AMICA PROPERTY & CASUALTY INSURANCE COMPANY

Statutory Financial Statements

December 31, 2015 and 2014

(With Independent Auditors' Report Thereon)

KPMG

KPMG LLP
6th Floor, Suite A
100 Westminster Street
Providence, RI 02903-2321

Independent Auditors' Report

The Board of Directors
Amica Property and Casualty Insurance Company:

We have audited the accompanying financial statements of Amica Property and Casualty Insurance Company, which comprise the statutory statements of admitted assets, liabilities, and capital and surplus as of December 31, 2015 and 2014, and the related statutory statements of operations, capital and surplus, and cash flow for the years then ended, and the related notes to the statutory financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with statutory accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in note 2 to the financial statements, the financial statements are prepared by Amica Property and Casualty Insurance Company using statutory accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division, which is a basis of accounting other than U.S. generally accepted accounting principles. Accordingly, the financial statements are not intended to be presented in accordance with U.S. generally accepted accounting principles.

The effects on the financial statements of the variances between the statutory accounting practices described in note 2 and U.S. generally accepted accounting principles, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the variances between statutory accounting principles and U.S. generally accepted accounting principles discussed in the Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles paragraph, the financial statements referred to above do not present fairly, in accordance with U.S. generally accepted accounting principles, the financial position of Amica Property and Casualty Insurance Company as of December 31, 2015 and 2014, or the results of its operations or its cash flows for the years then ended.

Opinion on Statutory Basis of Accounting

In our opinion, the financial statements referred to above present fairly, in all material respects, the admitted assets, liabilities, and capital and surplus of Amica Property and Casualty Insurance Company as of December 31, 2015 and 2014, and the results of its operations and its cash flow for the years then ended, in accordance with statutory accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division described in note 2.

Emphasis of Matter

As discussed in note 1 to the financial statements, in 2015, Amica Mutual Insurance Company elected to merge its two wholly owned property and casualty insurance subsidiaries, Amica Property and Casualty Insurance Company and Amica Texas Insurance Company, formerly Amica Lloyd's of Texas, with the Amica Property and Casualty continuing as the surviving entity of the merger. As a result of the merger on December 31, 2105, Amica Property and Casualty assumed all remaining assets and liabilities of Amica Texas Insurance Company as of December 31, 2015, as well as its surplus. The prior year information in the financial statements and accompanying notes have been restated to reflect the merger. Our opinion is not modified with respect to this matter.

Other Matter

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information included on Schedule 1 – summary investment schedule, Schedule 2 – supplemental investment risks interrogatories, and Schedule 3 – general interrogatories is presented for purposes of additional analysis and is not a required part of the financial statements but is supplementary information required by the State of Rhode Island Department of Business Regulation Insurance Division. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

KPMG LLP

Providence, Rhode Island
May 9, 2016

AMICA PROPERTY & CASUALTY INSURANCE COMPANY

(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Statutory Statements of Admitted Assets, Liabilities and Capital and Surplus

(in thousands)

December 31, 2015 and 2014

	2015	2014
Assets:		
Bonds and debt securities	$ 20,398	$ 61,245
Cash, cash equivalents, and short-term investments	50,192	30,885
Total cash and invested assets	70,590	92,130
Premiums receivable	7,785	7,355
Reinsurance recoverable on paid losses and loss adjustment expenses	2,404	3,763
Investment income due and accrued	211	556
Deferred tax asset	447	27
Federal income tax recoverable	0	43
Other assets admitted	563	578
Total assets	$ 82,000	$ 104,452
Liabilities and capital and surplus:		
Reserve for losses and loss adjustment expenses	$ 0	$ 1,750
Accrued other expenses	975	0
Federal income taxes payable	40	0
Ceded reinsurance premiums payable	1,941	925
Payable to parent	886	2,912
Other liabilities	23	109
Total liabilities	3,865	5,696
Common stock - $350 par value per share. Authorized and issued 10,000 shares.	3,500	3,500
Additional paid-in-capital	48,120	46,120
Surplus	26,515	47,136
Guaranty fund	0	2,000
Total capital and surplus	78,135	98,756
Total liabilities and capital and surplus	$ 82,000	$ 104,452

See accompanying notes to statutory financial statements.

AMICA PROPERTY & CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Statutory Statements of Operations
(in thousands)

December 31, 2015 and 2014

	2015	2014
Underwriting income:		
Premiums earned	$ (3)	$ 9,186
Underwriting expenses:		
Losses incurred	(745)	2,751
Loss expenses incurred	(280)	742
Other underwriting expenses, net	1,425	4,346
Total underwriting expenses	400	7,839
Net underwriting income (loss)	(403)	1,347
Investment and other income:		
Net investment income	1,807	2,044
Net realized capital gains, net of Federal income taxes of $648 and $24 in 2015 and 2014, respectively	1,202	46
Other expense, net	(269)	(108)
Total investment and other income	2,740	1,982
Income before dividends to policyholders and before Federal income taxes, net	2,337	3,329
Dividends to policyholders	0	2,608
Income after dividends to policyholders but before Federal income taxes, net	2,337	721
Federal income taxes (benefit) incurred, net	641	(1,855)
Net income	$ 1,696	$ 2,576

See accompanying notes to statutory financial statements.

AMICA PROPERTY & CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Statutory Statements of Capital and Surplus
(in thousands)

December 31, 2015 and 2014

	2015	2014
Capital and surplus at January 1	$ 98,756	$ 98,930
Net income	1,696	2,576
Net change in unrealized capital gains	(162)	27
Change in net deferred income tax	420	(2,153)
Change in non-admitted assets	425	(624)
Dividends to stockholder	(23,000)	0
Change in capital and surplus	(20,621)	(174)
Capital and surplus at December 31	$ 78,135	$ 98,756

See accompanying notes to statutory financial statements.

AMICA PROPERTY & CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Statutory Statements of Cash Flow
(in thousands)

December 31, 2015 and 2014

	2015	2014
Cash from operations:		
Premiums collected, net of reinsurance	$ 569	$ 20,952
Loss and loss adjustment expenses paid	793	(822)
Underwriting expenses paid, net of commissions received	(698)	(10,037)
Cash from underwriting	664	10,093
Net investment income	2,420	2,359
Other loss, net	(254)	(130)
Dividends to policyholders	0	(2,752)
Federal income taxes paid (recovered)	(1,206)	1,660
Net cash from operations	1,624	11,230
Cash from investments:		
Proceeds from bonds and debt securities sold	37,529	377
Proceeds from bonds and debt securities matured or repaid	7,350	9,642
Cost of bonds acquired	(2,611)	(9,303)
Net cash from investments	42,268	716
Cash from financing and miscellaneous sources:		
Dividends to stockholder	(23,000)	0
Net transfers to (from) affiliates	(2,026)	4,899
Other cash provided (applied)	441	(688)
Net cash to (from) financing and miscellaneous sources	(24,585)	4,211
Reconciliation of cash, cash equivalents, and short-term investments:		
Net change in cash, cash equivalents, and short-term investments	19,307	16,157
Cash, cash equivalents, and short-term investments - beginning of year	30,885	14,728
Cash, cash equivalents, and short-term investments - end of year	$ 50,192	$ 30,885

See accompanying notes to statutory financial statements.

Note 1 – Nature of Operations

Amica Property and Casualty Insurance Company (the Company) is a wholly-owned subsidiary of Amica Mutual Insurance Company (Amica Mutual). In 2015, Amica Mutual Insurance Company elected to merge its two wholly-owned property and casualty insurance subsidiaries, Amica Property and Casualty Insurance Company and Amica Texas Insurance Company, formerly Amica Lloyd's of Texas. The prior year information in the financial statements and accompanying notes have been restated to reflect the merger.

Amica P&C is a Rhode Island domiciled property and casualty insurer currently writing in New Jersey and New York, but licensed to write business in Rhode Island, New Jersey, New York, and Texas. On December 30, 2015, Texas regulators approved the Company's license to transact business in the state of Texas. The Company was incorporated on May 11, 2005 and began issuing automobile insurance policies in New Jersey effective January 1, 2006. In addition, on March 1, 2006, the Company began renewing Amica Mutual New Jersey automobile insurance policies as Amica Property and Casualty policies.

