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PRESIDENT’S LETTER
The Real Strength Behind the Numbers

When the National Insurance Crime Bureau (NICB) began operating in 1912, many of the numbers we tallied were fairly basic: cars reported stolen, the number of vehicle identifications we made and the value of those subsequent recoveries.

Today, our measurement metrics — not to mention the technology we utilize to obtain them — are much more complex. Yet what has not changed in the past 103 years is that underlying every number and each statistic is the collective tenacity and muscle of the NICB, our members and partners.

When fighting insurance fraud and vehicle theft, there truly is strength in numbers.

However, numbers only tell part of the story. That is why our annual report delves beneath the raw data to explain how NICB team members create value, and progress against insurance crime.

Everything at the NICB begins with the number 1,100. With the support of our nearly 1,100 members, associate members and strategic partners, as well as the extraordinary direction of our Board of Governors and Advisors, we can hire the best and brightest talent.

From there, we connect with law enforcement agencies, prosecutors and legislative leaders to support anti-crime initiatives and task forces. And this collective strength then all flows directly into programs and services that benefit NICB members and the American public.

Among the ways we deliver results year after year is by continually reaching out to members to survey your needs and determine what you value and consider most relevant in your NICB membership. Then together, we make things happen. For example, in 2015, we:

• Generated more than $1.5 million from other revenue sources beyond membership assessments to support our operational programming;
• Revised our member benefit report so that its statistics are more reflective of today’s fraud-fighting landscape, and;
• Established programs, offices and task forces in areas strategically and geographically relevant to where insurance crimes are most prevalent.

While you’ll read about many qualitative strengths behind the statistics in this annual report, we recognize that we’re also evaluated on the quantitative return that we deliver on your membership investment. Here are just a few numbers from 2015 that we’re particularly proud to share:

• A 4.6 out of 5 customer satisfaction rating (our highest ever);
• A 92 percent performance rating in our operational goals;
• 99 cents of every membership dollar is used for anti-fraud programming;
• A growing count of nearly 400 NICB team members who engage in our employee benefits that include health wellness programming, remote work options and a retirement plan with 95 percent employee participation;
• An overall 18:1 return on membership investment that includes industry value-added activities for law enforcement training and public awareness.

During my public presentations, I oftentimes compare fighting insurance crime to a chess game. At times, scam artists beat us to a place on the board, thus forcing us to react to their move. But more often than not, we’re now anticipating their next move. Thanks to your support and participation in our united efforts, more criminals are facing “checkmate” today than ever before.

Joseph H. Wehrle, Jr.
President and Chief Executive Officer

MORE CRIMINALS ARE FACING ‘CHECKMATE’ TODAY THAN EVER BEFORE.

"
Year after year, our Data Analytics team members measure up — and then some — with ever-higher achievements. Whether creating new technologies, developing strategic partnerships or honing existing practices, they’re all committed to one objective: helping NICB members and strategic partners better detect and stop insurance crime.

Establishing affiliations with other technology organizations is a growing focus of our Data Analytics efforts. With so many claims-oriented external data sources now available, we’ve assumed a lead role in determining how they can be integrated with the NICB’s core functions to support the fight against insurance fraud and vehicle theft.

For example, in 2015, we created or enhanced data partnerships and alliances with:

- **INTERTEL**, a worldwide provider of medical canvassing services, is providing the NICB with information that assists analysts with medical provider and facility verification. Analysts are using INTERTEL information to augment NICB MedAWARE™ Alerts, which provide NICB members with thorough and timely information to make better claim decisions.
- **Safelite**, the nation’s largest auto glass repair and replacement service provider, to leverage auto glass claims data they collect and which are provided to the NICB via the Insurance Services Office (ISO). Our analysts examine Safelite claim frequencies, for example, to look for potential glass shop involvement in fraudulent repair schemes. We also participate in monthly teleconferences with the Safelite special investigation unit (SIU) to discuss topical issues, which have led to several NICB ForeWARN™ Alerts.
- **GuideWire Software**, a global provider of information technology products to property-casualty insurers, so that our mutual customers can leverage the significance of our information — such as ForeWARN Alerts, prosecutive and administrative actions, closed case principal data and questionable claims investigative suspects — directly into the GuideWire products. The NICB will receive analytical output from this alliance to support our efforts.

