



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF MARCH 31, 2018

OF THE CONDITION AND AFFAIRS OF THE

Arch Insurance Company

NAIC Group Code 1279 (Current) 1279 (Prior) NAIC Company Code 11150 Employer's ID Number 43-0990710
Organized under the Laws of Missouri, State of Domicile or Port of Entry Missouri
Country of Domicile United States of America
Incorporated/Organized 12/15/1971 Commenced Business 12/15/1971
Statutory Home Office 2345 Grand Blvd., Suite 900 (Street and Number), Kansas City, MO, US 64108 (City or Town, State, Country and Zip Code)
Main Administrative Office Harborside 3, 210 Hudson Street, Suite 300 (Street and Number), Jersey City, NJ, US 07311-1107 (City or Town, State, Country and Zip Code), 201-743-4000 (Area Code) (Telephone Number)
Mail Address Harborside 3, 210 Hudson Street, Suite 300 (Street and Number or P.O. Box), Jersey City, NJ, US 07311-1107 (City or Town, State, Country and Zip Code)
Primary Location of Books and Records Harborside 3, 210 Hudson Street, Suite 300 (Street and Number), Jersey City, NJ, US 07311-1107 (City or Town, State, Country and Zip Code), 201-743-4000 (Area Code) (Telephone Number)
Internet Website Address www.archinsurance.com
Statutory Statement Contact Isabel Damasio (Name), 201-743-4000 (Area Code) (Telephone Number), idamasio@archinsurance.com (E-mail Address), 201-743-4005 (FAX Number)

OFFICERS

PRESIDENT JOHN PAUL MENTZ SENIOR VICE PRESIDENT, GENERAL COUNSEL & SECRETARY PATRICK KENNETH NAILS
SENIOR VICE PRESIDENT, CHIEF FINANCIAL OFFICER & TREASURER THOMAS JAMES AHERN

OTHER OFFICERS

WILLIAM JOSEPH CASEY, JR., EVP JOHN STEPHEN EDACK, SEVP LINDA MARIE FALLON, EVP #
DAVID MARK FINKELSTEIN, EVP BRIAN DANN FIRST, EVP MARK WILLIAM LANGE, EVP #
MARK HANTON LIMA, EVP PATRICK JOSEPH ROGER MAILLOUX, EVP KEVIN LEE O'BRIEN, EVP
MARITA ANNE OLIVER, EVP WILLIAM ALEXANDER PALMER, EVP MICHAEL DAVID PRICE, EVP
JUSTIN FREDERICK PSAKI, EVP JOHN ANGELO RAFFERTY, EVP RICHARD AMEDEE STOCK, EVP

DIRECTORS OR TRUSTEES

THOMAS JAMES AHERN THOMAS CHARLES CONNOLLY JOHN PAUL MENTZ
PATRICK KENNETH NAILS MARITA ANNE OLIVER NICOLAS ALAIN EMMANUEL PAPADOPOULO
MICHAEL DAVID PRICE JOHN ANGELO RAFFERTY

State of NEW JERSEY SS:
County of HUDSON

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

JOHN PAUL MENTZ PRESIDENT PATRICK KENNETH NAILS SENIOR VICE PRESIDENT, GENERAL COUNSEL & SECRETARY THOMAS JAMES AHERN SENIOR VICE PRESIDENT, CHIEF FINANCIAL OFFICER & TREASURER

Subscribed and sworn to before me this day of
a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	1,550,246,338		1,550,246,338	2,483,719,500
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	440,104,174		440,104,174	446,692,985
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$45,663,393), cash equivalents (\$22,029,272) and short-term investments (\$)	67,692,665		67,692,665	141,654,914
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				75,000
9. Receivables for securities	210,612		210,612	
10. Securities lending reinvested collateral assets	36,243,963		36,243,963	188,363,154
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	2,094,497,752		2,094,497,752	3,260,505,553
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	9,625,561		9,625,561	18,462,107
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	114,912,467	20,189,043	94,723,424	97,202,587
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)	271,344,755		271,344,755	250,612,370
15.3 Accrued retrospective premiums (\$32,276,643) and contracts subject to redetermination (\$)	32,440,937	164,294	32,276,643	29,382,195
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	230,566,230		230,566,230	20,249,052
16.2 Funds held by or deposited with reinsured companies	933,314		933,314	933,314
16.3 Other amounts receivable under reinsurance contracts	154,397		154,397	154,397
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon	36,315,759		36,315,759	26,048,363
18.2 Net deferred tax asset	57,436,879	26,096,455	31,340,424	28,838,488
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	2,870,706		2,870,706	594,523
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	235,615,927	28,040,323	207,575,604	188,882,218
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	3,086,714,685	74,490,114	3,012,224,570	3,921,865,167
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	3,086,714,685	74,490,114	3,012,224,570	3,921,865,167
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Advance claim payments	179,372,604		179,372,604	161,004,251
2502. Deductible and other recoveries	19,725,944	6,376,683	13,349,261	12,911,984
2503. Equity and deposits in pools & associations	4,356,901		4,356,901	3,878,204
2598. Summary of remaining write-ins for Line 25 from overflow page	32,160,478	21,663,640	10,496,838	11,087,779
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	235,615,927	28,040,323	207,575,604	188,882,218

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 218,248,012)	484,505,045	282,724,862
2. Reinsurance payable on paid losses and loss adjustment expenses	76,814,955	69,823,191
3. Loss adjustment expenses	157,820,108	118,972,334
4. Commissions payable, contingent commissions and other similar charges	18,724,070	18,645,953
5. Other expenses (excluding taxes, licenses and fees)	1,463,935	2,803,269
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	24,388,097	25,092,637
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))		
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 367,193,148 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	814,111,741	363,948,898
10. Advance premium	10,484,482	5,521,286
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	2,597,440	2,614,724
12. Ceded reinsurance premiums payable (net of ceding commissions)	182,103,200	1,449,246,831
13. Funds held by company under reinsurance treaties	68,234,023	74,614,938
14. Amounts withheld or retained by company for account of others	200,433,569	214,539,977
15. Remittances and items not allocated	21,918,842	15,259,043
16. Provision for reinsurance (including \$ certified)	17,298,033	17,298,033
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	22,961,893	47,751,287
20. Derivatives		
21. Payable for securities	1,990,140	
22. Payable for securities lending	36,243,963	188,363,154
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	47,024,750	94,865,367
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	2,189,118,286	2,992,085,784
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	2,189,118,286	2,992,085,784
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	5,000,000	5,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	619,356,419	619,356,419
35. Unassigned funds (surplus)	198,749,864	305,422,964
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	823,106,284	929,779,383
38. Totals (Page 2, Line 28, Col. 3)	3,012,224,570	3,921,865,167
DETAILS OF WRITE-INS		
2501. Deferred ceding commission liability	9,721,661	55,331,152
2502. Claims payable	22,231,984	25,753,491
2503. Return premium payable	9,640,072	9,093,228
2598. Summary of remaining write-ins for Line 25 from overflow page	5,431,033	4,687,496
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	47,024,750	94,865,367
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$516,758,868)	477,955,861	437,558,035	1,872,138,863
1.2 Assumed (written \$112,038,294)	113,334,710	123,250,199	476,248,241
1.3 Ceded (written \$(231,236,649)	181,419,605	366,552,467	2,903,994,622
1.4 Net (written \$860,033,811)	409,870,966	194,255,767	(555,607,518)
DEDUCTIONS:			
2. Losses incurred (current accident year \$221,060,449):			
2.1 Direct	246,421,352	267,276,797	1,132,174,886
2.2 Assumed	63,076,271	23,966,228	446,245,726
2.3 Ceded	87,222,366	185,915,699	2,267,061,987
2.4 Net	222,275,257	105,327,326	(688,641,375)
3. Loss adjustment expenses incurred	59,957,949	33,987,561	(47,393,481)
4. Other underwriting expenses incurred	232,924,775	56,208,704	190,686,948
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	515,157,981	195,523,591	(545,347,908)
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(105,287,015)	(1,267,824)	(10,259,610)
INVESTMENT INCOME			
9. Net investment income earned	10,758,325	10,917,433	46,947,535
10. Net realized capital gains (losses) less capital gains tax of \$(2,403,234)	(9,040,738)	(1,909,014)	(1,213,262)
11. Net investment gain (loss) (Lines 9 + 10)	1,717,587	9,008,419	45,734,273
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$127,178)	(127,178)	(74,389)	(143,273)
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	821,795	(6,758)	64,496
15. Total other income (Lines 12 through 14)	694,617	(81,147)	(78,777)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(102,874,811)	7,659,448	35,395,886
17. Dividends to policyholders	201,234	199,709	864,256
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	(103,076,044)	7,459,739	34,531,630
19. Federal and foreign income taxes incurred	(7,902,315)	3,840,136	(36,584,331)
20. Net income (Line 18 minus Line 19)(to Line 22)	(95,173,729)	3,619,603	71,115,961
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	929,779,383	888,602,495	888,602,495
22. Net income (from Line 20)	(95,173,729)	3,619,603	71,115,961
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$11,651	(6,544,980)	(3,856,135)	8,804,716
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	13,883,745	3,091,206	(72,403,796)
27. Change in nonadmitted assets	(18,838,136)	(1,141,778)	38,842,663
28. Change in provision for reinsurance			(5,182,656)
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders			
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(106,673,099)	1,712,896	41,176,888
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	823,106,284	890,315,391	929,779,383
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)			
1401. Realized foreign exchange gain (loss)	760,700	(4,906)	(10,992)
1402. Other income	61,095	(1,852)	75,488
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	821,795	(6,758)	64,496
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)			

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	(425,495,764)	202,843,248	716,242,078
2. Net investment income	22,175,820	21,680,458	70,933,880
3. Miscellaneous income	694,617	(81,147)	2,251,893
4. Total (Lines 1 to 3)	(402,625,326)	224,442,560	789,427,851
5. Benefit and loss related payments	251,232,663	126,689,817	342,733,307
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	297,512,637	83,268,598	349,391,108
8. Dividends paid to policyholders	218,518	101,394	887,852
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)	(38,153)	552,761	(17,166,224)
10. Total (Lines 5 through 9)	548,925,664	210,612,569	675,846,043
11. Net cash from operations (Line 4 minus Line 10)	(951,550,991)	13,829,990	113,581,808
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,749,083,123	972,956,905	3,026,153,906
12.2 Stocks			15,560,570
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets	75,000	4,375	87,500
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments			
12.7 Miscellaneous proceeds	154,109,331	39,726,565	19,443
12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,903,267,454	1,012,687,845	3,041,821,419
13. Cost of investments acquired (long-term only):			
13.1 Bonds	829,605,252	1,046,354,935	3,082,651,717
13.2 Stocks			
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	210,612	98,302,251	113,055,313
13.7 Total investments acquired (Lines 13.1 to 13.6)	829,815,864	1,144,657,186	3,195,707,030
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	1,073,451,590	(131,969,341)	(153,885,611)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(195,862,849)	88,687,297	59,308,201
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(195,862,849)	88,687,297	59,308,201
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(73,962,250)	(29,452,054)	19,004,398
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	141,654,915	122,650,517	122,650,517
19.2 End of period (Line 18 plus Line 19.1)	67,692,665	93,198,463	141,654,915

Note: Supplemental disclosures of cash flow information for non-cash transactions:

20.0001. Depreciation and amortization expense		234,568	938,273
20.0002. Bad debt charge offs	127,178	64,358	133,242
20.0003. Unrealized foreign exchange			

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Arch Insurance Company (the "Company") have been prepared in conformity with accounting practices prescribed or permitted by the Missouri Department of Insurance (the "Department").

The Department recognizes only statutory accounting practices prescribed or permitted by the State of Missouri for determining and reporting the financial condition and results of operations of an insurance company and for determining its solvency under the Missouri Insurance Law. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures Manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the State of Missouri. The company currently employs no accounting practices which depart from NAIC SAP.

A reconciliation of the Company's net income and capital surplus between NAIC SAP and practices prescribed and permitted by the State of Missouri is shown below:

	F/S SSAP #	F/S Page	F/S Line #	March 31, 2018	December 31, 2017
<u>NET INCOME</u>					
(1) Arch Insurance Company state basis (Page 4, Line 20, Columns 1 & 2)				\$ (95,173,729)	\$ 71,115,960
(2) State Prescribed Practices that increase/(decrease) NAIC SAP				-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP				-	-
(4) NAIC SAP (1-2-3=4)				<u>\$ (95,173,729)</u>	<u>\$ 71,115,960</u>
<u>SURPLUS</u>					
(5) Arch Insurance Company state basis (Page 3, Line 37, Columns 1 & 2)				\$ 823,106,284	\$ 929,779,383
(6) State Prescribed Practices that increase/(decrease) NAIC SAP				-	-
(7) State Permitted Practices that increase/(decrease) NAIC SAP				-	-
(8) NAIC SAP (5-6-7=8)				<u>\$ 823,106,284</u>	<u>\$ 929,779,383</u>

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

No material changes

C. Accounting Policies

1.-5. No material change

6. Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest-only securities, which are valued using the prospective method. In cases where a security has been impaired or if its rating is "AA" or below the prospective method may also be used.

7.-13.No material change

D. Going Concern

No material changes

2. Accounting Changes and Corrections of Errors

No material changes

3. Business Combinations and Goodwill

No material changes

4. Discontinued Operations

No material changes

5. Investments

A.-C. No material change

D. Loan-Backed and Structured Securities

1. Prepayment assumptions for single class and multi-class mortgage-backed/asset-backed securities are provided by Clearwater Analytics. Clearwater sources cash flow information from both BlackRock and Moody's.

2. No material changes

3. No material changes

4. All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest impairment remains) :

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	\$ 1,502,526
2. 12 Months or Longer	\$ 145,990

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	\$ 94,835,808
2. 12 Months or Longer	\$ 6,333,336

NOTES TO FINANCIAL STATEMENTS

5. All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether an other-than-temporary impairment should be recognized. At March 31, 2018, the Company did not have the intention to sell those securities and determined that it is more likely than not that the Company will not be required to sell the securities before recovery of their cost basis. It is possible that the Company could recognize other-than-temporary impairments in the future on some of the securities held at March 31, 2018 if future events, information or the passage of time causes it to conclude that declines in value are other-than temporary.