Prior to January 1, 2014, Amica Lloyd's of Texas wrote homeowners and related coverages in Texas. Amica Lloyd's of Texas ceased writing new and renewal business on December 31, 2013, at which point all Texas homeowners and related policies were renewed by its ultimate parent, Amica Mutual Insurance Company. Amica Lloyd's of Texas continued operations in 2015 to manage investments and settle outstanding losses and other liabilities. To facilitate the merger, Amica Lloyd's of Texas was converted to a stock company, Amica Texas Insurance Company, on December 22, 2015. On December 31, 2015, the Company merged with Amica Texas Insurance Company, with the Company continuing as the surviving entity of the merger. As a result of the merger, the Company assumed all remaining assets and liabilities of Amica Texas Insurance Company as of December 31, 2015, as well as its surplus.

As of December 31, 2015, the remaining loss and loss adjusting expense reserves from Amica Texas Insurance Company were ceded to Amica Mutual under the Company's 100% quota share reinsurance contract. A commission was paid from the Company to Amica Mutual Insurance Company in the amount of $703.9 thousand, which represents the total of Amica Texas Insurance Company's liabilities for losses and loss adjusting expenses as of December 31, 2015 prior to the merger.

In addition, effective July 1, 2014, the Company began writing New York auto policies. New auto business in New York was written by either the Company or Amica Mutual based on set underwriting criteria. Renewals of current Amica Mutual New York auto policies will continue to be written by Amica Mutual. As with its current book of business, the Company will cede 100% of all premiums, losses and loss expenses to Amica Mutual under the quota share contract.

Effective January 1, 2014 and upon policy renewal, approximately 65% of the business previously written by the Company was written by its parent, Amica Mutual, based on underwriting criteria developed by Amica Mutual.

Note 2 – Summary of Significant Accounting Policies

A. Basis of Presentation

The accompanying statutory financial statements have been prepared in conformity with the accounting practices of the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* and the accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division, which varies in some respects from U.S. generally accepted accounting principles (GAAP). The Company has no state basis adjustments.

The statutory treatment of the more significant variances between GAAP and statutory accounting practices are:

1. Bonds and debt securities are generally carried at amortized cost, regardless of the level of portfolio activity.
2. All adjustments to deferred taxes are recorded through an adjustment to surplus and all deferred tax assets are subject to an admissibility test.

(Continued)

3. Salvage and subrogation recoverable generally is not recognized.

4. Premium income is taken into earnings on a pro-rata basis over the periods covered by the policies, whereas related acquisition costs are charged to income when incurred.

5. Reserves for losses and loss adjustment expenses and reserves for unearned premiums are presented net of reinsurance ceded.

6. Certain assets designated as “non-admitted” are charged off against surplus.

7. The statutory financial statements do not include a statement of comprehensive income as required under GAAP.

8. The statutory statements of cash flow do not classify cash flows consistent with GAAP and a reconciliation of net income to net cash provided by operating activities is not provided.

The effects of these differences on the accompanying statutory financial statements have not been determined.

B. Use of Estimates in the Preparation of the Statutory Financial Statements

The preparation of financial statements, in accordance with accounting practices of the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* and the accounting practices prescribed or permitted by the State of Rhode Island Department of Business Regulation Insurance Division, requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. It also requires estimates in the disclosure of contingent assets and liabilities. Actual results could differ from these estimates.

1. Reserve for Loss and Loss Adjustment Expenses:

   Estimates and assumptions relating to reserves for loss and loss adjustment expenses are based on complex and subjective judgments, often including the interplay of specific uncertainties with related accounting and actuarial measurements. Such estimates are also susceptible to change as significant periods of time may elapse between the occurrence of an incurred loss, the report of the loss to the insurer, the ultimate determination of the cost of the loss and the insurer's payment of that loss. Reserve amounts are necessarily based on management's informed estimates and judgments using currently available data. As additional experience and other data becomes available and are reviewed, these estimates and judgments may be revised. This may result in reserve increases or decreases that would be reflected in the results in periods in which such estimates or assumptions are changed.

2. Other-Than-Temporary Declines in the Value of Investments:

   The cost of securities is adjusted where appropriate to include a provision for decline in value which is considered to be other-than-temporary. An other-than-temporary decline is considered to occur in any investment except loan-backed and structured securities where there has been a sustained reduction in market value and where the Company does not expect the fair value to recover prior to the time of sale or maturity. For loan-backed and structured securities that have a fair value less than amortized cost and the Company has either (1) the intent to sell or (2) does not have the intent and ability to hold the security until recovery of its carrying value, the Company must impair the security to fair value and record an other-than-temporary impairment as a net realized capital loss. For loan-backed and structured securities where the Company does not expect to recover the amortized cost, but has the intent and ability to hold the security to recovery, the Company recognizes an other-than-temporary impairment for the credit related decline in value. Management regularly reviews securities that have a fair value less than cost to determine whether an other-than-temporary impairment has occurred. If a decline in value is considered other-than-temporary, the Company reports a realized loss on its statement of income. Because of changing economic and market conditions affecting issuers of debt and equity securities and the performance of the underlying collateral affecting certain classes of assets, it is reasonably possible that the Company will recognize other-than-temporary impairments in the future.

C. Investment Policy

1. Cash equivalents and short-term investments are stated at costs, which approximates fair value.

2. Bonds not backed by other loans, loan-backed bonds and structured securities are stated at amortized cost using the scientific method.

3. Loan-backed bonds and structured securities are valued at amortized cost using the retrospective method (or method which approximates the retrospective method). Prepayment assumptions for single-class and multi-class mortgage-backed and asset-backed securities were obtained from broker dealer survey values, nationally recognized data services or internal estimates.

4. Realized gains and losses are determined on a specific identification basis, are credited or charged to income, and are presented in the statements of operations net of Federal income tax. Unrealized capital gains and losses resulting from the valuation of investments at fair value are credited or charged directly to surplus. A decline in the market value of any investment security, excluding loan-backed and structured securities, below cost that is deemed to be other-than-temporary results in a reduction in the carrying amount to fair value. A decline in market value of loan-backed and structured securities below cost that is deemed to be other-than-temporary results in a reduction in the carrying amount in accordance with SSAP 43R, "Loan-backed and Structured Securities". Fair value is generally the market value at the balance sheet date. The impairment is charged to earnings and a new cost basis for the security is established. Factors considered in evaluating whether a decline in value is other-than-temporary are:

   a. Whether the decline is substantial;
   b. The Company's ability and intent to retain the investment for a period of time sufficient to allow for anticipated recovery in value;
   c. The duration and extent to which market value has been less than cost;
   d. The financial condition and near term prospects of the issuer;
   e. The NAIC designation; and
   f. The estimated present value of cash flows expected to be collected is less than the amortized cost basis of the security.

   Premiums and discounts are amortized or accreted over the life of the investment security as an adjustment to yield using the effective interest method. Dividend and interest income are recognized when earned.

5. The Company does not hold or issue derivative financial instruments.

D. Revenue Recognition Policy

Premiums are earned over the terms of the related policies and reinsurance contracts. Unearned premiums are established to cover the unexpired portion of premiums written. Such reserves are computed by pro-rata methods for direct business.

E. Acquisition Expenditure Policy

Expenses in connection with acquiring new insurance business are charged to operations as incurred. Expenses incurred are reduced for ceding allowances received or receivable.

F. Commissions Policy

When the commission received under a reinsurance agreement exceeds the anticipated acquisition cost of the business ceded, the Company establishes a liability equal to the difference between the anticipated acquisition cost and the reinsurance commission received. The excess is recorded as income over the life of the reinsurance contract.

G. Dividends to Policyholders Policy

Dividends to policyholders are incurred upon policy expiration or cancellation.