Our development efforts grew as well during the past year with the creation of a mobile version of VINassist™. Using this app, NICB agents — and shortly law enforcement — can key in and decode a vehicle identification number (VIN) or take a photograph that allows the app to do the decoding in the VINassist program.

Looking at a few of Data Analytics’ numbers from 2015:

- **Our Commercial Neutral Claims Initiative**, in which we analyze commercial workers’ compensation, liability and property claims before they are referred to the NICB as questionable, resulted in 78 Strategic Alerts and 16 investigative case openings.
- **We issued more than 3,300 alerts to advise members of fraud schemes, crime forecasts and case developments.**
- **Our Investigative Assistance (IA) Group fielded 88,833 calls, which led to 1,197 assisted vehicle recoveries and 645 secondary VIN vehicle recoveries. They also received 391 heavy equipment theft calls, improved their overall service level to almost 91 percent and reduced the abandoned call rate to approximately 2.6 percent. A 2015 customer survey revealed that 98 percent of participants were very satisfied with the information provided by our IA Group.**

The strength behind these numbers and partnerships is a growing Data Analytics team that demonstrates remarkable coordination, commitment and enthusiasm for our efforts. Whether working from home, in the field or shared workspace in our headquarters office, they measure up with knowledge and solutions that support the fight against insurance crime.

<table>
<thead>
<tr>
<th><strong>THE NUMBERS</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>120,528</strong></td>
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<tr>
<td><strong>52</strong></td>
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<td><strong>722</strong></td>
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<td><strong>2,758</strong></td>
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</table>

<table>
<thead>
<tr>
<th><strong>DATA ANALYTICS</strong></th>
</tr>
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<tr>
<td><strong>Measuring Up…And Then Some</strong></td>
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</tbody>
</table>
INVESTIGATIONS
Countless Relationships Lead to Big Results

If you tried counting the number of relationships our investigators have with members, strategic partners, law enforcement agencies, prosecutors and others involved in uncovering and stopping insurance crime … well, we’re not sure any single person could tally them all. Regardless of what the figure is we know each and every one of these countless relationships can deliver big results.

Our catastrophe fraud prevention programs and operations are a perfect example. Last year, we teamed up with the Texas Department of Insurance, law enforcement agencies and member company SHUs to conduct a weeklong educational program in Dallas about roofing and related hail fraud. Soon afterward, tornadoes unexpectedly hit the state. Thanks to the partnerships established during our training, we helped NICB members mitigate the potential for significant fraud perpetrated by unscrupulous roofing contractors and others not licensed to conduct repairs.

NICB investigative relationships played a key role in a number of other anti-crime initiatives in 2015, including:

• Working with auto auction companies to streamline the process of identifying water-damaged vehicles following floods in Texas and South Carolina.
• Being invited by the International Criminal Police Organization (INTERPOL) to a conference in Buenos Aires, Argentina, where we led a presentation on vehicle theft trends and investigative techniques. The NICB was one of only two U.S. organizations at this gathering where we shared information and established relationships with law enforcement agencies from the eight other representative nations.
• Hosting the NICB’s inaugural cargo/heavy equipment theft conference in Los Angeles, which was well attended by freight and logistics firms, members and law enforcement agencies.