E. Dollar Repurchase Agreements and/or Securities Lending Transactions

1. No material changes

2. No material changes

3. Collateral Received

A. No material change

B. The fair value of that collateral and of the portion of that collateral that the company has sold or repledged were \$36,243,963.

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

No material changes

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

No material changes

H. Repurchase Agreements Transactions Accounted for as a Sale

No material changes

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

No material changes

J.-L. None

M. Working Capital Finance Investments

2 – 3. No material change

N.-R. None

6. Joint Ventures, Partnerships and Limited Liability Companies

No Material changes

7. Investment Income

No material changes

8. Derivative Instruments

H. None

STATEMENT AS OF MARCH 31, 2018 OF ARCH INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

9. Federal Income Taxes

A. The components of the net deferred tax asset/liability at March 31 are as follows:

	3/31/2018			12/31/2017			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 57,904,741	\$ 57,223	\$ 57,961,964	\$ 43,686,046	\$ 337,083	\$ 44,023,129	\$ 14,218,695	\$ (279,860)	\$ 13,938,835
(b) Statutory Valuation Allowance Adjustments	-	-	-	-	-	-	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	57,904,741	57,223	57,961,964	43,686,046	337,083	44,023,129	14,218,695	(279,860)	13,938,835
(d) Deferred Tax Assets Nonadmitted	26,071,696	24,759	26,096,455	14,389,214	337,083	14,726,297	11,682,482	(312,324)	11,370,158
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	31,833,045	32,464	31,865,509	29,296,832	-	29,296,832	2,536,213	32,464	2,568,677
(f) Deferred Tax Liabilities	492,621	32,464	525,085	458,344	-	458,344	34,277	32,464	66,741
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	\$ 31,340,424	\$ -	\$ 31,340,424	\$ 28,838,488	\$ -	\$ 28,838,488	\$ 2,501,936	\$ -	\$ 2,501,936

	3/31/2018			12/31/2017			Change		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 15,670,212	\$ -	\$ 15,670,212	\$ 23,195,622	\$ 2,787,151	\$ 25,982,773	\$ (7,525,410)	\$ (2,787,151)	\$ (10,312,561)
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation (The Lesser of 2(b)1 and 2(b)2 Below)	15,670,212	-	15,670,212	5,642,866	(2,787,151)	2,855,715	10,027,346	2,787,151	12,814,497
1. Adjusted Gross Deferred Tax Assets Expected To Be Realized Following the Balance Sheet Date	31,340,423	-	31,340,423	28,838,488	-	28,838,488	2,501,935	-	2,501,935
2. Adjusted Gross Deferred Tax Assets Allowed Per Limitation Threshold	XXX	XXX	25,320,000	XXX	XXX	81,313,482	XXX	XXX	(55,993,482)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) & 2(b) above) Offset by Gross Deferred Tax Liabilities	492,621	32,464	525,085	458,344	-	458,344	34,277	32,464	66,741
(d) Deferred Tax Assets Admitted as the result of application of SSAP No.101 Total 2(a)+2(b)+2(c)	\$ 31,833,045	\$ 32,464	\$ 31,865,509	\$ 29,296,832	\$ -	\$ 29,296,832	\$ 2,536,213	\$ 32,464	\$ 2,568,677

	2018	2017
(a) Ratio Percentage Used To Determine Recovery Period & Threshold Limitation Amount	286%	284%
(b) Amount of Adjusted Capital & Surplus Used To Determine Recovery Period & Threshold Limitation in 2(b)2 Above	\$900,940,895	\$813,134,821

	3/31/2018		12/31/2017		Change	
	(1) Ordinary	(2) Capital	(3) Ordinary	(4) Capital	(5) (Col 1-3) Total	(6) (Col 2-4) Total
Impact of Tax Planning Strategies						
(a) Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets,By Tax Character as a Percentage						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 57,904,741	\$ 57,223	\$ 43,686,046	\$ 337,083	\$ 14,218,695	\$ (279,860)
2. Percentage of Adjusted Gross DTAs by Tax Character Attributable to the Impact of Tax Planning Strategies	0%	0%	0%	0%	0%	0%
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$ 31,833,045	\$ 32,464	\$ 29,296,832	\$ -	\$ 2,536,213	\$ 32,464
4. Percentage of Net Admitted Adjusted Gross DTAs By Tax Character Admitted Because of The Impact of Tax Planning Strategies	0%	0%	0%	0%	0%	0%

(b) Does the Company's tax-planning strategies include the use of reinsurance ? No

B. Deferred Tax Liabilities Not recognized-None

STATEMENT AS OF MARCH 31, 2018 OF ARCH INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following major components:

	(1) 03/31/2018	(2) 12/31/2017	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ (7,864,162)	\$ (28,944,078)	\$ 21,079,916
(b) Foreign (including foreign tax on capital gains)	(38,153)	79,538	(117,691)
(c) Subtotal	<u>(7,902,315)</u>	<u>(28,864,540)</u>	<u>20,962,225</u>
(d) Federal income taxes on net capital gains	(2,403,234)	(653,295)	(1,749,939)
(e) Utilization of capital loss carry-forwards	-	-	-
(f) Prior year under accrual (over accrual)	-	(7,719,791)	7,719,791
(g) Federal and foreign income taxes incurred	<u>\$ (10,305,549)</u>	<u>\$ (37,237,626)</u>	<u>\$ 26,932,077</u>
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Unearned premium reserve	\$ 35,321,654	\$ 16,004,389	\$ 19,317,265
(2) Deferred ceding commission	2,041,549	11,619,542	(9,577,993)
(3) Loss reserves	8,835,105	5,848,947	2,986,158
(4) Nonadmitted assets	10,162,669	8,594,393	1,568,276
(5) Bad debt	212,655	211,814	841
(6) Dividends to policyholders	499,143	495,513	3,630
(7) Intangible Asset	790,201	831,791	(41,590)
(8) Foreign tax credit carryforward	41,385	79,538	(38,153)
(9) Charitable Contributions	380	119	261
(10) Net unrealized foreign exchange gains (losses)	-	-	-
Subtotal (99)	<u>57,904,741</u>	<u>43,686,046</u>	<u>14,218,695</u>
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	26,071,696	14,389,214	11,682,482
(d) Admitted ordinary deferred tax assets (2a99-2b-2c)	<u>31,833,045</u>	<u>29,296,832</u>	<u>2,536,213</u>
(e) Capital			
(1) OTTI on securities	42,361	230,961	(188,600)
(2) Net unrealized gains (losses) on investments	0	3,621	(3,621)
(3) Partnership Income	1,604	1,604	-
(4) Investment related	0	87,639	(87,639)
(5) Deferred Capital Wash sale	13,258	13,258	-
Subtotal (99)	<u>57,223</u>	<u>337,083</u>	<u>(279,860)</u>
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	24,759	337,083	(312,324)
(h) Admitted capital deferred tax assets (2e99-2f-2g)	<u>32,464</u>	<u>-</u>	<u>32,464</u>
(i) Admitted deferred tax assets (2d+2h)	<u>\$ 31,865,509</u>	<u>\$ 29,296,832</u>	<u>\$ 2,568,677</u>
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investment related	492,621	458,344	34,277
(2) Net unrealized gains (losses) on investments	-	-	-
(3) Net unrealized foreign exchange (gains) losses	-	-	-
(4) Other	-	-	-
Subtotal (99)	<u>492,621</u>	<u>458,344</u>	<u>34,277</u>
(b) Capital			
(1) Net unrealized gains (losses) on investments	8,030	-	8,030
(2) Investment related	24,434	-	24,434
Subtotal (99)	<u>32,464</u>	<u>-</u>	<u>32,464</u>
(c) Deferred tax liabilities (3a99+3b99)	<u>525,085</u>	<u>458,344</u>	<u>66,741</u>
4. Net deferred tax assets/(liabilities) (2i-3c)	<u>\$ 31,340,424</u>	<u>\$ 28,838,488</u>	<u>\$ 2,501,936</u>

The change in net deferred income tax is comprised of the following (this analysis is exclusive of non admitted assets as the Change in Nonadmitted Assets is reported separately from the Change in Net Deferred Income Taxes in the surplus section of the Annual Statement):

	3/31/2018	12/31/2017	Change
Gross deferred tax assets	\$ 57,961,964	\$ 44,023,129	\$ 13,938,835
Gross deferred tax liabilities	525,085	458,344	66,741
Net deferred tax assets/(liabilities)	<u>\$ 57,436,879</u>	<u>\$ 43,564,785</u>	<u>13,872,094</u>
Tax effect of foreign exchange unrealized gains (losses)			-
Tax effect of unrealized gains (losses) on investments			11,651
Change in net deferred income tax			<u>\$ 13,883,745</u>

D. The provision for Federal and foreign income taxes incurred is different from that which would be obtained by applying the statutory Federal income tax rate to income before income taxes. The significant items causing this difference are as follows:

	Amount	Tax Effect 21%	Effective Tax Rate
Net Income before taxes per statement of income	\$ (103,076,044)		
Federal Tax benefit on realized losses	<u>(2,403,234)</u>		
Net Income before taxes	(105,479,278)	(22,150,648)	21.0%
Tax exempt income net of proration	(2,367,009)	(497,072)	0.5%
Non deductible expenses	127,152	26,701	0.0%
Prior year (over accrual) under accrual	-	-	0.0%
Prior Year DTA adjustment	-	-	0.0%
Revaluation of DTA	-	-	0.0%
Change in other nonadmitted asset	(7,467,978)	(1,568,275)	1.5%
Total	<u>\$ (115,187,113)</u>	<u>\$ (24,189,294)</u>	<u>22.9%</u>
Federal and foreign income taxes incurred		(10,305,549)	9.8%
Change in net deferred income tax		(13,883,745)	13.2%
Total statutory income taxes		<u>\$ (24,189,294)</u>	<u>22.9%</u>

NOTES TO FINANCIAL STATEMENTS

E. At March 31, 2018

- (1) The Company had no operating loss carryforwards or net capital loss carryforwards
- (2) Estimated annual 2018 income taxes incurred of \$ 15,670,212 and 2017 income taxes incurred \$ - , respectively, will be available for recoupment in the event of future net losses.
- (3) The company has no deposits admitted under Section 6603 of the Internal Revenue Service Code
- (4) The company has zero foreign tax credit carryforwards.

F. The Company files its federal income tax return as part of a consolidated group that is comprised of the following companies:

Arch Capital Group (U.S.) Inc. (Parent of Tax Group)	Arch Reinsurance Company
Arch Excess & Surplus Insurance Company	Arch Re Facultative Underwriters Inc.
Arch Insurance Company	Arch Specialty Insurance Agency Inc.
Arch Insurance Group Inc.	Arch Specialty Insurance Company
Arch Indemnity Insurance Co.	First American Service Corporation
Arch Insurance Solutions Inc.	Arch US MI Holdings Inc.
Arch US MI Services Inc.	Arch Mortgage Insurance Company
Arch Mortgage Guaranty Company	Arch Mortgage Assurance Company
Arch Mortgage Reinsurance Company	Arch Fulfillment Operations Inc.
Arch Underwriters Inc.	United Guaranty Corp.
Arch Credit Risk Services Inc.	United Guaranty Services, Inc.
United Guaranty Mortgage Insurance Company	United Guaranty Partners Insurance Company
United Guaranty Mortgage Insurance Company of North Carolina	United Guaranty Residential Insurance Company
United Guaranty Insurance Company	United Guaranty Residential Insurance Company of North Carolina
Arch Structured Mortgage Insurance Company	United Guaranty Credit Insurance Company
United Guaranty Mortgage Indemnity Company	United Guaranty Commercial Insurance Company of North Carolina

The Company participates in a tax sharing agreement with Arch Capital Group (U.S.) Inc ("Arch U.S."). Under this agreement, the Company's taxes are computed as if it filed a separate tax return. In addition, the Company will receive a current benefit for any of its operating or capital losses and foreign tax credits that are utilized within the Arch U.S. consolidated tax return.

10. Information Concerning Parent, Subsidiaries and Affiliates

No material Change

- C. Effective January 1, 2018, the Company entered into the Master Termination Agreement, pursuant to which the Company terminated its in force quota share agreements with Arch Reinsurance Ltd. This resulted in a return of ceded premium of \$423 million, during the first quarter. Such amount was offset by the applicable ceding commissions. No additional business written by the Company during 2018 shall be ceded to Arch Reinsurance Ltd.

11. Debt

No material change

- B. The Company has no Federal Home Loan Bank agreements.

12. Retirement Plans, Deferred Compensation, Postretirement Benefits and Compensated Absences and other Postretirement Benefit Plans

No material changes

- A. (4) No material changes

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

No material changes

14. Liabilities, Contingencies and Assessments

No material changes

15. Leases

No material changes

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No material changes

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

- A. Transfers of Receivables Reported as Sales

No material changes

- B. Transfer and Servicing of Financial Assets

2. None

4. (a-b) None

- C. Wash Sales

The Company had no wash sales in 2017 and 2016.

18. Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans

No material changes

NOTES TO FINANCIAL STATEMENTS

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No material changes

20. Fair Value Measurements

A. 1. Inputs used for Assets and Liabilities Measured at Fair Value

The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows:

Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities: The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are thus classified as level 1. The Company has no assets or liabilities measured at fair value in this category.

Level 2 – Significant Observable Inputs: This category for items measured at fair value on a recurring basis includes bonds, which are not exchange-traded. The estimated fair values of some of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded. The Company has no assets or liabilities measured at fair value in this category.

Level 3 – Significant Unobservable Inputs: The Company has no assets or liabilities measured at fair value in this category.