H. Unpaid Losses and Loss Adjustment Expenses Policy

Unpaid losses and loss adjustment expenses include an amount determined from individual case estimates and loss reports and an amount, based on past experience, for losses incurred but not reported. Such liabilities are necessarily based on assumptions and estimates and while management believes the amount is adequate, the ultimate liability may be different than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and any adjustments are reflected in the period determined.

I. Federal Income Taxes Policy

The method of allocating Federal income taxes between Amica Mutual and its subsidiaries is contained in a written agreement approved by the Board of Directors. Allocation is made in accordance with Section 1552 (a)(2) of the Internal Revenue Code based upon separate return calculations with current credit for net losses. Intercompany estimated tax balances are settled at least quarterly during the tax year with a final settlement during the month following the filing of the consolidated income tax return.

The Company reports a deferred tax asset or liability for the expected future tax consequences of temporary differences generated by the differences between statutory accounting and the Federal income tax basis of accounting. Changes in deferred tax assets and liabilities are recognized as a separate component of gains and losses in surplus to policyholders. Deferred tax assets are subject to certain admissibility requirements.

J. Premium Deficiency Calculations Policy

The Company does not anticipate investment income as a factor in premium deficiency calculations.

K. Fair Value of Financial Instruments

The following methods and assumptions are used by the Company in estimating its fair value disclosures for financial instruments:

1. Cash, Cash Equivalents, and Short-Term Investments

   The carrying value reported in the statements of assets, liabilities, and capital and surplus for these instruments approximates fair value.

2. Invested Assets

   The fair value of long-term bonds and debt securities and unaffiliated equity securities is based on market prices. In absence of publishers' market values, the fair value is based on market yields of securities from an identical issuer with similar maturities.

L. New Accounting Standards

1. In June 2014, the NAIC adopted modifications to SSAP No. 26, "Bonds, Excluding Loan-Backed and Structured Securities." The changes to SSAP No. 26 require additional disclosures for structured notes to allow regulators to assess the volume of activity in structured notes and to determine whether additional account or reporting revisions, such as valuation and risk-based capital, are needed. A structured note is a direct debt issuance by a corporation, municipality, or government entity, ranking pari-passu with the issuer's other debt issuance of equal seniority where either: (a) the coupon and/or principal payments are linked, in whole or in part, to prices or payment streams from index or indices, or assets deriving their value from other than the issuer's credit quality, or (b) the coupon and/or principal payments are leveraged by a formula that is different from either a fixed coupon, or a non-leveraged floating rate coupon linked to an interest rate index, including but not limited to LIBOR or the prime rate. The effective date of the modifications is December 31, 2014, and did not have an impact on the results of operations or the financial condition of the Company.

2. In December 2014, the NAIC adopted modifications to SSAP No.1, "Disclosures of Accounting Policies, Risks & Uncertainties, and Other Disclosures" to clarify that all assets pledged as collateral or otherwise restricted shall be reported disclosed pursuant to the requirements of paragraph 17 of that SSAP regardless if the asset is considered an admitted asset. This guidance was effective on issuance and did not have an impact on the results of operations or the financial condition of the Company.

3. In March 2015, the NAIC adopted modifications to SSAP No.1, "Disclosures of Accounting Policies, Risks & Uncertainties, and Other Disclosures" to incorporate audited disclosure requirements for a reporting entity to evaluate and disclose whether there is substantial doubt about the entity's ability to continue as a going concern. The Company has adopted these changes.

4. In March 2015, the NAIC adopted nonsubstantive revisions to SSAP No. 69, "Statement of Cash Flow" effective for the year ended December 31, 2015. The revisions clarify the treatment of non-cash items in the Statement of Cash Flow and expands the required disclosures to include non-cash items. These changes did not have a significant impact on the Company.

5. In June 2015, the NAIC adopted modifications to SSAP No. 93, "Low Income Housing Tax Credit Property Investments" to adopt ASU 2014-01 and incorporate U.S. GAAP terminology. This guidance was effective on issuance and did not have an impact on the results of operations or the financial condition of the Company.

6. In October 2015, the NAIC adopted modifications to SSAP No. 97, "Investments in Subsidiary, Controlled and Affiliated Entities" to require disclosures to identify permitted or prescribed practices in an insurance SCA. This guidance was effective on issuance and the Company adopted these changes. See Note 9 for additional information.

M. Going Concern

Management's review of relevant conditions and events, considered in the aggregate, indicate that it is probable that the Company will be able to meet its obligations as they become due within one year after the date that the financial statements are issued.

N. Reclassification

Certain 2014 balances were reclassified to conform to the 2015 presentation.

Note 3 – Accounting Changes and Correction of Errors

There have been no significant accounting changes or correction of errors in 2015 or 2014.

(in thousands)

Note 4 – Business Combinations

On December 31, 2015, the Company merged with its insurance affiliate, Amica Texas Insurance Company (formerly known as Amica Lloyd's of Texas), with the Company continuing as the surviving entity of the merger. See Note 9 for additional information. The transaction was accounted for as a statutory merger. In accordance with the National Association of Insurance Commissioners' (NAIC) Annual Statement Instructions, the Company's prior year amounts were restated to reflect the merger. The Company did not provide consideration in exchange for the common stock of Amica Texas Insurance Company. No adjustments were made directly to the surplus of Amica Texas Insurance Company as a result of the merger.

The following table represents pre-merger activity for the Company and Amica Texas Insurance Company:

	Amica Property & Casualty Insurance Company		**Amica Texas Insurance Company**	
	12/31/15	**12/31/14**	**12/31/15**	**12/31/14**
Revenue [1]	$165	$126	$2,573	$11,040
Net Income	(617)	(75)	2,314	2,651
Other surplus adjustments [2]	$836	($1,229)	($154)	($1,522)

[1] Includes net premiums earned, net investment income and other income.
[2] Includes all other adjustments to surplus other than net income.

Note 5 – Investments

A. Bonds and Debt Securities

1. Bonds on deposit, as required by the Rhode Island Department of Business Regulation and the Texas Department of Insurance, totaled $4,146 and $4,186 at December 31, 2015 and 2014, respectively.

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Notes to Statutory Financial Statements
(in thousands)

December 31, 2015 and 2014

2. The amortized cost, gross unrealized gains and losses and fair value of bonds and debt securities are as follows:

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
2015				
U.S. Government and Federal Agency securities	$11,948	$751	$38	$12,661
State and municipal bonds	1,967	63	7	2,023
Political subdivisions	625	55	0	680
Special revenue and special assessment obligations	2,033	7	25	2,015
Industrial and miscellaneous	3,825	52	42	3,835
Total	$20,398	$928	$112	$21,214
2014				
U.S. Government and Federal Agency securities	$31,657	$1,794	$197	$33,254
State and municipal bonds	5,994	458	0	6,452
Political subdivisions	6,112	586	0	6,698
Special revenue and special assessment obligations	4,714	140	46	4,808
Industrial and miscellaneous	12,768	641	32	13,377
Total	$61,245	$3,619	$275	$64,589

3. The amortized cost and fair value of bonds and debt securities at December 31, 2015, by contractual maturities, are shown as follows:

	Amortized Cost	Fair Value
Due in one year or less	$3,167	$3,196
Due after one year through five years	2,256	2,357
Due after five years through ten years	5,283	5,695
Due after ten years	9,692	9,966
Total	$20,398	$21,214

4. Proceeds from the sale of bonds and debt securities during 2015 and 2014 were $37,529 and $377, respectively. During 2015 and 2014, gross gains of $2,082 and $153, respectively, were realized on these sales. Gross losses of $233 and $11 were incurred on these sales in 2015 and 2014.

(Continued)

(in thousands)

B. Net Investment Income

Net investment income for the years ended December 31, 2015 and 2014 was as follows:

	2015	2014
Bonds and debt securities	$1,669	$2,344
Cash equivalents and short-term investments	233	92
Miscellaneous	3	0
Total investment income	1,905	2,436
Less: Investment expenses	98	392
Net investment income	$1,807	$2,044

C. Fair Value of Financial Instruments

	2015		2014	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Assets:				
Bonds and debt securities	$20,398	$21,214	$61,245	$64,589
Cash, cash equivalents, and short-term investments	50,192	50,192	30,885	30,885
Total assets	$70,590	$71,406	$92,130	$95,474

1. The fair value of long-term bonds and debt securities is based on market prices published by HubData Inc.

2. The carrying value of cash, cash equivalents, and short-term investments are presented at cost, which approximates fair value.