NICB task forces and case investigations nationwide continually create and build upon relationships to target fraud and theft criminals. Some examples from the past year, whose numbers speak for themselves:

• Our South Florida Major Medical Fraud Task Force completed a two-year investigation of the operators of a rehabilitation clinic who staged traffic accidents and billed 14 NICB member insurers for fake injuries and services not rendered. Following their trial, the defendants were sentenced to nine years in prison and ordered to pay $1.9 million in restitution.
• We worked with federal and local law enforcement agencies and the U.S. Attorney’s Office for the Southern District of New York on a 19-month investigation, which resulted in seven people being charged with conspiracy to export and transport stolen cars loaded into shipping containers bound for West Africa. Law enforcement agents seized 249 stolen luxury cars worth more than $16 million.
• In a case that began with an NICB agent developing information about an auto repair shop possibly involved in stolen vehicle VIN switching, we worked with detectives at the San Diego Regional Auto Theft Task Force to identify and recover 12 stolen vehicles in California, Washington and Texas valued at $115,000. By identifying legally registered VIN-switched stolen vehicles, we helped recover NICB member assets that would otherwise have gone undetected.

One of the keys to achieving such results is knowing where to best position NICB investigative assets. Using an analytical software modeling tool, we now can correlate office and task force locations, as well as employee staffing, to where field operational needs are greatest and can deliver maximum membership value.

THE NUMBERS

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member-Reported Loss Mitigation</td>
<td>$84,520,560</td>
</tr>
<tr>
<td>Restitution Ordered</td>
<td>$54,414,735</td>
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<tr>
<td>NICB Agent Vehicle Recoveries</td>
<td>18,820</td>
</tr>
<tr>
<td>Vehicle Recoveries’ Estimated Value</td>
<td>$71,279,346</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>NICB Agent Specialized Equipment Recoveries</td>
<td>$18,723,818</td>
</tr>
<tr>
<td>Specialized Equipment Recoveries’ Estimated Value</td>
<td>76</td>
</tr>
<tr>
<td>NICB Agent Cargo Theft Property Recoveries</td>
<td>$8,809,990</td>
</tr>
<tr>
<td>Cargo Property Recoveries’ Estimated Value</td>
<td>6</td>
</tr>
</tbody>
</table>
One is Not Enough

That is, one class is not enough. Our Training Department’s foundation is built upon a philosophy that consistent and continual education for NICB members and law enforcement agents is the best approach for learning how to identify potential crimes and support referrals to the NICB’s Questionable Claims Database.

To support this educational foundation, we develop and continually refine anti-fraud training resources that can be accessed at times, locations and from devices most convenient for learners. Whether you’re taking one of the 40 online courses now available from the National Insurance Crime Training Academy (NICTA), capitalizing on FraudSmart® programs delivered by our trainers at your company, attending NICB investigative and analytical academies, checking fraud indicators on your smartphone using our mobile interactive app, or accessing training job aids from the NICB Document Download Center, we provide numerous avenues for anti-fraud education.

Among the most pervasive types of fraud addressed by NICB members are property losses, particularly ones following natural disasters and catastrophes. In 2015, NICTA created an online Smoke and Ash Fraud Investigation course and a Questionable Water Claims course to help NICB members better identify potentially fraudulent claims. These are claims that demonstrate elements of organized crime activity following natural disasters, including runners and cappers who solicit claims, clean-up crews inflating claims, and contractors who enhance actual damages and bill for equipment not used following the property loss. NICTA also launched a Durable Medical Equipment Fraud course last year that trains students on indicators and schemes involving unnecessary medical exams and billing for equipment never received by patients.

Also on the health care front, we inaugurated a regional medical investigation academy in 2015 in Houston. This regional concept utilizes the same medical investigations courses as the academy we’ve hosted for years at NICB headquarters, but makes its learning modules more accessible. We’ll expand this program to other regions of the country so that members can capitalize on its educational benefits.

We know criminals capitalize on changing social and economic conditions to make what they perceive is easy money. For example, with the advent of ride-sharing options like Uber and online property rental programs such as Airbnb, we’ve documented an uptick in questionable personal insurance claims involving these types of services. To help members better recognize these and other new scams, our Training team created four new indicators last year that address Transportation Network Company Fraud, Residential Rental Fraud, Recruited/Solicited Patient Fraud and Diagnostic Testing Fraud.