The Company reported no assets or liabilities other than the following level 2 securities that are reported at fair value as a result of their NAIC ratings of 3 or below:

Eastern Maine Healthcare Systems, in the amount of \$987,680 at March 31, 2018, with unrealized losses of \$12,320. This security is currently rated "BBB" by S&P.

Marietta GA Dev Auth Rev, in the amount of \$144,216 at March 31, 2018, with unrealized losses of \$784. This security is currently rated "Ba3" by Moody's.

Maryland St Economic Dev Corp Student Hsg Rev, in the amount of \$597,498 at March 31, 2018, with unrealized losses of \$2,502. This security is currently rated "BB+" by S&P.

Montgomery Cnty Pa Indl Dev Auth Health Sys Rev, in the amount of \$1,274,338 at March 31, 2018, with unrealized losses of \$2,600. This security is currently rated "Baa3" by Moody's.

Pima Cnty Ariz Indl Dev Auth Ed Rev, in the amount of \$840,123 at March 31, 2018, with unrealized losses of \$14,804. This security is currently rated "BB" by S&P.

Description for each class of asset or liability	1 (Level 1)	2 (Level 2)	3 (Level 3)	4 (Level 3)	5 Total
a. Assets at fair value					
Bonds					
Special Revenue & Assessment	\$ -	\$ 3,843,854	\$ -	\$ -	\$ 3,843,854
Political Subdivision	\$ -	\$ -	\$ -	\$ -	\$ -
Total Bonds	\$ -	\$ 3,843,854	\$ -	\$ -	\$ 3,843,854
Common Stock					
Parent, Subsidiaries and Affiliates	\$ -	\$ -	\$ -	\$ -	\$ -
Total Common Stocks	\$ -	\$ -	\$ -	\$ -	\$ -
Cash Equivalents					
Exempt MM Mutual Fund	\$ 15,981,624	\$ -	\$ -	\$ -	\$ 15,981,624
Other MM Mutual Fund	2,049,692	-	-	-	2,049,692
Total Cash Equivalents	\$ 18,031,316	\$ -	\$ -	\$ -	\$ 18,031,316
Total assets at fair value	\$ 18,031,316	\$ 3,843,854	\$ -	\$ -	\$ 21,875,170
b. Liabilities at fair value					
Derivatives liabilities	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

2. Rollforward of Level 3 items

Description	Balance January 1, 2018	Transfer into Level 3	Transfer out of Level 3	Total Gains (Losses) Included in Net Income	Total Gains (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Balance March 31, 2018
a. Assets										
Bonds										
Issuer obligations	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Commercial MBS	-	-	-	-	-	-	-	-	-	-
Preferred stocks										
Perpetual	-	-	-	-	-	-	-	-	-	-
Common stocks										
Industrial	-	-	-	-	-	-	-	-	-	-
Subsidiary	-	-	-	-	-	-	-	-	-	-
Mutual funds	-	-	-	-	-	-	-	-	-	-
Other Invested Assets										
Certified Capital Companies	75,000	-	-	-	-	-	-	-	(75,000)	-
Total assets	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (75,000)	\$ -
b. Liabilities										
Derivatives										
Total liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

NOTES TO FINANCIAL STATEMENTS

3. Policy Transfers out of Level 3 items

Not Applicable

4. Inputs and techniques used for Level 2 and Level 3 Fair Values

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted market prices for similar instruments in an active market were utilized. This was accompanied by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with similar features and applies analytic methods to determine the fair value of bonds held. Features that are inputs into the analysis include duration, credit quality, tax status and call and sinking fund features.

The Company determined that its investments in certified capital companies for premium-tax credits, for which there is a low level of transparency around inputs to the valuation process, should be classified within Level 3 of the valuation hierarchy.

The Company had no preferred stock. The Company had no common stocks carried at fair value that were categorized as a Level 1, 2, or 3 for 2018.

5. Derivative Fair Values

Not Applicable

B. Other Fair Value Disclosures

Not Applicable

C. Fair Values for all Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries). The fair values are also categorized into the three-level fair value hierarchy as described in Note 20A.

Type of Financial Instrument	Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Financial instruments - assets						
Bonds	\$1,530,168,530	\$1,550,246,338	\$141,605,139	\$1,388,563,391	\$ -	\$ -
Common stock	-	-	-	-	-	-
Cash, cash equivalents and short-term investments	67,692,665	67,692,665	67,692,665	-	-	-
Other invested assets	-	-	-	-	-	-
Other - Receivable for securities	210,612	210,612	210,612	-	-	-
Securities lending reinvested collateral assets	36,243,963	36,243,963	9,033,433	27,210,530	-	-
Total assets	<u>\$ 1,634,315,770</u>	<u>\$ 1,654,393,578</u>	<u>\$ 218,541,849</u>	<u>\$ 1,415,773,921</u>	<u>\$ -</u>	<u>\$ -</u>
Financial instruments - liabilities						
Payable for securities	\$ 1,990,140	\$ 1,990,140	\$ 1,990,140	\$ -	\$ -	\$ -
Payable for securities lending	36,243,963	36,243,963	9,033,433	27,210,530	-	-
Total liabilities	<u>\$ 38,234,103</u>	<u>\$ 38,234,103</u>	<u>\$ 11,023,573</u>	<u>\$ 27,210,530</u>	<u>\$ -</u>	<u>\$ -</u>

D. Financial Instruments for which not Practicable to Determine Fair Values

Not Applicable

21. Other Items

No material changes

22. Events Subsequent

No material changes

23. Reinsurance

No material changes

E. The Company has reported in its operations in the current year as a result of commutation of reinsurance with the companies listed below, amounts that are reflected as :

(1) Losses Incurred	\$ 5,813,647
(2) Loss adjustment expenses incurred	1,167,211
(3) Premiums earned	-
(4) Other	-
	<u>\$ 6,980,858</u>
(5) Company	
Worldwide Security	\$ 6,980,858
Total	<u>\$ 6,980,858</u>

24. Retrospectively Rated Contracts and Contracts Subject to Re-determination

No material changes

F. None

NOTES TO FINANCIAL STATEMENTS

25. Changes in Incurred Losses and Loss Adjustment Expenses

- A. The company experienced unfavorable development in net incurred loss and loss adjustment expenses of \$1,394,522 in 2018 compared to favorable development on prior years of \$(985,968,682) in 2017. In the current period, the unfavorable development was driven primarily by Workers Compensation. Included in the current period increase, the Company experienced \$392,884 of unfavorable prior year claim development on retrospectively rated policies. However, the business to which it relates is subject to premium adjustments. The favorable development in the prior period involved loss portfolio transfer reinsurance agreements the Company entered into with its affiliate, Arch Reinsurance Ltd, under which the Company agreed to cede to Arch Reinsurance Ltd \$1.0 billion of net loss and loss adjustment expense on prior years. Excluding the impact of the loss portfolio transfer, there was 15.5M of unfavorable development in the prior period, driven by Other Liability – Occurrence.
- B. During the current period, there were no significant changes in methodologies or assumptions used in calculating the liability for unpaid losses and loss adjustment expenses.

26. Intercompany Pooling Arrangements

No material changes

27. Structured Settlements

No material changes

28. Health Care Receivables

No material changes

29. Participating Policies

No material changes

30. Premium Deficiency Reserves

No material changes

31. High Deductibles

No material changes

32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No material changes

33. Asbestos/Environmental Reserves

No material changes

34. Subscriber Savings Accounts

No material changes

35. Multiple Peril Crop Insurance

No material changes

36. Financial Guaranty Insurance

No material changes

- B. None

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [X] No []
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [X] No []
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]
- 2.2 If yes, date of change:
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.
- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [X] No []
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 0000947484
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]
- 4.2 If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
If yes, attach an explanation.
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2017
- 6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014
- 6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 06/09/2016
- 6.4 By what department or departments?
Missouri Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [] No [] N/A [X]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [X] No [] N/A []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$
13. Amount of real estate and mortgages held in short-term investments: \$
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No
- 14.2 If yes, please complete the following:
- | | 1
Prior Year-End
Book/Adjusted
Carrying Value | 2
Current Quarter
Book/Adjusted
Carrying Value |
|---|--|---|
| 14.21 Bonds | \$ | \$ |
| 14.22 Preferred Stock | \$ | \$ |
| 14.23 Common Stock | \$ 446,692,985 | \$ 440,091,903 |
| 14.24 Short-Term Investments | \$ | \$ |
| 14.25 Mortgage Loans on Real Estate | \$ | \$ |
| 14.26 All Other | \$ | \$ |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$ 446,692,985 | \$ 440,091,903 |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$ | \$ |
- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes No
 If no, attach a description with this statement.

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company
GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2\$36,243,963
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2\$36,243,963
- 16.3 Total payable for securities lending reported on the liability page\$36,243,963

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes [X] No []
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
The Bank of New York Mellon	Bank of NY Mellon Center, room 1035, 500 Grant Street Pittsburgh, PA 15258

- 17.2 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

- 17.4 If yes, give full information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
Arch Investment Management Limited	A.....
Wells Capital Group	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's assets? Yes [] No [X]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes [] No [X]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
104973	Arch Investment Management Limited	549300B3H21002L85190	Security & Exchange Commission	DS.....
	Wells Capital Group			NO.....

- 18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed? Yes [X] No []
- 18.2 If no, list exceptions:

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

- Has the reporting entity self-designated 5*GI securities? Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [] N/A [X]
If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [X] No []
If yes, attach an explanation.
Due to commutation of Worldwide Security.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [] No [X]

3.2 If yes, give full and complete information thereto.

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of "tabular reserves") discounted at a rate of interest greater than zero? Yes [X] No []

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Discount Rate	TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 TOTAL	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 TOTAL
Workers Compensation		3.500	78,698		2,766,654	2,845,352	153		1,229,362	1,229,515
		TOTAL	78,698		2,766,654	2,845,352	153		1,229,362	1,229,515

5. Operating Percentages:

5.1 A&H loss percent62.822 %

5.2 A&H cost containment percent2.682 %

5.3 A&H expense percent excluding cost containment expenses64.391 %

6.1 Do you act as a custodian for health savings accounts? Yes [] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date\$.....

6.3 Do you act as an administrator for health savings accounts? Yes [] No [X]

6.4 If yes, please provide the balance of the funds administered as of the reporting date\$.....

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company
SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