3. The use of different assumptions or valuation methodologies may have a material impact on the estimated fair value amounts.

   The Company's valuation techniques are based upon observable and unobservable pricing inputs. Observable inputs reflect market data obtained from independent sources based on trades of securities, while unobservable inputs reflect the Company's market assumptions. These inputs comprise the following fair value hierarchy:

   Level 1 – Observable inputs in the form of quoted prices for identical instruments in active markets.

   Level 2 - Observable inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability. Level 2 inputs would include, for example, quoted prices for similar assets or liabilities.

   Level 3 – One or more unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets and liabilities. Level 3 assets and liabilities include financial instruments whose value is determined using internal models, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

   The Company had no financial instruments carried at fair value as of December 31, 2015.

(Continued)

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Notes to Statutory Financial Statements
(in thousands)

December 31, 2015 and 2014

4. The following tables provide information about the carrying values and fair values of the Company's financial instruments:

2015	**Fair Value**	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**
Bonds:					
U.S. governments	$12,661	$11,948	$5,691	$6,970	$0
Municipal bonds	4,683	4,594	0	4,683	0
U.S. special revenue and assessments	35	32	0	35	0
Industrial and miscellaneous	3,835	3,824	0	3,835	0
Total bonds	21,214	20,398	5,691	15,523	0
Short-term investments:					
Exempt money market mutual funds	594	594	0	594	0
Commercial paper	49,211	49,211	0	49,211	0
Total short-term investments	49,805	49,805	0	49,805	0
Total assets	$71,019	$70,203	$5,691	$65,328	$0

2014	**Fair Value**	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**
Bonds:					
U.S. governments	$33,254	$31,657	$7,906	$25,348	$0
Municipal bonds	16,502	15,497	0	16,502	0
U.S. special revenue and assessments	1,456	1,323	0	1,456	0
Industrial and miscellaneous	13,377	12,768	0	13,377	0
Total bonds	64,589	61,245	7,906	56,683	0
Short-term investments:					
Exempt money market mutual funds	8,346	8,346	0	8,346	0
Commercial paper	22,339	22,339	0	22,339	0
Total short-term investments	30,685	30,685	0	30,685	0
Total assets	$95,274	$91,930	$7,906	$87,368	$0

There were no financial instruments where it was not practical to estimate fair value in 2015 and 2014.

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Notes to Statutory Financial Statements
(in thousands)

December 31, 2015 and 2014

D. Unrealized Losses

Gross unrealized losses on investment securities and the fair value of the related securities, aggregated by investment category and length of time that individual securities have been in a continuous unrealized loss position, at December 31, 2015 and 2014, are as follows:

	Less than 12 months		12 months or more		Total	
	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value
2015						
U.S. Government and Federal agency	$17	$3,464	$21	$729	$38	$4,193
State and municipal bonds	7	620	0	0	7	620
Political subdivisions	0	0	0	0	0	0
Special revenue & special assessment	15	989	10	697	25	1,686
Industrial and miscellaneous	39	1,584	3	47	42	1,631
Total temporarily impaired securities	$78	$6,657	$34	$1,473	$112	$8,130
2014						
U.S. Government and Federal agency	$21	$3,544	$176	$6,345	$197	$9,889
State and municipal bonds	0	0	0	0	0	0
Political subdivisions	0	0	0	0	0	0
Special revenue & special assessment	3	314	43	1,682	46	1,996
Industrial and miscellaneous	5	581	27	884	32	1,465
Total temporarily impaired securities	$29	$4,439	$246	$8,911	$275	$13,350

The unrealized losses of $112 on investments in fixed income securities as of December 31, 2015 are primarily attributable to increased interest rates and modestly wider spread levels. All of these securities with unrealized losses are rated NAIC Class 2 and full repayment of principal and interest is expected. The contractual terms of these investments do not permit the issuer to settle the securities at a price less than par, which will equal amortized cost at maturity. Because the Company has the ability and intent to hold these investments until a market price recovery, these investments are not considered other-than-temporarily impaired.

As of December 31, 2015, investments in structured and loan-backed securities for which an other-than-temporary impairment had not been recognized in earnings and which were in an unrealized loss position had a fair value of $3,852. Structured and loan-backed securities in an unrealized loss position for less than 12 months had a fair value of $2,426 and unrealized losses of $34. Structured and loan-backed securities in an unrealized loss position of 12 months or more had a fair value of $1,427 and unrealized losses of $30. The Company's investments in loan-backed and structured securities are not considered other-than-temporarily impaired as the Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. These conclusions are supported by an analysis of the underlying credit of each security. Unrealized losses are primarily attributable to increased interest rates and modestly wider spread levels. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities, if future events, information and passage of time cause it to conclude that declines in fair value are other-than temporary.

(in thousands)

Note 6 – Reserves for Losses and Loss Adjustment Expenses

Activity in the reserves for losses and loss adjustment expenses is summarized as follows:

	2015	2014
Balance at January 1	$64,169	$87,692
Less reinsurance recoverables	62,419	84,741
Net balance at January 1	1,750	2,951
Incurred related to:		
Current year	0	4,007
Prior years	(1,025)	(514)
Total incurred	(1,025)	3,493
Paid related to:		
Current year	0	2,894
Prior years	725	1,800
Total paid	725	4,694
Net balance at December 31	0	1,750
Plus reinsurance recoverables	47,273	62,419
Balance at December 31	$47,273	$64,169

As the Company's reserves for losses and loss adjustment expenses were ceded at 100% to Amica Mutual there were no balances related to current year. Changes in the total incurred and total paid were a result of claims made on prior year loss and loss adjustment expenses. As a result, the incurred value decreased by $1,025 in 2015 and $514 in 2014, driven by the Texas homeowner and related lines.

Reinsurance recoverables at December 31, 2015 were $47,273, a decrease of $16,896 from December 31, 2014. All of these recoverables from 2015 and 2014 result from the Company's quota share reinsurance agreement with Amica Mutual. Prior to the December 31, 2015 merger, the Texas homeowner and related lines were covered under Amica Texas Insurance Company's quota share reinsurance agreement, catastrophe reinsurance agreement, and excess of loss reinsurance agreement with Amica Mutual. The decline in the reinsurance recoverables is due to the new underwriting strategy discussed in Note 1.

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Notes to Statutory Financial Statements
(in thousands)

December 31, 2015 and 2014

Note 7 – Income Taxes

A. The components of Deferred Tax Assets and Deferred Tax Liabilities are as follows:

	Ordinary	Capital	Total
2015			
Gross deferred tax assets	$451	$0	$451
Statutory valuation allowance adjustment	0	0	0
Adjusted gross deferred tax assets	451	0	451
Deferred tax assets nonadmitted	0	0	0
Subtotal net admitted deferred tax asset	451	0	451
Deferred tax liabilities	4	0	4
Net admitted deferred tax asset (liability)	$447	$0	$447
2014			
Gross deferred tax assets	$316	$0	$316
Statutory valuation allowance adjustment	275	0	275
Adjusted gross deferred tax assets	41	0	41
Deferred tax assets nonadmitted	0	0	0
Subtotal net admitted deferred tax asset	41	0	41
Deferred tax liabilities	14	0	14
Net admitted deferred tax asset (liability)	$27	$0	$27
Change			
Gross deferred tax assets	$135	$0	$135
Statutory valuation allowance adjustment	(275)	0	(275)
Adjusted gross deferred tax assets	410	0	410
Deferred tax assets nonadmitted	0	0	0
Subtotal net admitted deferred tax asset	410	0	410
Deferred tax liabilities	(10)	0	(10)
Net admitted deferred tax asset (liability)	$420	$0	$420