And while our profession is certainly not about fun and games, that doesn’t mean we can’t enjoy how we learn about detecting and stopping insurance crime. In 2015, we designed 18 anti-fraud crossword puzzles and cryptograms to engage students during training. You can download these materials from nicbdocs.org or contact our team to create customizable puzzles for your specific educational needs.

THE NUMBERS

<table>
<thead>
<tr>
<th>17,416</th>
<th>Law Enforcement Students Trained in FraudSmart Classroom Sessions</th>
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<tbody>
<tr>
<td>17,136</td>
<td>Continuing Education Credits Issued</td>
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<tr>
<td>44,900</td>
<td>Visitors to nicbtraining.org, the NICB’s Free Law Enforcement Training Website</td>
</tr>
</tbody>
</table>

14,654 Member Students Trained in FraudSmart Classroom Sessions
55,290 Students Enrolled in NICTA
$7,319,350 Value of Member Classroom, Academy and Online Training
LEGISLATIVE ADVOCACY
The Numbers Are in Your Favor

Our Government Affairs Department scored an unprecedented 10 in 2015 … as in 10 new anti-fraud laws we helped pass in states nationwide; the greatest amount we’ve ever supported in one year. The final tally: four in Texas, two in Minnesota, and one each in Kentucky, Florida, California and New Jersey.

And that’s not the only remarkably strong 10 working in our members’ favor on legislative fronts.

Thanks to a diligent 10-year effort by our Government Affairs team in coordination with the National Association of Insurance Commissioners, we now have 47 of 48 eligible states participating in the NICB’s Fraud Bureau Reporting Program (FBRP), which automatically directs members’ suspect claim referrals to state fraud bureaus. The FBRP helps our members save significant time in duplicative reporting, and supports faster and more productive anti-fraud referrals and investigations.

Among our state accomplishments in 2015:

• In Texas, which has experienced an influx of organized crime rings who migrated there to defraud the state’s growing population, we helped pass laws that better protect members against cargo theft and prohibited the access to vehicle accident reports to prevent solicitation. We also supported the passage of two bills that allocate additional funding to the Texas Department of Insurance Fraud Unit and broaden its authority to accept grants and donations from the NICB and its members.

• Continuing the positive legislative results that began accruing following our 2012 Minnesota Insurance Fraud Summit and subsequent public affairs campaign, we supported a new civil penalty law there allowing courts to impose a financial penalty on fraud rings, as well as a medical deauthorization provision for health care providers convicted of insurance fraud. These laws help tighten the grip on criminals who made Minnesota home because of previously loose anti-fraud laws.

• In Kentucky, one of the key issues we addressed at our 2013 Kentucky Insurance Fraud Summit is now a new anti-solicitation law; in Florida, we worked on a law that tightens medical clinic licensure and strengthens offender penalties; and in New Jersey, we joined forces with many members to successfully support passage of a rate erosion law.

Another NICB legislative advocacy initiative working in your favor is the National District Attorneys Association (NADA) program. We began this project in Illinois two years ago to promote greater education among prosecutors about fraud and theft, and have now expanded it to Texas and Georgia with the support of the National Association of Prosecution Coordinators, an organization that serves as a gateway to the district attorney community. Among NADA’s objectives is to provide prosecutors with localized data analyses and field investigative expertise, educate them about resources available from the NICB and our member companies, and support prosecution of insurance crime cases.

Pictured from left to right in top right photo: Minnesota Ramsey County State’s Attorney John Choi, NICB Director of Government Affairs Tim Lynch, Minnesota State Senator Vicki Jensen, Minnesota State Senator Jon Moe and Insurance Federation of Minnesota President Bob Johnson led a statewide effort to enact key anti-fraud provisions in the 2015 legislative session.

THE NUMBERS

10 New Anti-Fraud Laws Passed in States Nationwide

47 Eligible States Participating in the NICB Fraud Bureau Reporting Program

150 Texas Elected Prosecutor Conference Attendees

12 State & National Anti-Fraud Conferences Addressed by Legislative Advocacy
Public Awareness

Media Exposure Worth Millions

Millions of clicks from hundreds of thousands of social media viewers are adding up to one critical component in the fight against insurance fraud and vehicle theft: greater public awareness of these crimes and how our members are battling back.