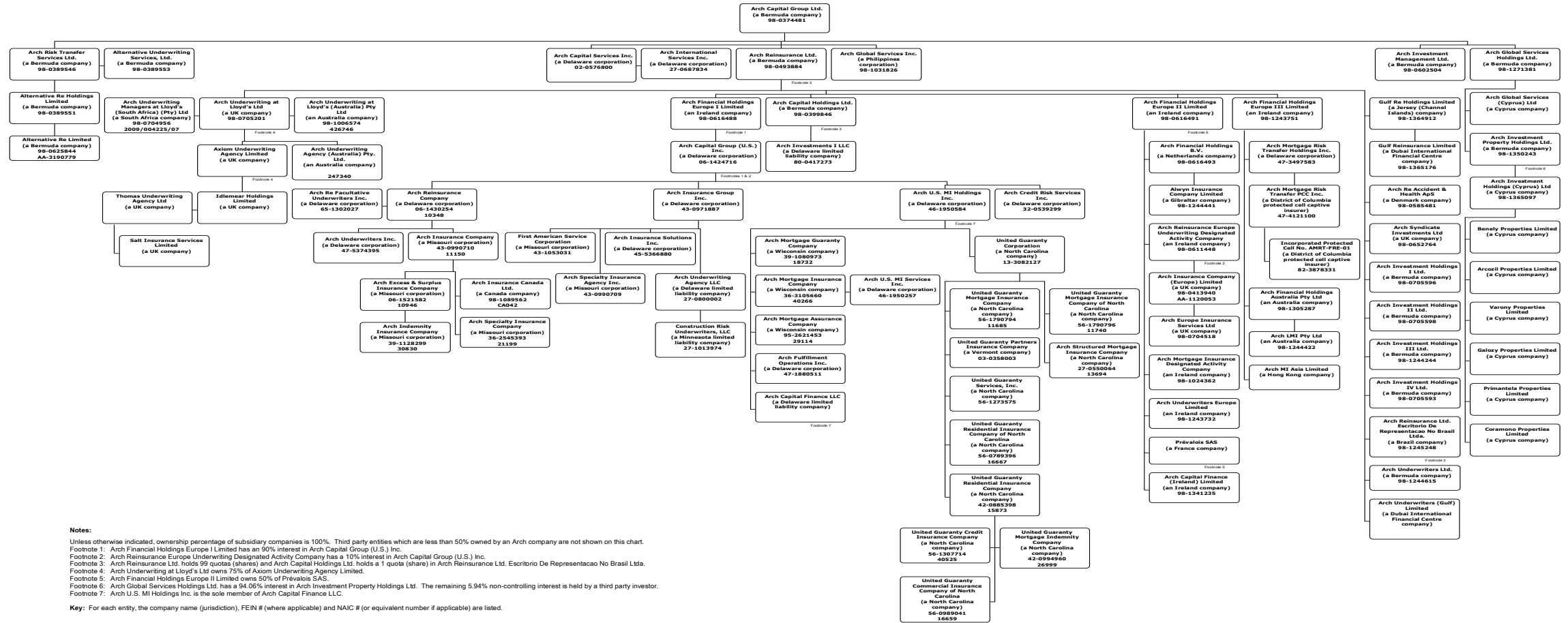
	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama AL	L	8,218,576	8,040,984	3,775,895	4,445,347	40,804,631	36,197,990
2. Alaska AK	L	629,696	171,652	163,973	614,165	11,532,945	10,877,525
3. Arizona AZ	L	2,335,937	1,918,748	805,339	1,117,332	14,366,771	15,274,342
4. Arkansas AR	L	5,315,072	4,550,342	2,610,233	2,270,578	43,213,847	41,203,503
5. California CA	L	105,375,497	111,197,158	31,149,437	30,088,650	700,726,075	635,603,176
6. Colorado CO	L	9,248,819	9,042,247	1,422,660	6,996,982	49,033,082	41,172,454
7. Connecticut CT	L	6,668,929	7,168,232	3,068,173	12,296,809	62,205,745	66,423,729
8. Delaware DE	L	2,626,739	2,498,735	796,688	620,387	19,106,251	45,779,390
9. District of Columbia DC	L	3,496,189	1,097,078	322,714	871,261	17,921,699	19,535,489
10. Florida FL	L	21,916,670	16,711,696	10,947,223	9,836,522	171,994,068	144,272,936
11. Georgia GA	L	12,339,954	11,978,426	7,125,002	8,329,465	76,970,980	66,748,653
12. Hawaii HI	L	597,534	646,888	498,640	225,843	6,869,424	6,033,421
13. Idaho ID	L	1,295,807	1,581,641	487,249	196,146	8,198,209	7,348,550
14. Illinois IL	L	21,951,753	21,728,797	6,524,703	6,915,212	159,874,571	148,342,487
15. Indiana IN	L	7,707,505	7,809,485	2,797,228	3,205,099	40,114,531	40,201,192
16. Iowa IA	L	2,157,175	2,734,122	1,717,807	949,410	26,509,753	21,119,686
17. Kansas KS	L	1,995,380	2,847,539	543,978	601,736	11,179,171	10,502,035
18. Kentucky KY	L	3,425,128	14,261,183	1,646,916	1,672,536	20,677,469	22,939,896
19. Louisiana LA	L	6,351,475	8,184,316	3,042,283	2,935,128	59,932,109	71,567,876
20. Maine ME	L	1,261,095	1,642,664	263,362	144,031	8,922,942	8,274,805
21. Maryland MD	L	15,738,314	13,542,948	2,506,106	5,213,590	48,443,649	60,644,745
22. Massachusetts MA	L	11,645,824	11,338,513	1,264,829	1,405,135	65,092,306	58,540,570
23. Michigan MI	L	13,309,247	13,059,779	5,432,800	6,282,814	56,848,627	58,047,686
24. Minnesota MN	L	4,674,739	3,882,421	2,448,484	633,702	45,014,662	40,612,714
25. Mississippi MS	L	2,102,812	2,788,317	2,431,109	942,738	20,161,527	17,408,257
26. Missouri MO	L	6,108,078	7,791,180	2,714,710	1,294,837	38,734,484	36,384,567
27. Montana MT	L	2,185,703	285,944	317,245	282,141	7,545,913	8,469,427
28. Nebraska NE	L	2,694,194	2,144,316	1,934,745	532,796	19,961,639	19,361,566
29. Nevada NV	L	2,434,254	1,547,765	3,458,962	1,032,775	40,465,988	38,205,407
30. New Hampshire NH	L	2,119,731	2,246,688	205,091	343,893	6,329,773	5,438,480
31. New Jersey NJ	L	17,271,095	18,198,265	10,148,014	7,848,409	129,730,454	126,388,409
32. New Mexico NM	L	1,613,151	1,899,108	341,811	357,952	8,649,530	8,267,508
33. New York NY	L	71,047,165	64,653,782	19,243,694	16,803,497	431,488,620	430,751,527
34. North Carolina NC	L	9,885,304	16,624,952	4,361,662	4,293,873	51,741,765	52,130,242
35. North Dakota ND	L	2,275,529	1,870,026	283,869	536,875	14,467,897	6,983,749
36. Ohio OH	L	9,844,303	13,263,099	7,032,485	5,366,947	45,510,167	46,060,861
37. Oklahoma OK	L	5,595,154	(6,840,294)	1,939,096	3,070,237	29,591,545	30,132,949
38. Oregon OR	L	2,222,686	3,145,705	2,617,524	1,030,691	31,346,646	30,359,654
39. Pennsylvania PA	L	25,054,786	22,350,795	9,097,991	6,475,764	144,481,867	133,137,406
40. Rhode Island RI	L	1,615,309	1,426,141	180,058	344,474	8,827,464	8,446,612
41. South Carolina SC	L	5,173,526	4,461,011	1,939,533	2,168,021	27,534,915	24,131,096
42. South Dakota SD	L	1,713,679	1,101,143	184,106	56,673	2,371,276	2,354,602
43. Tennessee TN	L	5,927,615	5,897,438	1,878,686	2,536,029	39,667,347	37,273,816
44. Texas TX	L	29,837,194	21,702,367	17,264,076	12,873,719	233,994,172	227,645,439
45. Utah UT	L	2,248,958	1,913,360	209,539	1,145,795	11,004,075	10,457,590
46. Vermont VT	L	1,812,040	947,087	116,133	381,016	3,773,830	3,697,042
47. Virginia VA	L	9,724,454	11,797,122	2,437,242	3,035,003	54,764,977	49,909,319
48. Washington WA	L	6,277,020	3,824,851	1,003,812	1,912,948	33,911,241	23,962,575
49. West Virginia WV	L	3,162,422	3,096,622	1,158,527	557,608	22,551,003	12,431,340
50. Wisconsin WI	L	14,963,724	9,157,767	2,400,881	2,438,557	60,075,033	56,604,498
51. Wyoming WY	L	1,021,161	415,532	100,898	146,214	6,877,106	5,579,398
52. American Samoa AS	N						
53. Guam GU	L	1,791	2,500	54,412	55,842	2,886,451	1,895,831
54. Puerto Rico PR	L	24,515	12,637	246,990	40	9,152,531	55,171
55. U.S. Virgin Islands VI	L	1,293	4,112	3,750,000		14,358,743	43,389
56. Northern Mariana Islands MP	N					5	
57. Canada CAN	N	283,946	(119,134)	158,920	47,784	159,694	660,817
58. Aggregate Other Alien OT	XXX	233,221	984,979	478,620	25,093	14,090,510	14,200,736
59. Totals	XXX	516,758,868	496,230,779	191,052,161	185,806,121	3,331,761,703	3,146,094,130
DETAILS OF WRITE-INS							
58001. UGA Uganda	XXX	288,853				76,143	50,258
58002. AFG Afghanistan	XXX	78,723	841,687	358,993	12,480	5,985,611	5,110,381
58003. CYM Cayman Islands	XXX	75,108	3,501			23,664	15,327
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	(209,463)	139,791	119,627	12,613	8,005,092	9,024,770
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	233,221	984,979	478,620	25,093	14,090,510	14,200,736

(a) Active Status Counts:

- L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG 54
- E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - see DSLI)
- D - Domestic Surplus Lines Insurer (DSLII) - Reporting entities authorized to write surplus lines in the state of domicile
- R - Registered - Non-domiciled RRGs
- Q - Qualified - Qualified or accredited reinsurer
- N - None of the above - Not allowed to write business in the state 3

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP PART 1 - ORGANIZATIONAL CHART



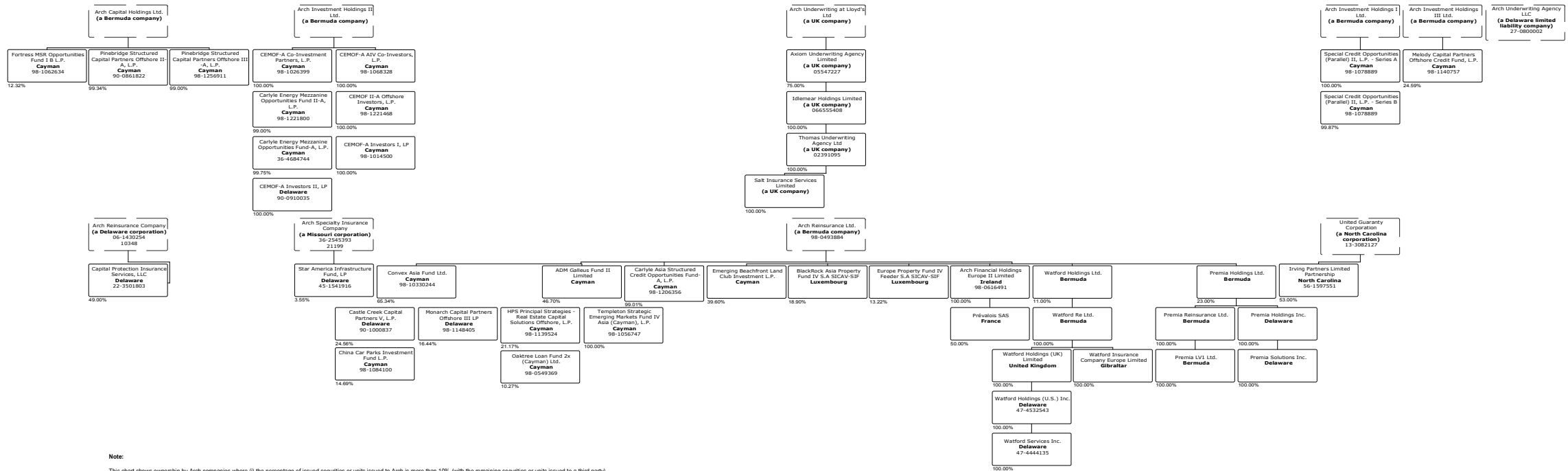
Notes:

Unless otherwise indicated, ownership percentage of subsidiary companies is 100%. Third party entities which are less than 50% owned by an Arch company are not shown on this chart.
 Footnote 1: Arch Financial Holdings Europe I Limited has a 90% interest in Arch Capital Group (U.S.) Inc.
 Footnote 2: Arch Reinsurance Europe Underwriting Designated Activity Company has a 10% interest in Arch Capital Group (U.S.) Inc.
 Footnote 3: Arch Reinsurance Ltd. holds 99 quotas (shares) and Arch Capital Holdings Ltd. holds a 1 quota (share) in Arch Reinsurance Ltd. Escritorio De Representacao No Brasil Ltda.
 Footnote 4: Arch Underwriting at Lloyd's Ltd owns 75% of Axiom Underwriting Agency Limited.
 Footnote 5: Arch Financial Holdings Europe II Limited owns 50% of Prévotais SAS.
 Footnote 6: Arch Global Services Holdings Ltd. has a 94.06% interest in Arch Investment Property Holdings Ltd. The remaining 5.94% non-controlling interest is held by a third party investor.
 Footnote 7: Arch U.S. MI Holdings Inc. is the sole member of Arch Capital Finance LLC.

Key: For each entity, the company name (jurisdiction), FEIN # (where applicable) and NAIC # (or equivalent number if applicable) are listed.

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART I - ORGANIZATIONAL CHART



Note:

This chart shows ownership by Arch companies where (i) the percentage of issued securities or units issued to Arch is more than 10% (with the remaining securities or units issued to a third party) or (ii) the ownership is 100% by Arch, but represents ownership in an entity formed for a particular investment purpose where such investment entity has no operations other than to hold an investment. Each Arch entity is in a "dotted line" box with entities owned by it meeting the criteria set forth in the prior sentence in "solid line" boxes below; there is no ownership relationship between "solid line" boxes.

Key: For each entity, the company name (jurisdiction), FEIN # (where applicable) and NAIC # (or equivalent number if applicable) are listed.

The figures in the chart are at December 31, 2016; such figures are updated on an annual basis in line with normal practices.

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
			98-0374481		947484	NASDAQ	Arch Capital Group Ltd.	.BMU	.UIP						1
			02-0576800				Arch Capital Services Inc.	.DE	.NIA	Arch Capital Group Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0602504				Arch Investment Management Ltd.	.BMU	.NIA	Arch Capital Group Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0493884				Arch Reinsurance Ltd.	.BMU	.IA	Arch Capital Group Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1031826				Arch Global Services Inc.	.PHL	.NIA	Arch Capital Group Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Global Services (Cyprus) Ltd	.CYP	.NIA	Arch Global Services Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Global Services Holdings Ltd.	.BMU	.NIA	Arch Capital Group Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			27-0687834				Arch International Services Inc.	.DE	.NIA	Arch Capital Services Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1244615				Arch Underwriters Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0705201				Arch Underwriting at Lloyd's Ltd	.GBR	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Axiom Underwriting Agency Limited	.GBR	.NIA	Arch Underwriting at Lloyd's Ltd	Ownership	75.000	Arch Capital Group Ltd.		
							Idlemear Holdings Limited	.GBR	.NIA	Axiom Underwriting Agency Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Thomas Underwriting Agency Limited	.GBR	.NIA	Idlemear Holdings Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Salt Insurance Services Limited	.GBR	.NIA	Thomas Underwriting Agency Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Underwriting Agency (Australia) Pty. Ltd.	.AUS	.NIA	Arch Underwriting at Lloyd's Ltd	Ownership	100.000	Arch Capital Group Ltd.		
			98-0399846				Arch Capital Holdings Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0616488				Arch Financial Holdings Europe I Limited	.IRL	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0585481				Arch Re Accident & Health ApS	.DNK	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0652764				Arch Syndicate Investments Ltd	.GBR	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Gulf Re Holdings Limited	.GBR	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Gulf Reinsurance Limited	.ARE	.IA	Gulf Re Holdings Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-0705596				Arch Investment Holdings I Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0705598				Arch Investment Holdings II Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			99-1244244				Arch Investment Holdings III Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0705593				Arch Investment Holdings IV Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Watford Holdings Ltd.	.BMU	.NIA	Arch Reinsurance Ltd.	Ownership	11.100	Arch Capital Group Ltd.		2
							Watford Re Ltd.	.BMU	.IA	Watford Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Watford Holdings (UK) Limited	.GBR	.NIA	Watford Re Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Watford Holdings (U.S.) Inc.	.DE	.NIA	Watford Holdings (UK) Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Watford Insurance Company Europe Limited	.GIB	.IA	Watford Holdings (UK) Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Watford Services Inc.	.DE	.NIA	Watford Holdings (U.S.) Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			99-1245248				Arch Reinsurance Ltd. Escritorio De Representacao Ltda.	.BRA	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1006574				Arch Underwriting at Lloyd's (Australia) Pty Ltd	.AUS	.NIA	Arch Underwriting at Lloyd's Ltd	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Underwriting Managers at Lloyd's (South Africa)(Pty) Limited	.ZAF	.NIA	Arch Underwriting at Lloyd's Ltd	Ownership	100.000	Arch Capital Group Ltd.		
			98-0704956				Arch Investments I LLC	.DE	.NIA	Arch Capital Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			80-0417273				Arch Financial Holdings Europe II Limited	.IRL	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0616491				Arch Financial Holdings Europe III Limited	.IRL	.NIA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1243751				Arch Financial Holdings Europe III Limited	.AUS	.NIA	Arch Financial Holdings Australia Pty Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1244422				Arch LMI Pty Ltd	.AUS	.NIA	Arch Financial Holdings Europe III Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-1305287				Arch Financial Holdings Australia Pty Ltd	.AUS	.NIA	Arch Financial Holdings Europe III Limited	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Mortgage Risk Transfer Holdings Inc.	.DE	.NIA	Arch Mortgage Risk Transfer Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			47-3497583				Arch Mortgage Risk Transfer PCC Inc.	.DC	.IA	Arch Mortgage Risk Transfer Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			47-4121100				Incorporated Protected Cell No. AMRT-FRE-01	.DC	.IA	Arch Mortgage Risk Transfer PCC Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			82-3878331				Arch Financial Holdings B.V.	.NLD	.NIA	Arch Financial Holdings Europe II Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-0616493				Arch Mortgage Insurance Designated Activity Company	.IRL	.IA	Arch Financial Holdings Europe II Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-1024362				Arch Underwriters Europe Limited	.IRL	.NIA	Arch Financial Holdings Europe II Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-1243732				Arch Reinsurance Europe Underwriting Designated Activity Company	.IRL	.IA	Arch Financial Holdings Europe II Limited	Ownership	100.000	Arch Capital Group Ltd.		
			98-0611448												