(Continued)

(in thousands)

Admission calculation components:

	Ordinary	Capital	Total
2015			
Federal income taxes paid in prior years recoverable through loss carrybacks	$451	$0	$451
Adjusted gross deferred tax assets expected to be realized within 3 years			
(The lesser of 1 or 2 below)	0	0	0
1. Adjusted gross deferred tax assets expected to be realized following			
the balance sheet date	0	0	0
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	11,653
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	0	0	0
Deferred tax assets admitted as the result of application of SSAP No. 101	$451	$0	$451
2014			
Federal income taxes paid in prior years recoverable through loss carrybacks	$39	$0	$39
Adjusted gross deferred tax assets expected to be realized within 3 years			
(The lesser of 1 and 2 below)	0	0	0
1. Adjusted gross deferred tax assets expected to be realized following			
the balance sheet date.	0	0	0
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	14,809
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	2	0	2
Deferred tax assets admitted as the result of application of SSAP No. 101	$41	$0	$41
Change			
Federal income taxes paid in prior years recoverable through loss carrybacks	$412	$0	$412
Adjusted gross deferred tax assets expected to be realized withing 3 years			
(The lesser of 1 and 2 below)	0	0	0
1. Adjusted gross deferred tax assets expected to be realized following			
the balance sheet date.	0	0	0
2. Adjusted gross deferred tax assets allowed per limitation threshold	XXX	XXX	(3,156)
Adjusted gross deferred tax assets offset by gross deferred tax liabilities	(2)	0	(2)
Deferred tax assets admitted as the result of application of SSAP No. 101	$410	$0	$410

Ratios used for threshold limitation:

	2015	2014
Ratio percentage used to determine recovery period and		
threshold limitations amount	10816%	19132%
Amount of adjusted capital and surplus used to determine recovery		
period and threshold limitation above	$ 77,687	$ 98,756

There were no tax planning strategies, including the use of reinsurance, in place at December 31, 2015 that impacted the determination of ordinary and capital adjusted gross deferred tax assets.

(in thousands)

B. There were no temporary differences for which a deferred tax liability was not recognized.

C. The provisions for incurred taxes on earnings for the years ended December 31 are as follows:

	2015	2014	Change
Federal	$641	($1,855)	$2,496
Foreign	0	0	0
Subtotal	641	(1,855)	2,496
Federal income tax on net capital gains	648	24	624
Utilization of capital loss carry-forwards	0	0	0
Other	0	0	0
Federal and foreign income taxes incurred	$1,289	($1,831)	$3,120

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
(A Wholly-owned Subsidiary of Amica Mutual Insurance Company)

Notes to Statutory Financial Statements
(in thousands)

December 31, 2015 and 2014

D. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are as follows:

Deferred Tax Assets:	**2015**	**2014**	**Change**
Ordinary:			
Discounting of unpaid losses	$0	$28	($28)
Unearned premium reserve	1	1	0
Receivables - nonadmitted	38	33	5
Deferred ceded commissions	325	0	325
Prepaid expenses	87	241	(154)
Anticipated salvage/subrogation	0	13	(13)
Subtotal	451	316	135
Statutory valuation allowance adjustment	0	275	(275)
Nonadmitted	0	0	0
Admitted ordinary deferred tax assets	451	41	410
Capital:			
Investments	$0	$0	$0
Net capital loss carry-forward	0	0	0
Statutory valuation allowance adjustment	0	0	0
Nonadmitted	0	0	0
Admitted capital deferred tax assets	0	0	0
Admitted deferred tax assets	$451	$41	$410
Deferred Tax Liabilities:			
Ordinary:			
Investments	$4	$14	($10)
Fixed assets	0	0	0
Capital:			
Investments	$0	$0	$0
Real estate	0	0	0
Deferred tax liabilities	$4	$14	($10)
Net deferred tax assets (liabilities)	$447	$27	$420

(Continued)

(in thousands)

The change in deferred income taxes reported in surplus before consideration of non-admitted assets is comprised of the following components:

	2015	2014	Change
Total deferred tax assets	$451	$316	$135
Total deferred tax liabilities	4	14	(10)
Net deferred tax assets/(liabilities)	447	302	145
Statutory valuation allowance adjustment	0	(275)	275
Net deferred tax assets/(liabilities) after valuation allowance	447	27	420
Tax effect of unrealized gains (losses)	0	0	0
Statutory valuation allowance adjustment allocation to unrealized	0	0	0
Change in net deferred tax	$447	$27	$420

E. The significant items causing a difference between the provision for Federal income taxes and the statutory rate are as follows:

	2015		2014	
	Amount	Effective Tax Rate	Amount	Effective Tax Rate
Income before taxes	$1,045	35.0%	$261	35.0%
Change in statutory valuation adjustment	(275)	-9.2%	275	36.9%
Change in non-admitted assets	149	5.0%	(218)	-29.3%
Other	(50)	-1.7%	4	0.7%
Total	$869	29.1%	$322	43.3%
Federal income taxes incurred	$641	21.5%	($1,855)	-249.0%
Tax on capital gains (losses)	648	21.7%	24	3.3%
Change in net deferred taxes	(420)	-14.1%	2,153	289.0%
Total statutory income taxes	$869	29.1%	$322	43.3%

F. Operating Loss and Tax Credit Carryforwards

1. At December 31, 2015 and 2014, the Company did not have any unused operating loss carryforwards available to offset against future taxable income as the Company's Federal income tax return is consolidated and filed by Amica Mutual Insurance Company.

2. The amounts of Federal income taxes incurred and available for recoupment in the event of future net losses are:

Year	Total
2015	$1,289
2014	$0

(in thousands)

The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

G. The Company's Federal income tax return is consolidated with the following entities:

1. Amica Mutual Insurance Company
2. Amica Lloyd's of Texas
3. Amica Lloyd's of Texas, Inc.
4. Amica General Agency, Inc.
5. Amica General Insurance Agency of California, Inc.

Note 8 – Reinsurance

A. The Company maintains a 100% quota share reinsurance agreement covering all premiums, losses and loss adjustment expenses with Amica Mutual. In return, the Company receives a 20% ceding commission on premiums ceded under this treaty, and it records the commission income as an offset to other underwriting expenses. During 2015 and 2014, the Company earned commissions on this quota share treaty totaling $2,859 and $7,407, respectively.

Prior to the merger of the Company, Amica Texas Insurance Company maintained the following reinsurance contracts with their ultimate parent, Amica Mutual Insurance Company: (1) Excess of Loss Treaty, (2)Catastrophe Treaty, and (3) Quota Share Treaty. The excess of loss treaty provides coverage of $3.5 million in excess of $1 million for individual losses. The catastrophe treaty provides coverage of $13 million in excess of $2 million.

Upon the merger of the Company and Amica Texas Insurance Company on December 31, 2015, all remaining Amica Texas Insurance Company's loss and loss adjustment expense reserves were ceded to Amica Mutual Insurance Company under the Company's 100% quota share reinsurance contract. To simultaneously compensate Amica Mutual Insurance Company for assuming these reserves, the Company paid a one-time ceding commission to Amica Mutual Insurance Company of $704, the total amount of Amica Texas Insurance Company's net loss and loss adjustment expense reserves ceded to Amica Mutual Insurance Company as a result of the merger.

Additionally, Amica Property and Casualty is a named insured under Amica Mutual's catastrophe reinsurance program. The Company remains contingently liable in the event that reinsurers are unable to meet the obligations for existing paid and unpaid loss recoverables and unearned premiums ceded under reinsurance agreements.