News dissemination continues its revolutionary move from traditional print and broadcast media to online and social media sources. With just a few computer clicks, we can receive all our news today in minutes. Unfortunately, tech-savvy criminals are also using the Internet to perpetrate their fraud and theft schemes.

Throughout the past year, we expanded our communication efforts to not only strengthen fraud awareness programming, but to do so through media channels that hit consumer audiences from multiple angles … not to mention hit back at criminals defrauding the American public.

With more than two dozen Fraud File cases and several other award-winning videos highlighted on YouTube, Facebook, LinkedIn and Twitter in 2015, we captured the attention and fascination of consumers worldwide.

Among the ones most watched were the:

• “Mystery Device” segment that caught vehicle thieves on camera using a mysterious electronic device that can apparently unlock car doors without smashing windows or jimmying doors. Barely a blip on the radar of law enforcement and theft investigators before the NICB issued a warning about it last year, this mystery device is now getting everyone’s attention, including vehicle manufacturers on the front line of defense against thieves.

• “Corvette Craigslist Scam” production where we profiled how NICB agents, in partnership with law enforcement authorities in Chicago and across the Midwest, identified nearly 100 instances of Craigslist website vehicle sales that went sour when phony bank checks were used to pay for them. In this video, we profiled a Kentucky couple who sold their Corvette on Craigslist, only to learn the payment check that their bank initially said was valid, was actually bogus. Fortunately, quick action by law enforcement agents in Kentucky and Illinois, with assistance from the NICB, led to the car’s recovery after it had been picked up, driven to Chicago and listed for sale again on Craigslist.

In support of NICB regional investigative efforts nationwide, we also developed public awareness campaigns in 2015 addressing various natural disaster fraud scams, as well as a commemorative Hurricane Katrina 10th Anniversary campaign. We covered such topics as flooded vehicle and property fraud in Texas and South Carolina, wildfire smoke and property damage fraud in California and contractor fraud after massive snowstorms hit the Northeast.

Our public awareness efforts resulted in what we call the “High Five,” as in five awards recognizing our programming, the highest number of awards we’ve ever received in one year. They included: a W3 Silver Award for our report on vehicle cloning; the PR Daily Best News Video of the Year Award for our profile of how the NICB and law enforcement agents reunited an Omaha man with his Triumph motorcycle stolen 46 years earlier; two Communicator awards for the Triumph motorcycle story and our staged accident public service announcements; and the ACE Award for Best Small Communications Team in the United States.

The Numbers

- $140,264,463
  Print, Electronic and Online News Media Ad Equivalency Value
- $4,958,561
  Public Service Announcements Ad Equivalency Value
- 347,146
  YouTube 2015 Views

The Numbers

- 1,204,636
  YouTube Total Lifetime Views
- 5,136
  Facebook Followers
- 426
  Twitter Followers
- 85,939
  NICB Blog Page Views
Backed by More Than Just Numbers

Since their inception years ago, NICB Member Benefit Reports have always included plenty of numbers. But the report’s statistics only communicated part of the NICB’s total membership value, and some of the measurements had become outdated. In 2015, we revisited the report to more accurately and clearly communicate the results that we deliver to our nearly 1,100 members and strategic partners.

Recognizing that so much NICB value is predicated upon member-submitted data and questionable claims, this project included a 12-person committee composed of member SIU representatives who helped identify how we could make the reports more meaningful and reflective of today’s fraud-fighting environment. With more fraud and theft data to review and act upon than ever before, our committee determined it was time to evaluate the benefit report’s statistics only communicated part of the NICB’s results beyond statistical measurements, the revised member benefit report now has six parts:

1. Investigative Tools and Outcomes
2. Specialized Recoveries
3. Vehicle Recoveries
4. Vehicle Theft and Recovery Statistics
5. Other Benefits of Membership
6. Value Calculation/Return on Investment

The new report also features an updated vehicle valuation methodology that replaces previously understated vehicle values, peer-to-peer comparisons that allow members to better understand their return on NICB investment compared to other insurers of a similar size, time period categories for vehicle theft and recovery statistics, and an electronic access category to replace outdated measurements of NICB publications ordered by members.
### Associate Member Companies

ADVANTAGE OPOL, LLC
ADVANTAGE Rent A Car

AFN, LLC
ALLY FINANCIAL, INC.