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
			06-1424716				Arch Capital Group (U.S.) Inc.	DE	NIA	Arch Financial Holdings Europe 1 Limited	Ownership	90.000	Arch Capital Group Ltd.		
			06-1424716				Arch Capital Group (U.S.) Inc.	DE	NIA	Arch Reinsurance Europe Underwriting	Ownership	10.000	Arch Capital Group Ltd.		
			98-0389546				Arch Risk Transfer Services Ltd.	BMJ	NIA	Designated Activity Company	Ownership	100.000	Arch Capital Group Ltd.		
			98-1244441				Alwyn Insurance Company Limited	GIB	IA	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0413940				Arch Reinsurance Europe Underwriting			Arch Financial Holdings B.V.	Ownership	100.000	Arch Capital Group Ltd.		
			06-1430254				Arch Reinsurance Europe Underwriting	GBR	IA	Arch Reinsurance Europe Underwriting	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	10348	47-5374395				Arch Reinsurance Europe Underwriting	DE	IA	Designated Activity Company	Ownership	100.000	Arch Capital Group Ltd.		
			98-0389553				Arch Reinsurance Europe Underwriting	DE	IA	Arch Capital Group (U.S.) Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			98-0389551				Arch Underwriters Inc.	DE	NIA	Arch Reinsurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			98-0704518				Alternative Underwriting Services Ltd.	BMJ	NIA	Arch Risk Transfer Services Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			65-1302027				Alternative Re Holdings Limited	BMJ	NIA	Arch Risk Transfer Services Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
			43-0971887				Arch Europe Insurance Services Ltd	GBR	NIA	Arch Insurance Company (Europe) Limited	Ownership	100.000	Arch Capital Group Ltd.		
			22-3501803				Arch Re Facultative Underwriters Inc.	DE	NIA	Arch Reinsurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			98-0625844				Arch Insurance Group Inc.	DE	NIA	Arch Capital Group (U.S.) Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			27-0800002				Capital Protection Insurance Services, LLC	DE	NIA	Arch Reinsurance Company	Ownership	49.000	Arch Capital Group Ltd.		
			43-0990709				Alternative Re Limited	BMJ	IA	Alternative Re Holdings Limited	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	11150	43-0990710				Arch Underwriting Agency LLC	DE	NIA	Arch Insurance Group Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			43-1053031				Arch Specialty Insurance Agency Inc.	MO	NIA	Arch Insurance Group Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			27-1013974				Arch Insurance Company	MO	RE	Arch Reinsurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			06-1521582				First American Service Corporation	MO	NIA	Arch Insurance Group Inc.	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	10946	36-2545393				Construction Risk Underwriters, LLC	MO	NIA	Arch Underwriting Agency LLC	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	21199	39-1128239				Arch Excess & Surplus Insurance Company	MO	IA	Arch Insurance Company	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	30830	45-5366880				Arch Specialty Insurance Company	MO	IA	Arch Insurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			98-1089562				Arch Indemnity Insurance Company	MO	IA	Arch Excess & Surplus Insurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			46-1950584				Arch Insurance Solutions Inc.	DE	NIA	Arch Insurance Group Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			46-1950584				Arch Insurance Canada Ltd.	CAN	IA	Arch Insurance Company	Ownership	100.000	Arch Capital Group Ltd.		
			46-1950257				Arch U.S. MI Holdings Inc.	DE	NIA	Arch Capital Group (U.S.) Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			47-1880511				Arch Capital Finance LLC	DE	NIA	Arch U.S. MI Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	40266	36-3105660				Arch U.S. MI Services Inc.	DE	NIA	Arch Mortgage Insurance Company	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	18732	39-1080973				Arch Fulfillment Operations Inc.	DE	NIA	Arch U.S. MI Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	29114	95-2621453				Arch Mortgage Insurance Company	WI	IA	Arch U.S. MI Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			98-1341235				Arch Mortgage Guaranty Company	WI	IA	Arch U.S. MI Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Mortgage Assurance Company	WI	IA	Arch U.S. MI Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Investment Holdings (Cyprus) Ltd	CYP	NIA	Arch Investment Property Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Arch Investment Property Holdings Ltd.	BMJ	NIA	Arch Global Services	Ownership	94.060	Arch Capital Group Ltd.		
							Arch Investment Property Holdings Ltd.	BMJ	NIA	AFP Capital Management Limited	Ownership	5.940	Individuals		
							Arch Capital Finance (Ireland) Limited	IRL	NIA	Arch Financial Holdings	Ownership	100.000	Arch Capital Group Ltd.		
							Benely Properties Limited	CYP	NIA	Europe II Limited	Other	100.000	Arch Capital Group Ltd.		
							Arcozil Properties Limited	CYP	NIA	Arch Financial Holdings	Ownership	100.000	Arch Capital Group Ltd.		
							Varony Properties Limited	CYP	NIA		Ownership	100.000	Arch Capital Group Ltd.		
							Galozy Properties Limited	CYP	NIA	Arch Investment Holdings (Cyprus) Ltd	Ownership	100.000	Arch Capital Group Ltd.		
							Primantela Properties Limited	CYP	NIA	Arch Investment Holdings (Cyprus) Ltd	Ownership	100.000	Arch Capital Group Ltd.		
							Coramono Properties Limited	CYP	NIA	Arch Investment Holdings (Cyprus) Ltd	Ownership	100.000	Arch Capital Group Ltd.		
			13-3082127				United Guaranty Corporation	NC	NIA	Arch U.S. MI Holdings	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	11685	56-1790794				United Guaranty Mortgage Insurance Company	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
			56-1790796				United Guaranty Mortgage Insurance Company of North Carolina	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	11740	03-0358003				United Guaranty Partners Insurance Company	VT	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	11463	56-1273575				United Guaranty Services, Inc.	NC	NIA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
			56-0789396				United Guaranty Residential Insurance Company of North Carolina	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	16667	42-0885398				United Guaranty Residential Insurance Company	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	15873	56-1307714				United Guaranty Credit Insurance Company	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	40525									Ownership	100.000	Arch Capital Group Ltd.		

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
1279	Arch Capital Group (U.S.) Inc.	26999	42-0994960				United Guaranty Mortgage Indemnity Company	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	16659	56-0989041				United Guaranty Commercial Insurance Company of North Carolina	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
1279	Arch Capital Group (U.S.) Inc.	13694	27-0550064				Arch Structured Mortgage Insurance Company	NC	IA	United Guaranty Corporation	Ownership	100.000	Arch Capital Group Ltd.		
							Prévalois SAS	FRA	NIA	Arch Financial Holdings Europe II Limited	Ownership	50.000	Arch Capital Group Ltd.		
							Emerging Beachfront Land Club Investment L.P.	CYM	DTH	Arch Reinsurance Ltd.	Ownership	40.000	Arch Capital Group Ltd.		3
							CEMOF-A Co-Investment Partners, L.P.	CYM	DTH	Arch Investment Holdings II Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							Special Credit Opportunities (Parallel) II, L.P. - Series A	CYM	DTH	Arch Investment Holdings I Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							Special Credit Opportunities (Parallel) II, L.P. - Series B	CYM	DTH	Arch Investment Holdings I Ltd.	Ownership	99.870	Arch Capital Group Ltd.		3
							Carlyle Asia Structured Credit Opportunities Fund-A, L.P.	CYM	DTH	Arch Reinsurance Ltd.	Ownership	99.000	Arch Capital Group Ltd.		3
							Fortress MSR Opportunities Fund I B L.P.	CYM	DTH	Arch Capital Holdings Ltd.	Ownership	12.330	Arch Capital Group Ltd.		3
							ADM Galleus Fund II Limited	CYM	DTH	Arch Reinsurance Ltd.	Ownership	47.000	Arch Capital Group Ltd.		3
							Convex Asia Fund Ltd.	CYM	DTH	Arch Reinsurance Ltd.	Board of Directors	65.340	Arch Capital Group Ltd.		3
							Melody Capital Partners Offshore Credit Fund, L.P.	CYM	DTH	Arch Investment Holdings III Ltd.	Ownership	24.590	Arch Capital Group Ltd.		3
							Castle Creek Capital Partners V, L.P.	DE	DTH	Arch Reinsurance Ltd.	Other	24.560	Arch Capital Group Ltd.		3
							HPS Principal Strategies - Real Estate Capital Solutions Offshore, L.P.	CYM	DTH	Arch Reinsurance Ltd.	Other	21.170	Arch Capital Group Ltd.		3
							Pinebridge Structured Capital Partners Offshore II-A, L.P.	CYM	DTH	Arch Capital Holdings Ltd.	Other	99.340	Arch Capital Group Ltd.		3
			45-1541916				Monarch Capital Partners Offshore III LP	DE	DTH	Arch Reinsurance Ltd.	Other	16.440	Arch Capital Group Ltd.		3
							Star America Infrastructure Fund, LP	DE	DTH	Arch Specialty Insurance Company	Ownership	4.000	Arch Capital Group Ltd.		3
							China Car Parks Investment Fund L.P.	CYM	DTH	Arch Reinsurance Ltd.	Ownership	14.690	Arch Capital Group Ltd.		3
							Carlyle Energy Mezzanine Opportunities Fund II-A, L.P.	CYM	DTH	Arch Investment Holdings II Ltd.	Ownership	99.000	Arch Capital Group Ltd.		3
							Templeton Strategic Emerging Markets Fund IV Asia (Cayman), L.P.	CYM	DTH	Arch Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							Carlyle Energy Mezzanine Opportunities Fund-A, L.P.	CYM	DTH	Arch Capital Holdings Ltd.	Ownership	99.750	Arch Capital Group Ltd.		3
							CEMOF-A Investors I, LP	CYM	DTH	Arch Investment Holdings III Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							CEMOF-A Investors II, LP	DE	DTH	Arch Investment Holdings III Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							CEMOF-A AIV Co-Investors, LP	CYM	DTH	Arch Investment Holdings III Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							CEMOF II-A Offshore Investors, L.P.	CYM	DTH	Arch Investment Holdings III Ltd.	Ownership	100.000	Arch Capital Group Ltd.		3
							Oaktree Loan Fund 2x (Cayman) Ltd.	CYM	DTH	Arch Reinsurance Ltd.	Ownership	10.270	Arch Capital Group Ltd.		3
							Pinebridge Structured Capital Partners Offshore III-A, L.P.	CYM	DTH	Arch Capital Holdings Ltd.	Ownership	99.000	Arch Capital Group Ltd.		3
							BlackRock Asia Property Fund IV S.A SICAV-SIF	LUX	DTH	Arch Reinsurance Ltd.	Ownership	23.080	Arch Capital Group Ltd.		3
							Europe Property Fund IV Feeder S.A SICAV-SIF	LUX	DTH	Arch Reinsurance Ltd.	Ownership	13.000	Arch Capital Group Ltd.		3
							Premia Holdings Ltd.	BMJ	NIA	Arch Reinsurance Ltd.	Ownership	23.210	Arch Capital Group Ltd.		4
							Premia Reinsurance Ltd.	BMJ	IA	Premia Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Premia LV1 Ltd.	BMJ	NIA	Premia Reinsurance Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Premia Holdings Inc.	DE	NIA	Premia Holdings Ltd.	Ownership	100.000	Arch Capital Group Ltd.		
							Premia Solutions Inc.	DE	NIA	Premia Holdings Inc.	Ownership	100.000	Arch Capital Group Ltd.		
			32-0539299				Arch Credit Risk Services Inc.	DE	NIA	Arch Capital Group (U.S.) Inc.	Ownership	100.000	Arch Capital Group Ltd.		

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

Asterisk	Explanation
1	Artisan Partners Holdings LP owns over 10% of the common shares of Arch Capital Group Ltd., but disclaims control.
2	Watford Holding Lts. is owned by various shareholders, each holding less than 10% of the voting shares, except for Arch Reinsurance Ltd., which holds approximately 11% of the voting shares of Watford Holding Ltd.
3	Entity is an investment vehicle which is not operated or controlled by Arch.
4	Premia Holdings Ltd. is owned by unaffiliated shareholders, and Arch Reinsurance Ltd. holds approximately 23.21% of the voting shares of Premia Holdings Ltd.