B. The effect of reinsurance on premiums for the years ended December 31, 2015 and 2014 are as follows:

		Written Reinsurance Premiums Assumed		Written Reinsurance Premiums Ceded				
Year	Direct Premiums Written	From Affiliates	From Non-Affiliates	To Affiliates	To Non-Affiliates	Net Premiums Written	Change in Unearned Premiums	Net Premiums Earned
2015	$18,926	$0	$0	$18,938	($9)	($3)	$0	($3)
2014	$17,457	$0	$0	$16,685	$1,048	($276)	$9,462	$9,186

(in thousands)

C. The following table summarizes ceded and assumed unearned premiums and the related commission equity at December 31, 2015 and 2014:

	Assumed		Ceded to Affiliates		Direct
Year	Premium Reserve	Commission Equity	Premium Reserve	Commission Equity	Unearned Prem. Reserve
2015	$0	$0	$10,082	$2,016	$10,082
2014	$0	$0	$9,749	$1,950	$9,749

D. The Company does not have any existing reinsurance contractual arrangements which allow for additional or return commission which is predicated on loss experience or on any other form of profit sharing arrangements.

Note 9 – Information Concerning Parent, Subsidiaries, Affiliates

A. Amica Mutual Insurance Company

Amica Mutual Insurance Company manages its wholly-owned subsidiary, Amica Property and Casualty Insurance Company. In 2015, Amica Mutual Insurance Company elected to merge its two wholly-owned property and casualty insurance subsidiaries, Amica Property and Casualty Insurance Company and Amica Texas Insurance Company, formerly Amica Lloyd's of Texas.

Prior to January 1, 2014, Amica Lloyd's of Texas wrote homeowners and related coverages in Texas. Amica Lloyd's of Texas ceased writing new and renewal business on December 31, 2013, at which point all Texas homeowners and related policies were renewed by its ultimate parent, Amica Mutual Insurance Company. Amica Lloyd's of Texas continued operations in 2015 to manage investments and settle outstanding losses and other liabilities. To facilitate the merger, Amica Lloyd's of Texas was converted to a stock company, Amica Texas Insurance Company, on December 22, 2015. On December 31, 2015, the Company merged with Amica Texas Insurance Company, with the Company continuing as the surviving entity of the merger. As a result of the merger, the Company assumed all remaining assets and liabilities of Amica Texas Insurance Company as of December 31, 2015, as well its surplus of $75,030. For the periods covered in the accompanying notes and statements, Amica Lloyd's of Texas will be referenced as Amica Texas Insurance Company.

Amica Mutual performs certain managerial and other operational functions for the benefit of the Company. Amica Mutual allocates such costs to the Company based on the estimated costs of the services performed. The written agreement between the companies indicates that settlement of these costs be made within fifty-five days of the end of the month to which it applies. The costs charged from Amica Mutual to the Company amounted to $4,325 and $16,416 in 2015 and 2014, respectively.

B. Amounts Due to or from Related Parties

The Company reported $886 and $2,912 due to Amica Mutual at December 31, 2015 and 2014, respectively. These balances are for the net amount of management fee and reinsurance contract premiums, which are offset by the net amount of premiums received and underwriting expenses paid by Amica Mutual on behalf of the Company. In addition, the Company reported amounts due to Amica Mutual for Federal Income taxes of $40 and from Amica Mutual for Federal income taxes of $43 at December 31, 2015 and 2014, respectively. The management and service contracts require that the intercompany balances be settled within fifty-five days of the month to which it applies.

Note 10 – Contingencies

Lawsuits arise against the Company in the normal course of business. The ultimate resolution of such proceedings will not, in our opinion, have a material impact on the Company's financial position.

Note 11 – Dividend Restrictions

The state of Rhode Island has limitations on the amount of ordinary dividends that may be paid to stockholders in any twelve month period. These limitations are based on net income and surplus. For 2015, any dividend paid by the Company would be categorized as "extraordinary" for purposes of the Rhode Island statute, and would require the Insurance Commissioner's approval before being paid.

On December 31, 2015, the Company paid a dividend to Amica Mutual Insurance Company in the amount of $23,000. The dividend was deemed an extraordinary dividend because it exceeded more than 10% of the prior year end surplus. Required approval was obtained from the State of Rhode Island on December 30, 2015.

Note 12 – Subsequent Events

Subsequent events have been considered through February 10, 2016 for the statutory statement issued on February 10, 2016 and through May 9, 2016 for audited financial statements issued on May 9, 2016. There were no events occurring subsequent to the end of the year that merited recognition or disclosure in these statements.

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUMMARY INVESTMENT SCHEDULE
December 31, 2015

Schedule 1

	Gross Investment Holdings		Admitted Assets as Reported in the Annual Statement			
	1	2	3	4 Securities Lending Reinvested Collateral	5 Total (Col. 3 + 4)	6
Investment Categories	Amount	Percentage	Amount	Amount	Amount	Percentage
1. Bonds:						
1.1 U.S. treasury securities	5,091,961	7.213	5,091,961		5,091,961	7.213
1.2 U.S. government agency obligations (excluding mortgage-backed securities):						
1.21 Issued by U.S. government agencies	2,817,645	3.992	2,817,645		2,817,645	3.992
1.22 Issued by U.S. government sponsored agencies		0.000				0.000
1.3 Non-U.S. government (including Canada, excluding mortgaged-backed securities)		0.000				0.000
1.4 Securities issued by states, territories, and possessions and political subdivisions in the U.S. :						
1.41 States, territories and possessions general obligations	1,967,289	2.787	1,967,289		1,967,289	2.787
1.42 Political subdivisions of states, territories and possessions and political subdivisions general obligations	625,096	0.886	625,096		625,096	0.886
1.43 Revenue and assessment obligations	439,082	0.622	439,082		439,082	0.622
1.44 Industrial development and similar obligations		0.000				0.000
1.5 Mortgage-backed securities (includes residential and commercial MBS):						
1.51 Pass-through securities:						
1.511 Issued or guaranteed by GNMA	2,141,231	3.033	2,141,231		2,141,231	3.033
1.512 Issued or guaranteed by FNMA and FHLMC	29,083	0.041	29,083		29,083	0.041
1.513 All other		0.000				0.000
1.52 CMOs and REMICs:						
1.521 Issued or guaranteed by GNMA, FNMA, FHLMC or VA	1,899,452	2.691	1,899,452		1,899,452	2.691
1.522 Issued by non-U.S. Government issuers and collateralized by mortgage-backed securities issued or guaranteed by agencies shown in Line 1.521	1,607,416	2.277	1,607,416		1,607,416	2.277
1.523 All other		0.000				0.000
2. Other debt and other fixed income securities (excluding short-term):						
2.1 Unaffiliated domestic securities (includes credit tenant loans and hybrid securities)	3,779,405	5.354	3,779,405		3,779,405	5.354
2.2 Unaffiliated non-U.S. securities (including Canada)		0.000				0.000
2.3 Affiliated securities		0.000				0.000
3. Equity interests:						
3.1 Investments in mutual funds		0.000				0.000
3.2 Preferred stocks:						
3.21 Affiliated		0.000				0.000
3.22 Unaffiliated		0.000				0.000
3.3 Publicly traded equity securities (excluding preferred stocks):						
3.31 Affiliated		0.000				0.000
3.32 Unaffiliated		0.000				0.000
3.4 Other equity securities:						
3.41 Affiliated		0.000				0.000
3.42 Unaffiliated		0.000				0.000
3.5 Other equity interests including tangible personal property under lease:						
3.51 Affiliated		0.000				0.000
3.52 Unaffiliated		0.000				0.000
4. Mortgage loans:						
4.1 Construction and land development		0.000				0.000
4.2 Agricultural		0.000				0.000
4.3 Single family residential properties		0.000				0.000
4.4 Multifamily residential properties		0.000				0.000
4.5 Commercial loans		0.000				0.000
4.6 Mezzanine real estate loans		0.000				0.000
5. Real estate investments:						
5.1 Property occupied by company		0.000				0.000
5.2 Property held for production of income (including $ .... of property acquired in satisfaction of debt)		0.000				0.000
5.3 Property held for sale (including $ .... property acquired in satisfaction of debt)		0.000				0.000
6. Contract loans		0.000				0.000
7. Derivatives		0.000				0.000
8. Receivables for securities		0.000				0.000
9. Securities Lending (Line 10, Asset Page reinvested collateral)		0.000		XXX	XXX	XXX
10. Cash, cash equivalents and short-term investments	50,191,696	71.104	50,191,696		50,191,696	71.104
11. Other invested assets		0.000				0.000
12. Total invested assets	70,589,356	100.000	70,589,356		70,589,356	100.000

See accompanying independent auditors’ report.

