

MASSACHUSETTS INSURERS INSOLVENCY FUND

*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

The Honorable Daniel R. Judson
Commissioner of Insurance
Massachusetts Division of Insurance
1000 Washington Street, Suite 810
Boston, MA 02118-6200

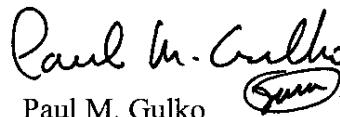
Re: Massachusetts Insurers Insolvency Fund (the "Fund")
Annual Report of the Fund for the Year Ending December 31, 2015

Dear Commissioner Judson:

Pursuant to the Fund Act, enclosed herewith for filing please find duly executed original Annual Report of the Fund 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
Manager

Enclosure

cc: The Board of Directors of the Fund

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March 1, 2016

To: THE COMMISSIONER OF INSURANCE (the "Commissioner") AND THE MEMBER INSURERS OF THE MASSACHUSETTS INSURERS INSOLVENCY FUND ("the Fund")

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

During 2015, there were two new insolvencies reported to the Fund. On November 23, 2015, the Board of Directors of the Fund (the "Board") met and voted to accept the insolvencies of Lincoln General Insurance Company and Regis Insurance Company, both of which had been declared insolvent and ordered liquidated by the Commonwealth of Pennsylvania. The Board decided that the administration of these insolvencies would be provided by Guaranty Fund Management Services® ("GFMS®").

On October 31, 2015, the Board held its Annual Meeting in Groton, Connecticut in conjunction with other meetings of the member insolvency funds of GFMS and its committees. William Cahill, Joanne Locke, Paul Gulko, Dawne Mills and Kathleen Lavin were re-elected Chair, Vice-Chair, Manager, Claims Manager and Treasurer, respectively, of the Fund. The Board discussed and/or voted the following items:

The Board received the report of the Manager regarding the ballots transmitted by the member insurers with instructions to vote in favor of the following nominees as Directors: Arbella Mutual Insurance Company, The Hanover Insurance Company and Metropolitan Property and Casualty Insurance Company. The Chair thereupon directed the Manager to cast one vote for the nominees as directors for a three-year term, expiring in 2018.

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

The Board received and considered the report of counsel as to various legal matters.

The Board also reviewed the financial condition of the Fund and its operating expenses and covered claimed 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 at this time.

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

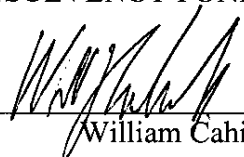
HANOVER INSURANCE COMPANY	William Cahill
LIBERTY MUTUAL INSURANCE COMPANY	Joanne Locke
QUINCY MUTUAL FIRE INSURANCE COMPANY	Lisa M. Schooley
SAFETY INSURANCE COMPANY	William Begley
METROPOLITAN PROPERTY AND CASUALTY INSURANCE COMPANY	Maura Travers
HOLYOKE MUTUAL INSURANCE COMPANY IN SALEM	Jonathan Herron
PREMIER INSURANCE COMPANY OF MASSACHUSETTS	David Sutera
ARBELLA MUTUAL INSURANCE COMPANY	Eileen Currie

The Statement of Account of the Fund, 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
MASSACHUSETTS INSURERS
INSOLVENCY FUND

By its Chair



William Cahill

MASSACHUSETTS INSURERS INSOLVENCY FUND
Balance Sheet
December 31, 2015
Inception
To Date

Assets:

Checking & Short-Term Cash	\$3,583,128.08
Investments	186,591,643.17

Total Assets	\$190,174,771.25
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Fund Balance	\$190,174,771.25
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**Massachusetts Insurers Insolvency Fund
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	\$37,870.58	\$395,690.79
Member Assessment	-	545,329,030.00
Recovery	7,193,958.45	317,133,019.47
Interest Income	1,936,923.07	82,731,297.42
Total Receipts	9,168,752.10	945,589,037.68
DISBURSEMENTS:		
Claims Paid	9,299,350.02	292,264,615.48
Helmsman Claims Paid	2,542,164.45	122,006,257.41
Claims Expense Paid	801,690.17	95,038,116.64
Helmsman Claims Expense Paid	6,692.81	7,704,002.93
Premium Refund	-	22,156,849.05
Member Refund	-	151,769,077.00
Operating Expenses:		
Service Fee - ISO, Etc.	-	949,562.37
G.F.M.S.	2,245,307.72	53,783,476.27
Legal & Audit	214,777.08	7,003,345.30
Travel	1,703.54	167,981.20
NCIGF Fee	99,540.00	1,386,966.23
Insurance	11,400.00	95,549.00
Other	19,804.82	740,346.86
Administrative Expense	-	348,120.69
Total Operating Expenses	2,592,533.16	64,475,347.92
Total Disbursements	15,242,430.61	755,414,266.43
Funds Available	(6,073,678.51)	190,174,771.25
Reserves:		
Claims Liability		200,667,340.33
Claims Expense Liability		4,497,045.92
Total Reserves		\$205,164,386.25

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**Massachusetts Insurers Insolvency Fund
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015**

	Administrative Year To Date	Inception To Date
RECEIPTS:		
Member Assessment Administrative	\$10,785,813.07	\$13,642,573.46
Interest Income	100,313.67	138,538.20
Total Receipts	10,886,126.74	13,781,111.66
DISBURSEMENTS:		
Operating Expenses:		
Other	-	1,000.00
Administrative Expense	-	8,578.00
Total Operating Expenses	-	9,578.00
Total Disbursements	-	9,578.00
Funds Available	10,886,126.74	13,771,533.66
Reserves:		
Total Reserves	-	-

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**Massachusetts Insurers Insolvency Fund
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015
Assessment by Account**

	Year To Date	Inception To Date
RECEIPTS:		
Member Assessment	-	\$19,999,969.00
Interest Income	195,236.09	396,363.92
Total Receipts	195,236.09	20,396,332.92
DISBURSEMENTS:		
Operating Expenses:		
Total Operating Expenses	-	-
Total Disbursements	-	-
Funds Available	195,236.09	20,396,332.92
Reserves:		
Total Reserves	-	-

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Massachusetts Insurers Insolvency Fund
Statement of Cash Receipts and Disbursements
From Inception Through December 31, 2015
Consolidated Statement of Closed Insolvencies
Inception
To Date

RECEIPTS:

Member Assessment Administrative	(\$13,258,116.22)
Member Assessment	196,308,641.00
Recovery	90,861,890.02
Interest Income	17,253,799.66
Total Receipts	291,166,214.46

DISBURSEMENTS:

Claims Paid	100,135,880.10
Claims Expense Paid	44,496,328.37
Premium Refund	14,355,720.22
 Member Refund	 112,929,551.00
Operating Expenses:	
Service Fee - ISO, Etc.	949,562.37
G.F.M.S.	13,930,338.18
Legal & Audit	3,300,366.88
Travel	66,368.59
NCIGF Fee	340,302.14
Other	339,663.15
Administrative Expense	322,133.46
Total Operating Expenses	19,248,734.77
 Total Disbursements	 291,166,214.46
 Funds Available	 -

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