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	548,439	(1,207,360)	(220.1)	15.7
2. Allied Lines	784,358	(5,537,451)	(706.0)	(59.7)
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril	25,370,840	11,618,011	45.8	81.2
6. Mortgage guaranty				
8. Ocean marine	24,099	(648,946)	(2,692.8)	(811.4)
9. Inland marine	28,204,996	17,700,758	62.8	37.5
10. Financial guaranty				
11.1 Medical professional liability - occurrence				
11.2 Medical professional liability - claims-made		3,367		18.5
12. Earthquake	706,982			
13. Group accident and health	13,351,580	6,185,940	46.3	58.7
14. Credit accident and health				
15. Other accident and health	2,611,135	2,001,110	76.6	57.2
16. Workers' compensation	122,771,869	69,968,781	57.0	69.3
17.1 Other liability - occurrence	70,532,873	35,751,830	50.7	53.7
17.2 Other liability - claims-made	72,725,943	30,117,571	41.4	30.8
17.3 Excess workers' compensation	16,231,625	10,432,397	64.3	50.9
18.1 Products liability - occurrence	7,275,505	2,250,584	30.9	29.4
18.2 Products liability - claims-made	43,033	678	1.6	48.9
19.1,19.2 Private passenger auto liability	(2,523,159)	(1,008,762)	40.0	299.5
19.3,19.4 Commercial auto liability	56,104,100	40,113,059	71.5	107.2
21. Auto physical damage	12,466,381	7,677,212	61.6	64.7
22. Aircraft (all perils)		415,971		(218.8)
23. Fidelity	1,374,625	127,106	9.2	75.0
24. Surety	21,448,824	2,269,982	10.6	30.2
26. Burglary and theft	127,649	(3,104)	(2.4)	29.1
27. Boiler and machinery	86,084	14,955	17.4	
28. Credit	20,984,283	15,046,219	71.7	139.8
29. International				
30. Warranty				
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	6,703,797	3,131,444	46.7	25.3
35. Totals	477,955,861	246,421,352	51.6	61.1
DETAILS OF WRITE-INS				
3401. Satellite		(6,438)		
3402. Travel	5,209,199	1,597,903	30.7	65.6
3403. GAP	745,801	806,765	108.2	71.3
3498. Summary of remaining write-ins for Line 34 from overflow page	748,797	733,214	97.9	338.8
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	6,703,797	3,131,444	46.7	25.3

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	568,204	568,204	316,806
2. Allied Lines	520,413	520,413	501,023
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	24,862,731	24,862,731	26,507,689
6. Mortgage guaranty			
8. Ocean marine	5,098	5,098	5,460
9. Inland marine	32,621,233	32,621,233	30,472,503
10. Financial guaranty			
11.1 Medical professional liability - occurrence			
11.2 Medical professional liability - claims-made			71,250
12. Earthquake	610,896	610,896	569,514
13. Group accident and health	22,910,496	22,910,496	19,753,435
14. Credit accident and health			
15. Other accident and health	3,685,374	3,685,374	338,570
16. Workers' compensation	137,703,380	137,703,380	141,062,128
17.1 Other liability - occurrence	78,153,865	78,153,865	82,992,065
17.2 Other liability - claims-made	69,169,823	69,169,823	69,844,528
17.3 Excess workers' compensation	17,587,736	17,587,736	15,437,766
18.1 Products liability - occurrence	10,012,616	10,012,616	9,289,359
18.2 Products liability - claims-made	121,675	121,675	111,892
19.1,19.2 Private passenger auto liability	(2,523,159)	(2,523,159)	(987)
19.3,19.4 Commercial auto liability	59,850,944	59,850,944	55,711,630
21. Auto physical damage	13,067,297	13,067,297	14,918,495
22. Aircraft (all perils)			(17,675)
23. Fidelity	1,268,204	1,268,204	1,167,472
24. Surety	19,454,559	19,454,559	24,063,897
26. Burglary and theft	116,171	116,171	154,898
27. Boiler and machinery	(43,123)	(43,123)	
28. Credit	19,722,559	19,722,559	1,840,674
29. International			
30. Warranty			
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	7,311,876	7,311,876	1,118,389
35. Totals	516,758,868	516,758,868	496,230,779
DETAILS OF WRITE-INS			
3401. GAP	1,081,589	1,081,589	901,076
3402. Travel	5,478,209	5,478,209	996,218
3403. Service Contract	334,939	334,939	442,565
3498. Summary of remaining write-ins for Line 34 from overflow page	417,139	417,139	(1,221,470)
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	7,311,876	7,311,876	1,118,389

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2018 Loss and LAE Payments on Claims Reported as of Prior Year-End	2018 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2018 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)
1. 2015 + Prior	62,055	140,571	202,626	8,964	2,243	11,207	42,739	15,966	138,078	196,783	(10,352)	15,716	5,364
2. 2016	17,965	61,830	79,795	2,997	1,998	4,995	9,162	9,162	61,769	80,093	(5,806)	11,099	5,293
3. Subtotals 2016 + Prior	80,020	202,401	282,421	11,961	4,241	16,202	51,901	25,128	199,847	276,876	(16,158)	26,815	10,657
4. 2017	14,856	104,420	119,276	2,847	1,898	4,745	8,983	8,983	87,302	105,268	(3,026)	(6,237)	(9,263)
5. Subtotals 2017 + Prior	94,876	306,821	401,697	14,808	6,139	20,947	60,884	34,111	287,149	382,144	(19,184)	20,578	1,394
6. 2018	XXX	XXX	XXX	XXX	20,661	20,661	XXX	8,870	249,073	257,943	XXX	XXX	XXX
7. Totals	94,876	306,821	401,697	14,808	26,800	41,608	60,884	42,981	536,222	640,087	(19,184)	20,578	1,394
8. Prior Year-End Surplus As Regards Policyholders	929,779										Col. 11, Line 7 As % of Col. 1 Line 7	Col. 12, Line 7 As % of Col. 2 Line 7	Col. 13, Line 7 As % of Col. 3 Line 7
											1. (20.2)	2. 6.7	3. 0.3
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 0.1

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing a "NONE" report and a bar code will be printed below. If the supplement is required of your company but is not being filed for whatever reason enter SEE EXPLANATION and provide an explanation following the interrogatory questions.

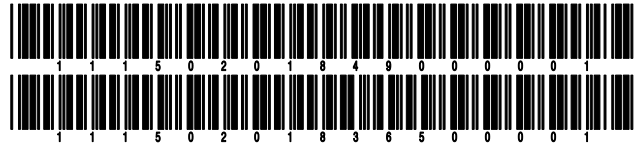
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	YES
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	NO
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	YES

Explanations:

- 1.
- 3.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
3. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Claim deposits	8,314,126		8,314,126	8,813,530
2505. Prepaid assets	10,171,930	10,171,930		
2506. Other assets	7,248,360	7,248,360		
2507. Deferred TPA fees	4,243,350	4,243,350		
2508. Miscellaneous receivables	2,182,712		2,182,712	2,274,249
2597. Summary of remaining write-ins for Line 25 from overflow page	32,160,478	21,663,640	10,496,838	11,087,779

Additional Write-ins for Liabilities Line 25

	1 Current Statement Date	2 December 31, Prior Year
2504. Reserve for deferred TPA fee	4,243,350	3,505,400
2505. Retrospective premium payable	372,770	150,189
2506. Claim recovery suspense	812,246	995,606
2507. Other liabilities	2,667	36,301
2597. Summary of remaining write-ins for Line 25 from overflow page	5,431,033	4,687,496

Additional Write-ins for Schedule T Line 58

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
58004. ARE United Arab Emirates	XXX	58,992	5			17,470	11,143
58005. GBR United Kingdom	XXX	55,785	33,226	29,335	(7,787)	2,159,849	1,868,852
58006. MEX Mexico	XXX	37,261	6,092			32,396	686,906
58007. JPN Japan	XXX	24,263		18		80,899	73,485
58008. IDN Indonesia	XXX	15,152	19			1,779	602
58009. DEU Germany	XXX	14,782	2,961	1,092	2,055	286,334	331,806
58010. BFA Burkina Faso	XXX	13,763				1,014	
58011. ARG Argentina	XXX	12,029	208			2,227	517
58012. KWT Kuwait	XXX	8,489				81,297	35,910
58013. CHN China	XXX	7,670	2,085	4,028	9,181	89,372	91,660
58014. BRB Barbados	XXX	7,266	97	199		1,959	27
58015. QAT Qatar	XXX	7,235				16,472	21,737
58016. BRA Brazil	XXX	6,327	6,728			45,187	45,109
58017. AUS Australia	XXX	6,037	935	401	2,525	74,417	365,234
58018. HKG Hong Kong, Special Administrative Region of China	XXX	5,871	98	4,028		1,425	1,034
58019. CHL Chile	XXX	5,749				772	115
58020. CRI Costa Rica	XXX	5,736				1,012	636
58021. COL Colombia	XXX	5,665	94	8,618		1,661	1,611
58022. PAN Panama	XXX	5,348	260			1,070	60
58023. ECU Ecuador	XXX	5,260	260	1,998		527	110
58024. VGB British Virgin Island	XXX	5,051	1			2,936	2,632
58025. DOM Dominican Republic	XXX	3,721	(2)			699	54
58026. IND India	XXX	3,440	162			242,108	261,353
58027. TTO Trinidad and Tobago	XXX	3,218	1	(11)		4,888	5,382
58028. GTM Guatemala	XXX	3,179	1,398			408	551
58029. PER Peru	XXX	3,161				818	24
58030. VEN Venezuela (Bolivarian Republic of)	XXX	3,022	(6)			2,667	2,447
58031. PHL Philippines	XXX	2,618		4,118		1,911	40,048
58032. ISR Israel	XXX	2,491	(112)		828	22,754	25,744
58033. ESP Spain	XXX	2,263	1,252		2,548	26,391	26,593
58034. BHS Bahamas	XXX	2,258	2			8,114	5,474
58035. SLV El Salvador	XXX	2,181				332,194	334,332
58036. ITA Italy	XXX	2,071	439			832	13,840
58037. KOR Korea, Republic of	XXX	1,866	55		(848)	12,233	22,076
58038. BOL Bolivia	XXX	1,739				4,237	5,317
58039. ZAF South Africa	XXX	1,456	316			33,691	36,347
58040. SUR Suriname	XXX	1,382				729	731
58041. BHR Bahrain	XXX	1,286	233	2,090	4,319	85,206	53,696
58042. PAK Pakistan	XXX	1,222				35,721	37,929
58043. JAM Jamaica	XXX	937	333			5,381	6,324
58044. OMN Oman	XXX	895				342	24
58045. URY Uruguay	XXX	871				49	28
58046. ABW Aruba	XXX	866	258			28	39
58047. TWN Taiwan, Republic of China	XXX	859	296			4,190	4,307
58048. TUR Turkey	XXX	859	1			24,546	26,972
58049. VNM Viet Nam	XXX	859	(31)			415	89
58050. NZL New Zealand	XXX	848	962			25,694	26,811
58051. IRL Ireland	XXX	783	23	19,881	7,926	35,867	49,814
58052. LCA Saint Lucia	XXX	741				170	2
58053. UMI United States Minor Outlying Islands	XXX	727	(11)			395	67
58054. PRT Portugal	XXX	723				556	842
58055. BMU Bermuda	XXX	706	(105)			809,078	1,084,205
58056. SGP Singapore	XXX	604	(92)			18,288	17,961
58057. CYP Cyprus	XXX	479				5,786	6,775
58058. FRA France	XXX	477	93		(4,813)	1,064,782	1,077,230
58059. EGY Egypt	XXX	451				3,532	2,327
58060. BEL Belgium	XXX	424				8,957	6,385
58061. MYS Malaysia	XXX	408	12			88,825	88,990
58062. NLD Netherlands	XXX	380	12	2,025		335,024	367,673
58063. THA Thailand	XXX	355	87			29,147	30,751
58064. RUS Russian Federation	XXX	280	(10)	6,243		151,643	158,867
58065. NIC Nicaragua	XXX	266	48			110	21