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

Of The AMICA PROPERTY AND CASUALTY INSURANCE COMPANY

ADDRESS (City, State and Zip Code) Lincoln , RI 02865-1156

NAIC Group Code 0028 NAIC Company Code 12287 Federal Employer's Identification Number (FEIN) 26-0115568

The Investment Risks Interrogatories are to be filed by April 1. They are also to be included with the Audited Statutory Financial Statements.

Answer the following interrogatories by reporting the applicable U.S. dollar amounts and percentages of the reporting entity's total admitted assets held in that category of investments.

1. Reporting entity's total admitted assets as reported on Page 2 of this annual statement. $ 82,000,484

2. Ten largest exposures to a single issuer/borrower/investment.

	1 Issuer	2 Description of Exposure	3 Amount	4 Percentage of Total Admitted Assets
2.01	McGraw Hill Financial Inc.		$ 2,298,262	2.8 %
2.02	Marriott International Inc.		$ 2,298,134	2.8 %
2.03	Pepco Holdings Inc.		$ 2,297,869	2.8 %
2.04	NBCUniversal Enterprise Inc.		$ 2,249,138	2.7 %
2.05	ITT Corporation		$ 2,248,884	2.7 %
2.06	Wyndham Worldwide Corporation		$ 2,248,250	2.7 %
2.07	Scana Corporation		$ 2,247,938	2.7 %
2.08	Honeywell International Inc.		$ 1,999,198	2.4 %
2.09	Southern Company		$ 1,999,036	2.4 %
2.10	Intel Corporation		$ 1,998,756	2.4 %

3. Amounts and percentages of the reporting entity's total admitted assets held in bonds and preferred stocks by NAIC designation.

	Bonds	1	2		Preferred Stocks	3	4
3.01	NAIC-1	$ 24,319,466	29.7 %	3.07	P/RP-1	$	%
3.02	NAIC-2	$ 45,883,390	56.0 %	3.08	P/RP-2	$	%
3.03	NAIC-3	$	%	3.09	P/RP-3	$	%
3.04	NAIC-4	$	%	3.10	P/RP-4	$	%
3.05	NAIC-5	$	%	3.11	P/RP-5	$	%
3.06	NAIC-6	$	%	3.12	P/RP-6	$	%

4. Assets held in foreign investments:

4.01 Are assets held in foreign investments less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 4.01 above is yes, responses are not required for interrogatories 5 - 10.

4.02	Total admitted assets held in foreign investments	$	%
4.03	Foreign-currency-denominated investments	$	%
4.04	Insurance liabilities denominated in that same foreign currency	$	%

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

5. Aggregate foreign investment exposure categorized by NAIC sovereign designation:

			1	2
5.01	Countries designated NAIC-1	$		%
5.02	Countries designated NAIC-2	$		%
5.03	Countries designated NAIC-3 or below	$		%

6. Largest foreign investment exposures by country, categorized by the country's NAIC sovereign designation:

			1	2
	Countries designated NAIC - 1:			
6.01	Country 1:	$		%
6.02	Country 2:	$		%
	Countries designated NAIC - 2:			
6.03	Country 1:	$		%
6.04	Country 2:	$		%
	Countries designated NAIC - 3 or below:			
6.05	Country 1:	$		%
6.06	Country 2:	$		%

			1	2
7.	Aggregate unhedged foreign currency exposure	$		%

8. Aggregate unhedged foreign currency exposure categorized by NAIC sovereign designation:

			1	2
8.01	Countries designated NAIC-1	$		%
8.02	Countries designated NAIC-2	$		%
8.03	Countries designated NAIC-3 or below	$		%

9. Largest unhedged foreign currency exposures by country, categorized by the country's NAIC sovereign designation:

			1	2
	Countries designated NAIC - 1:			
9.01	Country 1:	$		%
9.02	Country 2:	$		%
	Countries designated NAIC - 2:			
9.03	Country 1:	$		%
9.04	Country 2:	$		%
	Countries designated NAIC - 3 or below:			
9.05	Country 1:	$		%
9.06	Country 2:	$		%

10. Ten largest non-sovereign (i.e. non-governmental) foreign issues:

	1 Issuer	2 NAIC Designation		3	4
10.01			$		%
10.02			$		%
10.03			$		%
10.04			$		%
10.05			$		%
10.06			$		%
10.07			$		%
10.08			$		%
10.09			$		%
10.10			$		%

(Continued)

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

11. Amounts and percentages of the reporting entity's total admitted assets held in Canadian investments and unhedged Canadian currency exposure:

11.01 Are assets held in Canadian investments less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 11.01 is yes, detail is not required for the remainder of interrogatory 11.

		1	2
11.02	Total admitted assets held in Canadian investments	$	.... %
11.03	Canadian-currency-denominated investments	$	.... %
11.04	Canadian-denominated insurance liabilities	$	.... %
11.05	Unhedged Canadian currency exposure	$	.... %

12. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments with contractual sales restrictions:

12.01 Are assets held in investments with contractual sales restrictions less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 12.01 is yes, responses are not required for the remainder of Interrogatory 12.

	1	2	3
12.02	Aggregate statement value of investments with contractual sales restrictions	$	.... %
	Largest three investments with contractual sales restrictions:		
12.03	....	$	.... %
12.04	....	$	.... %
12.05	....	$	.... %

13. Amounts and percentages of admitted assets held in the ten largest equity interests:

13.01 Are assets held in equity interests less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 13.01 above is yes, responses are not required for the remainder of Interrogatory 13.

	1 Issuer	2	3
13.02	....	$	.... %
13.03	....	$	.... %
13.04	....	$	.... %
13.05	....	$	.... %
13.06	....	$	.... %
13.07	....	$	.... %
13.08	....	$	.... %
13.09	....	$	.... %
13.10	....	$	.... %
13.11	....	$	.... %

(Continued)

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

14. Amounts and percentages of the reporting entity's total admitted assets held in nonaffiliated, privately placed equities:

14.01 Are assets held in nonaffiliated, privately placed equities less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 14.01 above is yes, responses are not required for the remainder of Interrogatory 14.

	1		2	3
14.02	Aggregate statement value of investments held in nonaffiliated, privately placed equities	$	....	.... %
	Largest three investments held in nonaffiliated, privately placed equities:			
14.03	....	$	....	.... %
14.04	....	$	....	.... %
14.05	....	$	....	.... %

15. Amounts and percentages of the reporting entity's total admitted assets held in general partnership interests:

15.01 Are assets held in general partnership interests less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 15.01 above is yes, responses are not required for the remainder of Interrogatory 15.

	1		2	3
15.02	Aggregate statement value of investments held in general partnership interests	$	....	.... %
	Largest three investments in general partnership interests:			
15.03	....	$	....	.... %
15.04	....	$	....	.... %
15.05	....	$	....	.... %

16. Amounts and percentages of the reporting entity's total admitted assets held in mortgage loans:

16.01 Are mortgage loans reported in Schedule B less than 2.5% of the reporting entity's total admitted assets? .... Yes [X] No [ ]

If response to 16.01 above is yes, responses are not required for the remainder of Interrogatory 16 and Interrogatory 17.