AVIS BUDGET GROUP
AVIS Rent A Car System, LLC

CARMAX BUSINESS SERVICES, LLC
CarMax Auto Superstores, Inc.

CITIWIDE AUTO LEASING, INC.
AllCar Rent-A-Car

COPART, INC.
QCSA Holdings, Inc.

COUNTY OF RIVERSIDE, P.S.I., THE
ENTERPRISE HOLDINGS
Enterprise Rent-A-Car

National Car Rental

Vanguard Car Rental USA, Inc. (includes Alamo Rent A Car)

FOX RENT A CAR

GALPIN MOTORS, INC.

HERTZ CORPORATION, THE
Dollar Thrifty Automotive Group, Inc.

Hertz Company, The

INSURANCE AUTO AUCTIONS, INC.
KEENAN AND ASSOCIATES AND REGENCY, A DIVISION OF KEENAN

MANHEIM

MOTOR VEHICLE ACCIDENT INDEMNIFICATION CORPORATION (MVIC)

NEW JERSEY PROPERTY-LIABILITY INSURANCE GUARANTY ASSOCIATION

SIXT RENT A CAR

WELLS FARGO BANK, N.A.

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### Financial Statements

#### Statements of Financial Position

<table>
<thead>
<tr>
<th>Year</th>
<th>Assets</th>
<th>Liabilities and Net Assets</th>
<th>Net Assets</th>
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</thead>
<tbody>
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<td>2015</td>
<td>$42,653,699</td>
<td>$22,050,675</td>
<td>$20,603,024</td>
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<tr>
<td>2014</td>
<td>$45,588,459</td>
<td>$25,042,321</td>
<td>$20,546,138</td>
</tr>
</tbody>
</table>

#### Statements of Activities

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenues</th>
<th>Expenses</th>
<th>Change in Net Assets</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>$48,322,047</td>
<td>$49,324,951</td>
<td>$56,886</td>
</tr>
<tr>
<td>2014</td>
<td>$47,969,766</td>
<td>$46,437,275</td>
<td>$(5,276,426)</td>
</tr>
</tbody>
</table>

#### Notes

These financial statements have been prepared by management in conformity with generally accepted accounting principles and include all adjustments which, in the opinion of management, are necessary to reflect a fair presentation. This presentation represents a summarization from audited financial statements. Certain reclassifications of prior year amounts have been made to conform to the current year presentation.

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#### Strategic Partners

**Boat History Report (BHR)**

**INTERTEL**

**SAFELITE SOLUTIONS, LLC**

**SOCIAL INTELLIGENCE CORP.**
Notes to Financial Statements

ASSESSMENT REVENUES
The activities of the National Insurance Crime Bureau ("NICB"), conducted principally in the United States, are financed through assessments of its member insurance carriers. Such assessments are determined according to a formula based upon gross premiums for certain lines of business written by member companies and annual verification received from them. During the years ended December 31, 2015 and 2014, nine member organizations made up approximately 55% and 56%, respectively, of the NICB’s assessment and member service revenues.

UNRESTRICTED NET ASSETS
Unrestricted net assets are not subject to donor-imposed stipulations or time restrictions.

TEMPORARILY RESTRICTED NET ASSETS
Temporarily restricted net assets of $17,612 and $11,822, respectively, as of December 31, 2015 and 2014 are available for the purpose of funding special operations in support of law enforcement and designated fraud-fighting activities.

