
Total Operating Expenses	223,530.42	4,333,417.03
Total Disbursements	1,776,063.75	61,975,023.52
Funds Available	\$837,204.25	\$25,386,050.46
Reserves:		
Claims Liability Workers		18,481,799.18
Claims Expense Liability Workers		528,336.95
Subtotal Workers		19,010,136.13
Total Reserves		\$19,010,136.13
Funds Available Per Account		
Auto		\$65,460.46
Other		105,589.15
Workers		25,125,029.99
Total		\$25,296,079.60

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Vermont Property & Casualty Insurance Guaranty Association
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015

	Administrative Year To Date	Inception To Date
RECEIPTS:		
Member Assessment Administrative	(\$60,133.76)	\$846,203.16
Recovery	-	47,465.45
Interest Income	7,279.99	11,274.68
Total Receipts	(\$52,853.77)	904,943.29
DISBURSEMENTS:		
Operating Expenses:		
G.F.M.S.	-	6,855.60
Other	-	1,000.00
Total Operating Expenses	-	7,855.60
Total Disbursements	-	7,855.60
Funds Available	(\$52,853.77)	\$897,087.69
Reserves:		
Total Reserves		-
Funds Available Per Account		
Auto		\$105,812.09
Other		479,092.66
Workers		222,212.08
Total		\$807,116.83

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Vermont Property & Casualty Insurance Guaranty Association
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015
Assessment by Account

	Year To Date	Inception To Date
RECEIPTS:		
Member Assessment	-	\$999,999.00
Interest Income	8,198.55	15,245.07
Total Receipts	8,198.55	1,015,244.07
DISBURSEMENTS:		
Operating Expenses:		
Total Operating Expenses	-	-
Total Disbursements	-	-
Funds Available	\$8,198.55	\$1,015,244.07
Reserves:		
Total Reserves	-	-
Funds Available Per Account		
Auto	-	-
Other	-	-
Workers	-	1,015,244.07
Total	-	\$1,015,244.07

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Vermont Property & Casualty Insurance Guaranty Association
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015
Consolidated Statement of Closed Insolvencies
Inception
To Date

RECEIPTS:

Member Assessment Administrative	(\$376,292.20)
Member Assessment	7,181,320.00
Loan	100,000.00
Recovery	4,484,927.75
Interest Income	936,773.58
Total Receipts	12,326,729.13

DISBURSEMENTS:

Claims Paid	3,391,799.13
Helmsman Claims Paid	151,393.02
Claims Expense Paid	894,008.12
Helmsman Claims Expense Paid	27,070.01
Premium Refund	225,403.64
Member Refund	6,610,563.00
Operating Expenses:	
Service Fee - ISO, Etc.	32,129.60
G.F.M.S.	507,997.76
Legal & Audit	109,149.03
Travel	50,681.58
NCIGF Fee	62,549.60
Other	24,209.98
Administrative Expense	138,442.02
Interest	1,332.64
Loan	100,000.00
Total Operating Expenses	1,026,492.21
Total Disbursements	12,326,729.13
Funds Available	-

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