	1 Type (Residential, Commercial, Agricultural)		2	3
16.02	....	$	....	.... %
16.03	....	$	....	.... %
16.04	....	$	....	.... %
16.05	....	$	....	.... %
16.06	....	$	....	.... %
16.07	....	$	....	.... %
16.08	....	$	....	.... %
16.09	....	$	....	.... %
16.10	....	$	....	.... %
16.11	....	$	....	.... %

(Continued)

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

Amount and percentage of the reporting entity's total admitted assets held in the following categories of mortgage loans:

		Loans	
16.12	Construction loans	$	%
16.13	Mortgage loans over 90 days past due	$	%
16.14	Mortgage loans in the process of foreclosure	$	%
16.15	Mortgage loans foreclosed	$	%
16.16	Restructured mortgage loans	$	%

17. Aggregate mortgage loans having the following loan-to-value ratios as determined from the most current appraisal as of the annual statement date:

		Residential		Commercial		Agricultural	
	Loan to Value	1	2	3	4	5	6
17.01	above 95%	$	%	$	%	$	%
17.02	91 to 95%	$	%	$	%	$	%
17.03	81 to 90%	$	%	$	%	$	%
17.04	71 to 80%	$	%	$	%	$	%
17.05	below 70%	$	%	$	%	$	%

18. Amounts and percentages of the reporting entity's total admitted assets held in each of the five largest investments in real estate:

18.01 Are assets held in real estate reported less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 18.01 above is yes, responses are not required for the remainder of Interrogatory 18.

Largest five investments in any one parcel or group of contiguous parcels of real estate.

	Description 1	2	3
18.02		$	%
18.03		$	%
18.04		$	%
18.05		$	%
18.06		$	%

19. Report aggregate amounts and percentages of the reporting entity's total admitted assets held in investments held in mezzanine real estate loans:

19.01 Are assets held in investments held in mezzanine real estate loans less than 2.5% of the reporting entity's total admitted assets? Yes [X] No [ ]

If response to 19.01 is yes, responses are not required for the remainder of Interrogatory 19.

	1	2	3
19.02	Aggregate statement value of investments held in mezzanine real estate loans:	$	%
	Largest three investments held in mezzanine real estate loans:		
19.03		$	%
19.04		$	%
19.05		$	%

(Continued)

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
SUPPLEMENTAL INVESTMENT RISKS INTERROGATORIES
December 31, 2015

Schedule 2

20. Amounts and percentages of the reporting entity's total admitted assets subject to the following types of agreements:

		At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	At End of Each Quarter 2nd Quarter 4	At End of Each Quarter 3rd Quarter 5
20.01	Securities lending agreements (do not include assets held as collateral for such transactions)	$	%	$	$	$
20.02	Repurchase agreements	$	%	$	$	$
20.03	Reverse repurchase agreements	$	%	$	$	$
20.04	Dollar repurchase agreements	$	%	$	$	$
20.05	Dollar reverse repurchase agreements	$	%	$	$	$

21. Amounts and percentages of the reporting entity's total admitted assets for warrants not attached to other financial instruments, options, caps, and floors:

		Owned 1	Owned 2	Written 3	Written 4
21.01	Hedging	$	%	$	%
21.02	Income generation	$	%	$	%
21.03	Other	$	%	$	%

22. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for collars, swaps, and forwards:

		At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	At End of Each Quarter 2nd Quarter 4	At End of Each Quarter 3rd Quarter 5
22.01	Hedging	$	%	$	$	$
22.02	Income generation	$	%	$	$	$
22.03	Replications	$	%	$	$	$
22.04	Other	$	%	$	$	$

23. Amounts and percentages of the reporting entity's total admitted assets of potential exposure for futures contracts:

		At Year End 1	At Year End 2	At End of Each Quarter 1st Quarter 3	At End of Each Quarter 2nd Quarter 4	At End of Each Quarter 3rd Quarter 5
23.01	Hedging	$	%	$	$	$
23.02	Income generation	$	%	$	$	$
23.03	Replications	$	%	$	$	$
23.04	Other	$	%	$	$	$

AMICA PROPERTY AND CASUALTY INSURANCE COMPANY
GENERAL INTERROGATORIES
December 31, 2015

Schedule 3

7.1	Has this reporting entity reinsured any risk with any other entity under a quota share reinsurance contract that includes a provision that would limit the reinsurer's losses below the stated quota share percentage (e.g., a deductible, a loss ratio corridor, a loss ratio cap, an aggregate limit or any similar provisions)?	Yes [ ] No [X]
7.2	If yes, indicate the number of reinsurance contracts containing such provisions:	....
7.3	If yes, does the amount of reinsurance credit taken reflect the reduction in quota share coverage caused by any applicable limiting provision(s)?	Yes [ ] No [ ]
8.1	Has this reporting entity reinsured any risk with any other entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on this risk, or portion thereof, reinsured?	Yes [ ] No [X]
8.2	If yes, give full information	
9.1	Has the reporting entity ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates) for which during the period covered by the statement: (i) it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; (ii) it accounted for that contract as reinsurance and not as a deposit; and (iii) the contract(s) contain one or more of the following features or other features that would have similar results: (a) A contract term longer than two years and the contract is noncancellable by the reporting entity during the contract term; (b) A limited or conditional cancellation provision under which cancellation triggers an obligation by the reporting entity, or an affiliate of the reporting entity, to enter into a new reinsurance contract with the reinsurer, or an affiliate of the reinsurer; (c) Aggregate stop loss reinsurance coverage; (d) A unilateral right by either party (or both parties) to commute the reinsurance contract, whether conditional or not, except for such provisions which are only triggered by a decline in the credit status of the other party; (e) A provision permitting reporting of losses, or payment of losses, less frequently than on a quarterly basis (unless there is no activity during the period); or (f) Payment schedule, accumulating retentions from multiple years or any features inherently designed to delay timing of the reimbursement to the ceding entity.	Yes [ ] No [X]
9.2	Has the reporting entity during the period covered by the statement ceded any risk under any reinsurance contract (or under multiple contracts with the same reinsurer or its affiliates), for which, during the period covered by the statement, it recorded a positive or negative underwriting result greater than 5% of prior year-end surplus as regards policyholders or it reported calendar year written premium ceded or year-end loss and loss expense reserves ceded greater than 5% of prior year-end surplus as regards policyholders; excluding cessions to approved pooling arrangements or to captive insurance companies that are directly or indirectly controlling, controlled by, or under common control with (i) one or more unaffiliated policyholders of the reporting entity, or (ii) an association of which one or more unaffiliated policyholders of the reporting entity is a member where: (a) The written premium ceded to the reinsurer by the reporting entity or its affiliates represents fifty percent (50%) or more of the entire direct and assumed premium written by the reinsurer based on its most recently available financial statement; or (b) Twenty-five percent (25%) or more of the written premium ceded to the reinsurer has been retroceded back to the reporting entity or its affiliates in a separate reinsurance contract.	Yes [ ] No [X]
9.3	If yes to 9.1 or 9.2, please provide the following information in the Reinsurance Summary Supplemental Filing for General Interrogatory 9: (a) The aggregate financial statement impact gross of all such ceded reinsurance contracts on the balance sheet and statement of income; (b) A summary of the reinsurance contract terms and indicate whether it applies to the contracts meeting the criteria in 9.1 or 9.2; and (c) A brief discussion of management's principle objectives in entering into the reinsurance contract including the economic purpose to be achieved.	
9.4	Except for transactions meeting the requirements of paragraph 32 of SSAP No. 62R, Property and Casualty Reinsurance, has the reporting entity ceded any risk under any reinsurance contract (or multiple contracts with the same reinsurer or its affiliates) during the period covered by the financial statement, and either: (a) Accounted for that contract as reinsurance (either prospective or retroactive) under statutory accounting principles ("SAP") and as a deposit under generally accepted accounting principles ("GAAP"); or (b) Accounted for that contract as reinsurance under GAAP and as a deposit under SAP?	Yes [ ] No [X]
9.5	If yes to 9.4, explain in the Reinsurance Summary Supplemental Filing for General Interrogatory 9 (Section D) why the contract(s) is treated differently for GAAP and SAP.	
9.6	The reporting entity is exempt from the Reinsurance Attestation Supplement under one or more of the following criteria:	
	(a) The entity does not utilize reinsurance; or,	Yes [ ] No [X]
	(b) The entity only engages in a 100% quota share contract with an affiliate and the affiliated or lead company has filed an attestation supplement; or	Yes [X] No [ ]
	(c) The entity has no external cessions and only participates in an intercompany pool and the affiliated or lead company has filed an attestation supplement.	Yes [ ] No [X]