NICB CONSOLIDATED PENSION PLAN
The NICB has an unfunded commitment to the pension master trust at December 31, 2014, of $1,308,045, as its pension liability was not fully funded. The NICB redeemed its investment in the master trust by transferring the plan assets to purchase a group annuity contract on May 19, 2015. The annuity cost at contract date was $27,726,364 which includes annuity purchase price and contingency assessment, and market value of assets at $24,321,331, requiring a payment to the Pension Plan for Insurance Organizations of $3,405,033 to fully fund the annuity. Recognizing the liability of $1,308,045 at the contract date, the net expense incurred in 2015 was $2,096,988. The group annuity contract transaction resulted in no future pension obligations to the NICB.

NICB POST-RETIREMENT PLAN
The NICB provides certain health care and life insurance benefits for retired employees. Employees hired prior to April 1, 2004 are eligible to receive this benefit. The NICB Post-Retirement Plan is unfunded. As of December 31, 2015, recognition of the net unfunded status of the NICB Post-Retirement Plan resulted in current liabilities of $742,000 and non-current liabilities of $15,423,000 for a total benefit obligation of $16,165,000.

LITIGATION
The NICB has been named as a defendant in certain lawsuits wherein the plaintiffs seek to recover damages based upon various allegations arising from certain of these organizations’ investigations. After considering the merits of these actions and the opinions of outside counsel, together with the organizations’ liability insurance coverage, NICB management believes that the ultimate liability for these matters, if any, will not have a material adverse effect on the NICB’s financial statements.

TAX STATUS
The NICB has received a favorable determination letter from the Internal Revenue Service dated September 9, 1991, and reaffirmed in 2001, stating that it qualifies as a not-for-profit corporation as described in Section 501(c)(4) of the Internal Revenue Code (IRC) and, as such, is exempt from federal income taxes on related income pursuant to Section 501(a) of the IRC. The NICB continues to qualify as a not-for-profit corporation under Section 501(c)(4).

Program Services

<table>
<thead>
<tr>
<th>DATA ANALYTICS</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>$2,866,639</td>
<td>$2,670,879</td>
</tr>
<tr>
<td>Tactical</td>
<td>1,940,241</td>
<td>1,723,212</td>
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<tr>
<td>Information aggregation and analysis</td>
<td>1,984,896</td>
<td>1,998,445</td>
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<tr>
<td>TOTAL DATA ANALYTICS</td>
<td>6,791,776</td>
<td>6,692,536</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>INVESTIGATIONS</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>$4,131,008</td>
<td>$3,989,679</td>
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<tr>
<td>Tactical</td>
<td>1,588,212</td>
<td>1,412,659</td>
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<tr>
<td>TOTAL INVESTIGATIONS</td>
<td>5,719,220</td>
<td>5,402,338</td>
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<table>
<thead>
<tr>
<th>TRAINING</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member company training</td>
<td>$1,079,241</td>
<td>$997,027</td>
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<tr>
<td>Law enforcement training</td>
<td>443,437</td>
<td>407,731</td>
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<tr>
<td>TOTAL TRAINING</td>
<td>1,522,678</td>
<td>1,394,758</td>
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<table>
<thead>
<tr>
<th>LEGISLATIVE ADVOCACY</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Member company training</td>
<td>1,444,730</td>
<td>1,361,401</td>
</tr>
<tr>
<td>TOTAL LEGISLATIVE ADVOCACY</td>
<td>1,444,730</td>
<td>1,361,401</td>
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</table>

<table>
<thead>
<tr>
<th>PUBLIC AWARENESS</th>
<th>2015</th>
<th>2014</th>
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<tbody>
<tr>
<td>TOTAL PROGRAM SERVICES</td>
<td>46,019,881</td>
<td>41,366,678</td>
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</table>

<table>
<thead>
<tr>
<th>ADMINISTRATIVE AND GENERAL</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL FUNCTIONAL EXPENSES</td>
<td>$49,324,951</td>
<td>$46,437,275</td>
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</tbody>
</table>

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ISO Claims Solutions

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The Financial Services Roundtable

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Vice President and Chief Membership and Marketing

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