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Schedule T Line 58

	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
58066. POL Poland	XXX	259	139			1,183	1,942
58067. ZWE Zimbabwe	XXX	259				674	729
58068. MOZ Mozambique	XXX	214				2,343	2,829
58069. NGA Nigeria	XXX	209				19,905	23,291
58070. LBN Lebanon	XXX	169				3,950	4,765
58071. VCT Saint Vincent and Grenadines	XXX	166				52	
58072. CHE Switzerland	XXX	148	2,151	1,000		77,318	98,058
58073. GLP Guadeloupe	XXX	148				6	2
58074. AUT Austria	XXX	146				1,701	1,946
58075. SWE Sweden	XXX	131		24,780		583,097	616,592
58076. UKR Ukraine	XXX	126				1,433	1,890
58077. MLT Malta	XXX	117				1,126	1,529
58078. TZA Tanzania, United Republic of	XXX	107				1,531	1,740
58079. TCD Chad	XXX	91				2,438	2,554
58080. GUF French Guiana	XXX	90				227	237
58081. GRD Grenada	XXX	89				7	
58082. LKA Sri Lanka	XXX	73				3	
58083. DNK Denmark	XXX	73	64			10,893	7,214
58084. PNG Papua New Guinea	XXX	73				3,226	4,074
58085. PRY Paraguay	XXX	67				26	1
58086. CZE Czech Republic	XXX	55				1,393	1,467
58087. KNA Saint Kitts and Nevis	XXX	39				2	
58088. KEN Kenya	XXX	27	5			3	3
58089. NOR Norway	XXX	25	12			5,371	6,500
58090. TJK Tajikistan	XXX	23				386	542
58091. ARM Armenia	XXX	22				4,578	5,118
58092. BGR Bulgaria	XXX	22				8,519	9,963
58093. SVK Slovakia	XXX	22				2,846	3,876
58094. CAF Central African Republic	XXX	20				105,377	67,638
58095. ROU Romania	XXX	16				1,735	2,213
58096. SWZ Swaziland	XXX	12				3	
58097. CUW Curacao	XXX	6				2	
58098. FJI Fiji	XXX	5				282	348
58099. GAB Gabon	XXX	5				1,811	2,091
58100. MTQ Martinique	XXX						
58101. AGO Angola	XXX					5,769	7,440
58102. ALB Albania	XXX					1,284	1,433
58103. ANT Netherlands Antilles	XXX					3,616	4,199
58104. ATG Antigua and Barbuda	XXX					2,073	2,391
58105. BGD Bangladesh	XXX					3,451	4,026
58106. BIH Bosnia and Herzegovina	XXX					249	276
58107. BLR Belarus	XXX					2	
58108. BRN Brunei Darussalam	XXX					6,545	7,693
58109. BTN Bhutan	XXX					1,201	1,442
58110. CIV Cote d'Ivoire	XXX					4	3
58111. CMR Cameroon	XXX					5,400	5,842
58112. COD Congo, Democratic Republic of the	XXX						38,309
58113. CPV Cape Verde	XXX					5,661	6,585
58114. DMA Dominica	XXX					12	16
58115. DZA Algeria	XXX					338	400
58116. EST Estonia	XXX					11,630	
58117. ETH Ethiopia	XXX					75,913	78,081
58118. FIN Finland	XXX					2,421	3,108
58119. FRO Faroe Islands	XXX					690	736
58120. GGY Guernsey	XXX					3	4
58121. GNQ Equatorial Guinea	XXX					707	944
58122. GRC Greece	XXX					22,565	40,713
58123. GRL Greenland	XXX			17	10,381	81,803	20,047
58124. HND Honduras	XXX		24,994			10,360	2,292
58125. HRV Croatia	XXX					1	1
58126. HTI Haiti	XXX					9	10
58127. HUN Hungary	XXX		(4)		24,500	3,705	4,356
58128. IRN Iran, Islamic Republic of	XXX					16	1
58129. ISL Iceland	XXX					6,117	7,355
58130. KAZ Kazakhstan	XXX					8,496	9,158
58131. KGZ Kyrgyzstan	XXX					7	
58132. KHM Cambodia	XXX					357	366
58133. LBY Libyan Arab Jamahiriya	XXX						
58134. LTU Lithuania	XXX		24			2,979	3,672
58135. LVA Latvia	XXX		15,500			1,865	2,218
58136. MAC Macao, Special Administrative Region of China	XXX					6,423	1,419
58137. MAR Morocco	XXX					4,044	4,621
58138. MCO Monaco	XXX					3,914	5,452
58139. MDG Madagascar	XXX					1	2
58140. MKD Macedonia, Republic of	XXX					1,861	2,061
58141. MMR Myanmar	XXX					2,240	2,650
58142. MNG Mongolia	XXX					3	
58143. MSR Montserrat	XXX			555	47,101	1,494	1,891
58144. MUS Mauritius	XXX					2,627	2,880
58145. NAM Namibia	XXX					4,313	4,979
58146. NCL New Caledonia	XXX					1	1

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Schedule T Line 58

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
58147. NPL Nepal	XXX		5			186	211
58148. NRU Nauru	XXX					549	626
58149. PYF French Polynesia	XXX					3,758	4,645
58150. REU Reunion	XXX					3	5
58151. RWA Rwanda	XXX		35			2	19
58152. SEN Senegal	XXX		16,460			6,716	1,285
58153. SRB Serbia	XXX		518			7,284	8,496
58154. SVN Slovenia	XXX					2	3
58155. SXM Sint-Maarten (Dutch part)	XXX					16	
58156. TGO Togo	XXX					384	397
58157. TUN Tunisia	XXX					3	5
58158. UZB Uzbekistan	XXX					6,264	7,501
58159. VUT Vanuatu	XXX					1,328	1,607
58160. ZMB Zambia	XXX					38	45
58161. ZZZ Satellite	XXX				(85,303)	147,388	244,581
58162. GEO Georgia	XXX	(12)				1,802	2,030
58163. IMN Isle of Man	XXX	(126)				12	
58164. JOR Jordan	XXX	(237)		6,712		5,538	14,226
58165. LUX Luxembourg	XXX	(940)				1,556	1,877
58166. IRQ Iraq	XXX	(7,941)				39,823	5,158
58167. SAU Saudi Arabia	XXX	(55,921)				126,756	64,012
58168. NER Niger	XXX	(518,443)	21,205	2,500		191,586	113,628
58169. DJI Djibouti	XXX						250
58170. FLK Falkland Islands (Malvinas)	XXX						38,309
58171. GUY Guyana	XXX						1
58997. Summary of remaining write-ins for Line 58 from overflow page	XXX	(209,463)	139,791	119,627	12,613	8,005,092	9,024,770

Additional Write-ins for Part 1 Line 34

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
3404. Service Contracts	289,217	307,317	106.3	(6.4)
3405. Debt Cancellation		1,841		3.2
3406. Walk Away	12,493	(22,995)	(184.1)	32.0
3407. Collateral Protection	447,087	448,222	100.3	(25.8)
3408. Excess Workers Compensation		(1,171)		
3497. Summary of remaining write-ins for Line 34 from overflow page	748,797	733,214	97.9	338.8

Additional Write-ins for Part 2 Line 34

Line of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
3404. Collateral Protection	412,172	412,172	(1,219,361)
3405. Walk Away	4,967	4,967	(2,109)
3497. Summary of remaining write-ins for Line 34 from overflow page	417,139	417,139	(1,221,470)

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

	1 Year to Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage investment and commitment fees		
9. Total foreign exchange change in book value/recorded investment including accrued interest		
10. Deduct current year's other than temporary impairment recognized		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	75,000	162,500
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	75,000	87,500
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)		75,000
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		75,000

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	2,930,412,485	2,904,270,102
2. Cost of bonds and stocks acquired	829,605,252	3,082,651,717
3. Accrual of discount	579,906	2,751,076
4. Unrealized valuation increase (decrease)	(6,533,328)	8,961,678
5. Total gain (loss) on disposals	(11,446,187)	(1,674,584)
6. Deduct consideration for bonds and stocks disposed of	1,749,083,123	3,041,714,476
7. Deduct amortization of premium	3,184,494	24,458,886
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		374,142
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10)	1,990,350,512	2,930,412,485
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	1,990,350,512	2,930,412,485

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity
During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	2,368,056,130	1,157,811,142	2,074,733,678	(6,222,478)	1,444,911,115			2,368,056,130
2. NAIC 2 (a)	104,624,861	37,722,198	46,046,547	5,336,744	101,637,256			104,624,861
3. NAIC 3 (a)	8,130,688		105,000	(1,600,185)	6,425,502			8,130,688
4. NAIC 4 (a)	1,783,091		991,585	6,683	798,189			1,783,091
5. NAIC 5 (a)	1,124,730		652,500		472,230			1,124,730
6. NAIC 6 (a)								
7. Total Bonds	2,483,719,500	1,195,533,340	2,122,529,310	(2,479,236)	1,554,244,293			2,483,719,500
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	2,483,719,500	1,195,533,340	2,122,529,310	(2,479,236)	1,554,244,293			2,483,719,500

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$ 3,997,956 ; NAIC 2 \$; NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

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SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals					

NONE

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		39,067,032
2. Cost of short-term investments acquired		2,001,538
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals		41,068,570
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)		
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)		

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

NONE

Schedule DB - Part B - Verification - Futures Contracts

NONE

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

NONE

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

NONE

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

NONE

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE E - PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	70,244,539	
2. Cost of cash equivalents acquired	1,332,162,412	940,027,659
3. Accrual of discount	69,869	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	2,215	(954)
6. Deduct consideration received on disposals	1,380,449,764	869,782,166
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	22,029,272	70,244,539
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	22,029,272	70,244,539

Schedule A - Part 2 - Real Estate Acquired and Additions Made

NONE

Schedule A - Part 3 - Real Estate Disposed

NONE

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

NONE

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

NONE

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE BA - PART 2

Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Designation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
NONE												
4699999 - Totals												XXX

SCHEDULE BA - PART 3

Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter

1 CUSIP Identification	2 Name or Description	Location		5 Name of Purchaser or Nature of Disposal	6 Date Originally Acquired	7 Disposal Date	8 Book/ Adjusted Carrying Value Less Encum- brances, Prior Year	Change in Book/Adjusted Carrying Value						15 Book/ Adjusted Carrying Value Less Encum- brances on Disposal	16 Consid- eration	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Invest- ment Income	
		3 City	4 State					9 Unrealized Valuation Increase (De- crease)	10 Current Year's (Depre- ciation) or (Amorti- zation)/ Accretion	11 Current Year's Other Than Temporary Impair- ment Recogn- ized	12 Capital- ized Deferred Interest and Other	13 Total Change in Book/ Adjusted Carrying Value (9+10- 11+12)	14 Total Foreign Exchange Change in Book/ Adjusted Carrying Value							
007888-AA-4	AEGIS ALABAMA VENTURE FUND LP		AL	Aegis Alabama Venture Fund LP	12/31/2016	03/31/2018	75,000							75,000	75,000				23,638	
2199999. Joint Venture Interests - Other - Unaffiliated							75,000							75,000	75,000				23,638	
4499999. Total - Unaffiliated							75,000							75,000	75,000				23,638	
4599999. Total - Affiliated																				
4699999 - Totals							75,000							75,000	75,000				23,638	

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STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
912828-3B-4	UNITED STATES TREASURY		.03/21/2018	BANC OF AMERICA/FIXED INCOME		5,004,074	5,000,000	11,459	1
912828-3F-5	UNITED STATES TREASURY		.01/29/2018	VARIOUS		7,467,598	7,750,000	35,537	1
912828-3J-7	UNITED STATES TREASURY		.01/03/2018	BARCLAYS CAPITAL INC.		48,242,305	49,000,000	101,755	1
912828-3N-8	UNITED STATES TREASURY		.01/17/2018	MERRILL LYNCH PIERCE FENNER		1,495,371	1,500,000	1,476	1
912828-3O-1	UNITED STATES TREASURY		.01/30/2018	VARIOUS		3,179,406	3,200,000	2,541	1
912828-3S-7	UNITED STATES TREASURY		.02/08/2018	VARIOUS		81,070,563	81,200,000	30,343	1
912828-3T-5	UNITED STATES TREASURY		.03/28/2018	VARIOUS		10,896,015	10,900,000	19,887	1
912828-3U-2	UNITED STATES TREASURY		.02/21/2018	VARIOUS		180,525,712	181,770,000	48,381	1
912828-3V-0	UNITED STATES TREASURY		.01/29/2018	WELLS FARGO SECURITIES LLC		4,958,594	5,000,000		1
912828-3Y-4	UNITED STATES TREASURY		.03/14/2018	TD SECURITIES (USA) LLC		14,996,484	15,000,000	13,757	1
912828-4B-0	UNITED STATES TREASURY		.01/08/2018	BARCLAYS CAPITAL INC.		29,640,234	30,000,000	65,934	1
912828-4G-0	UNITED STATES TREASURY		.01/11/2018	VARIOUS		71,160,697	71,630,000	26,068	1
912828-4X-9	UNITED STATES TREASURY		.01/30/2018	JP Morgan Securities Inc.		30,048,045	30,428,400	11,216	1
0599999. Subtotal - Bonds - U.S. Governments						488,685,098	492,378,400	368,353	XXX
68323A-ES-9	ONTARIO, PROVINCE OF		.02/06/2018	TD SECURITIES (USA) LLC		4,993,400	5,000,000		1FE
1099999. Subtotal - Bonds - All Other Governments						4,993,400	5,000,000		XXX
189342-UP-1	GLOVIS CALIF UNL SCH DIST		.02/07/2018	RAYMOND JAMES & ASSOCIATES INC.		3,935,232	5,040,000		1FE
386448-EN-0	GRAND RIVER HOSP DIST COLO		.01/12/2018	BAUM, GEORGE K., & COMPANY		1,010,519	845,000		1FE
2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						4,945,751	5,885,000		XXX
19658Q-DH-7	COLORADO SCH MINES INSTL ENTERPRISE REV		.02/02/2018	CITIGROUP GLOBAL MARKETS, INC./CORRESPON		1,137,050	1,000,000	7,500	1FE
20282E-AG-1	COMMONWEALTH FING AUTH PA TOB MASTER SET		.02/14/2018	Jefferies		1,124,560	1,000,000		1FE
3130AD-UJ-9	FEDERAL HOME LOAN BANKS		.03/15/2018	TD SECURITIES (USA) LLC		7,998,560	8,000,000		1
41423P-AW-7	HARRIS CNTY TEX TOLL RD REV		.02/08/2018	GOLDMAN		1,155,290	1,000,000		1FE
650035-5Z-7	NEW YORK ST URBAN DEV CORP REV		.01/09/2018	JEFFERIES & CO. - BONDS DIRECT		16,307,445	16,500,000	30,892	1FE
880591-EV-0	TENNESSEE VALLEY AUTHORITY		.03/05/2018	MORGAN STANLEY & CO. LLC		19,956,800	20,000,000		1
3199999. Subtotal - Bonds - U.S. Special Revenues						47,679,705	47,500,000	38,392	XXX
00084D-AD-3	ABN AMRO BANK NV	C.	.01/09/2018	CITIGROUP GLOBAL MARKETS INC.		5,996,400	6,000,000		1FE
032654-AR-6	ANALOG DEVICES INC		.03/08/2018	MERRILL LYNCH PIERCE FENNER SMITH INC		4,978,600	5,000,000		2FE
035240-AJ-9	ANHEUSER-BUSCH INBEV WORLDWIDE INC	C.	.03/20/2018	BARCLAYS CAPITAL INC.		1,990,140	2,000,000		1FE
035242-AL-0	ANHEUSER-BUSCH INBEV FINANCE INC	C.	.01/26/2018	MORGAN STANLEY & CO. LLC		6,057,960	6,000,000	98,450	2FE
06051G-FW-4	BANK OF AMERICA CORP		.01/18/2018	MERRILL LYNCH PIERCE FENNER		8,984,250	9,000,000	61,031	1FE
06051G-HF-9	BANK OF AMERICA CORP		.02/28/2018	MERRILL LYNCH PIERCE FENNER SMITH INC		5,000,000	5,000,000		1FE
06739F-JJ-1	BARCLAYS BANK PLC	C.	.02/27/2018	R.W. PRESSPRICH & CO., INC.		4,941,200	5,000,000	18,403	1FE
14913Q-2G-3	CATERPILLAR FINANCIAL SERVICES CORP		.03/13/2018	JP Morgan Securities Inc.		7,995,680	8,000,000		1FE
17305E-GL-3	CCCIT 18A2 A2 - ABS		.01/25/2018	CITIGROUP GLOBAL MARKETS INC.		24,000,000	24,000,000		1FE
17325F-AL-2	CITIBANK NA		.02/08/2018	CITIGROUP GLOBAL MARKETS INC.		9,999,400	10,000,000		1FE
233851-DB-7	DAIMLER FINANCE NORTH AMERICA LLC	C.	.02/15/2018	CITIGROUP GLOBAL MARKETS INC.		4,992,600	5,000,000		1FE
361886-BK-9	GFORT 182 A1 - ABS		.03/21/2018	JP MORGAN SECURITIES INC.		14,999,796	15,000,000		1FE
380881-EK-4	GOCT 181A A - ABS	A.	.01/22/2018	RBC CAPITAL MARKETS		37,499,329	37,500,000		1FE
43814U-AC-3	HAROT 181 A3 - ABS		.02/21/2018	Societe Generale		8,498,901	8,500,000		1FE
43814U-AD-1	HAROT 181 A4 - ABS		.02/21/2018	Societe Generale		5,198,712	5,200,000		1FE
468223-AD-4	JACKSON LABORATORY		.03/12/2018	BARCLAYS CAPITAL INC.		1,600,000	1,600,000		1FE
468223-AF-9	JACKSON LABORATORY		.03/12/2018	BARCLAYS CAPITAL INC.		1,415,000	1,415,000		1FE
58772Q-AD-8	MBALT 18A A3 - ABS		.01/17/2018	MITSUBISHI UFJ SECURITIES		9,999,174	10,000,000		1FE
65474Q-BF-5	NISSAN MOTOR ACCEPTANCE CORP	C.	.03/15/2018	CITIGROUP GLOBAL MARKETS INC.		2,996,370	3,000,000		1FE
806851-AC-5	SCHLUMBERGER HOLDINGS CORP		.02/27/2018	Societe Generale		7,167,085	7,162,000	41,778	2FE
857477-AY-9	STATE STREET CORP		.01/25/2018	MORGAN STANLEY & CO. LLC		4,518,750	5,000,000	16,178	2FE
865622-CJ-1	SUMITOMO MITSUI BANKING CORP	C.	.03/01/2018	SMBC NIKKO SECURITIES AMERICA, INC.		6,000,000	6,000,000		1FE
86787E-AU-1	SUNTRUST BANK		.01/26/2018	SUNTRUST ROBINSON HUMPHREY INC		10,000,000	10,000,000		2FE
89236T-EJ-0	TOYOTA MOTOR CREDIT CORP	C.	.01/08/2018	MERRILL LYNCH PIERCE FENNER SMITH INC		19,982,200	20,000,000		1FE
89236T-EL-5	TOYOTA MOTOR CREDIT CORP	C.	.01/08/2018	MERRILL LYNCH PIERCE FENNER SMITH INC		14,991,600	15,000,000		1FE
90331H-NL-3	US BANK NA		.03/09/2018	US BANCORP		6,602,783	6,700,000	26,521	1FE
949746-SK-8	WELLS FARGO & CO		.03/13/2018	WELLS FARGO ADVISORS LLC		9,831,500	10,000,000	43,478	1FE
94988J-5L-7	WELLS FARGO BANK NA		.01/16/2018	WELLS FARGO SECURITIES LLC		14,987,400	15,000,000		1FE
981464-CI-8	WFMNT 12A A - ABS		.02/05/2018	WELLS FARGO ADVISORS LLC		22,076,470	21,875,000	34,649	1FE
8999999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						283,301,300	283,952,000	340,488	XXX
8399997. Total - Bonds - Part 3						829,605,253	834,715,400	747,233	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						829,605,253	834,715,400	747,233	XXX
8999997. Total - Preferred Stocks - Part 3							XXX		XXX

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STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE D - PART 3

Show All Long-Term Bonds and Stock Acquired During the Current Quarter

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Desig- nation or Market Indicator (a)	
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	
8999999. Total - Preferred Stocks							XXX		XXX	
9799997. Total - Common Stocks - Part 3							XXX		XXX	
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	
9799999. Total - Common Stocks							XXX		XXX	
9899999. Total - Preferred and Common Stocks							XXX		XXX	
9999999 - Totals							829,605,253	XXX	747,233	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

NONE

Schedule DB - Part B - Section 1 - Futures Contracts Open

NONE

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

NONE

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

NONE

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

NONE

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

NONE

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets reported in aggregate on Line 10 of the Assets page and not included on Schedules A, B, BA, D, DB and E)

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation/ Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Date
000000-00-0	US GOVERNMENT MORTGAGES		1	27,210,530	27,210,530	
0299999	Subtotal - Bonds - U.S. Governments - Residential Mortgage-Backed Securities			27,210,530	27,210,530	XXX
0599999	Total - U.S. Government Bonds			27,210,530	27,210,530	XXX
1099999	Total - All Other Government Bonds					XXX
1799999	Total - U.S. States, Territories and Possessions Bonds					XXX
2499999	Total - U.S. Political Subdivisions Bonds					XXX
3199999	Total - U.S. Special Revenues Bonds					XXX
3899999	Total - Industrial and Miscellaneous (Unaffiliated) Bonds					XXX
4899999	Total - Hybrid Securities					XXX
5599999	Total - Parent, Subsidiaries and Affiliates Bonds					XXX
6099999	Subtotal - SVO Identified Funds					XXX
6199999	Total - Issuer Obligations					XXX
6299999	Total - Residential Mortgage-Backed Securities			27,210,530	27,210,530	XXX
6399999	Total - Commercial Mortgage-Backed Securities					XXX
6499999	Total - Other Loan-Backed and Structured Securities					XXX
6599999	Total - SVO Identified Funds					XXX
6699999	Total Bonds			27,210,530	27,210,530	XXX
7099999	Total - Preferred Stocks					XXX
7599999	Total - Common Stocks					XXX
7699999	Total - Preferred and Common Stocks					XXX
262006-20-8	DREYFUS GOVERN CASH			9,033,433	9,033,433	
9199999	Total - Cash Equivalents (Schedule E Part 2 type)			9,033,433	9,033,433	XXX
9999999	Totals			36,243,963	36,243,963	XXX

General Interrogatories:

- Total activity for the year Fair Value \$(152,119,191) Book/Adjusted Carrying Value \$(152,119,191)
- Average balance for the year Fair Value \$89,717,061 Book/Adjusted Carrying Value \$89,717,061
- Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
 NAIC 1 \$36,243,963 NAIC 2 \$ NAIC 3 \$ NAIC 4 \$ NAIC 5 \$ NAIC 6 \$

**SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS**

Reinvested Collateral Assets Owned Current Statement Date

(Securities lending collateral assets included on Schedules A, B, BA, D, DB and E and not reported in aggregate on Line 10 of the Assets page)

1 CUSIP Identification	2 Description	3 Code	4 NAIC Designation/ Market Indicator	5 Fair Value	6 Book/Adjusted Carrying Value	7 Maturity Date
NONE						
9999999 - Totals						XXX

General Interrogatories:

1. Total activity for the year
2. Average balance for the year

Fair Value \$ Book/Adjusted Carrying Value \$
 Fair Value \$ Book/Adjusted Carrying Value \$

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Bank of America South Portland, ME		0.000			36,458,344	32,153,526	3,839,522	.XXX.
JP Morgan Chase New York, NY		0.000			48,098,841	65,918,440	25,335,331	.XXX.
Branch Banking & Trust Co Greensboro, NC		0.000			6,448,469	6,448,469	6,448,469	.XXX.
WC Fund Wachovia Atlanta, GA		0.000			1,808	1,808	1,808	.XXX.
US Bank Surety Lockbox St. Paul, MN		0.000			2,317	2,082	1,822	.XXX.
Bank of New York Mellon New York, NY		0.000			5,005,645	948,587	10,036,441	.XXX.
0199998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories	XXX	XXX						XXX
0199999. Totals - Open Depositories	XXX	XXX			96,015,424	105,472,912	45,663,393	XXX
0299998. Deposits in ... depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories	XXX	XXX						XXX
0299999. Totals - Suspended Depositories	XXX	XXX						XXX
0399999. Total Cash on Deposit	XXX	XXX			96,015,424	105,472,912	45,663,393	XXX
0499999. Cash in Company's Office	XXX	XXX	XXX	XXX				XXX
.....								
.....								
.....								
.....								
.....								
0599999. Total - Cash	XXX	XXX			96,015,424	105,472,912	45,663,393	XXX

STATEMENT AS OF MARCH 31, 2018 OF THE Arch Insurance Company
SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Amount Received During Year
0599999. Total - U.S. Government Bonds								
1099999. Total - All Other Government Bonds								
1799999. Total - U.S. States, Territories and Possessions Bonds								
2499999. Total - U.S. Political Subdivisions Bonds								
3199999. Total - U.S. Special Revenues Bonds								
	Koch Resources, LLC		.03/29/2018	1.849	.04/11/2018	3,997,956		613
3299999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated) - Issuer Obligations								
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds								
4899999. Total - Hybrid Securities								
5599999. Total - Parent, Subsidiaries and Affiliates Bonds								
6099999. Subtotal - SVO Identified Funds								
7799999. Total - Issuer Obligations								
7899999. Total - Residential Mortgage-Backed Securities								
7999999. Total - Commercial Mortgage-Backed Securities								
8099999. Total - Other Loan-Backed and Structured Securities								
8199999. Total - SVO Identified Funds								
8399999. Total Bonds								
262006-20-8	DREYFUS GOVT CASH MGT INSTL 289		.03/29/2018		XXX	9,701,488		
4812C2-68-4	JPMORGAN:US GVT MM; INST		.03/31/2018	1.550	XXX	6,276,592		17,468
60934N-10-4	FEDERATED GOVT OBL; INST		.03/01/2018	1.570	XXX	1,542	.2	.3
94975H-29-6	WELLS FRGO TREASURY PLUS CL I MMF		.03/02/2018	1.490	XXX	2,003	.2	.2
8599999. Subtotal - Exempt Money Market Mutual Funds - as Identified by the SVO								
26202K-20-5	DREYFUS AMT-F TE CM; INST		.03/15/2018	1.270	XXX	2,044,867	1,466	759
4812A2-60-3	JPMORGAN:PRIME MM; INST		.03/31/2018	1.840	XXX	4,825		
8699999. Subtotal - All Other Money Market Mutual Funds								
8899999 - Total Cash Equivalents								

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SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2018 OF THE Arch Insurance Company

Designate the type of health care providers reported on this page:
Hospitals

**SUPPLEMENT A TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 No. of Claims		6 Amount Reported	7 No. of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE					3,673			67,648
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY					1,986			77,643
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI					(666)			1,437
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CAN								
58. Aggregate Other Aliens OT								
59. Totals					4,993			146,728
DETAILS OF WRITE-INS								
58001.								
58002.								
58003.								
58998. Summary of remaining write-ins for Line 58 from overflow page								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)								



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2018 OF THE Arch Insurance Company

Designate the type of health care providers reported on this page:
Other health care facilities

**SUPPLEMENT A TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES**

States, etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 No. of Claims		6 Amount Reported	7 No. of Claims	
1. Alabama AL								
2. Alaska AK								
3. Arizona AZ								
4. Arkansas AR								
5. California CA								
6. Colorado CO								
7. Connecticut CT								
8. Delaware DE								
9. District of Columbia DC								
10. Florida FL								
11. Georgia GA								
12. Hawaii HI								
13. Idaho ID								
14. Illinois IL								
15. Indiana IN								
16. Iowa IA								
17. Kansas KS								
18. Kentucky KY								
19. Louisiana LA								
20. Maine ME								
21. Maryland MD								
22. Massachusetts MA								
23. Michigan MI								
24. Minnesota MN								
25. Mississippi MS								
26. Missouri MO								
27. Montana MT								
28. Nebraska NE								
29. Nevada NV								
30. New Hampshire NH								
31. New Jersey NJ								
32. New Mexico NM								
33. New York NY					(1,626)			6,167
34. North Carolina NC								
35. North Dakota ND								
36. Ohio OH								
37. Oklahoma OK								
38. Oregon OR								
39. Pennsylvania PA								
40. Rhode Island RI								
41. South Carolina SC								
42. South Dakota SD								
43. Tennessee TN								
44. Texas TX								
45. Utah UT								
46. Vermont VT								
47. Virginia VA								
48. Washington WA								
49. West Virginia WV								
50. Wisconsin WI								
51. Wyoming WY								
52. American Samoa AS								
53. Guam GU								
54. Puerto Rico PR								
55. U.S. Virgin Islands VI								
56. Northern Mariana Islands MP								
57. Canada CAN								
58. Aggregate Other Aliens OT								
59. Totals					(1,626)			6,167
DETAILS OF WRITE-INS								
58001.								
58002.								
58003.								
58998. Summary of remaining write-ins for Line 58 from overflow page								
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)								



SUPPLEMENT FOR THE QUARTER ENDING MARCH 31, 2018 OF THE Arch Insurance Company

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended MARCH 31, 2018

NAIC Group Code 1279

NAIC Company Code 11150

Company Name Arch Insurance Company

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$20,216,650	\$26,938,932	\$13,760,208

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [] No [X]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [] No [X]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies
- 2.31 Amount quantified:.....\$
- 2.32 Amount estimated using reasonable assumptions:.....\$
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies.\$