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PRESENTATION

Operator

Good day, everyone. Welcome to Selective Insurance Group's first quarter 2016 earnings call. At this time for opening remarks and introduction, I would like to turn the call over to Executive Vice President, Chief Financial Officer and Treasurer, Dale Thatcher. Sir, you may proceed.

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Good morning and welcome to our call. This call is being simulcast on our website, and a replay will be available through June 6, 2016.

A supplemental investor package, which includes GAAP reconciliations of non-GAAP financial measures referred to on this call, is available on the Investors page of our website, www.Selective.com. We use operating income, a non-GAAP measure, to analyze trends and operations.

Operating income is net income excluding the after-tax impact of both net realized investment gains or losses and discontinued operations. We believe that providing this non-GAAP measure makes it easier for investors to evaluate our insurance business.

As a reminder, some of the statements and projections made during this call are forward-looking statements as defined by the Private Securities Litigation Reform Act of 1995. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. We refer you to Selective's annual report on Form 10-K and any subsequent Form 10-Qs filed with the US Securities and Exchange Commission for a detailed discussion of these risks and uncertainties. Please note that Selective undertakes no obligation to update or revise any forward-looking statement.

Joining me today on the call are the following members of Selective's executive management team: Greg Murphy, our CEO; John Marchioni, the President and Chief Operating Officer; and Ron Zaleski, the Chief Actuary.

Now I will turn the call over to Greg for introductory remarks.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

Thank you, Dale. Good morning.

We're off to a strong start for 2016 as we continue to build on our record 2015 underwriting results. The first quarter results clearly reflect our competitive advantages of, one, true franchise value, "ivy league" distribution partners. Two, our unique field model, coupled with sophisticated underwriting and claims capabilities. And three, superior customer experience delivered by best in class employees.

Our unique field model is built around personal relationships with each of our distribution partners, that provide us with a significant competitive advantage. We balance rate retention effectively throughout the pricing cycle, and this quarter our standard lines renewal pure price increases were 3.1%, with standard commercial lines retention of 85% and personal lines retention of 82%. In the quarter, we generated an overall statutory combined ratio of 90.7%, grew net premiums written 9%, which is significantly ahead of industry expectations for 2016, and increased after-tax investment income by 11%.

Operating return on equity was 10.8% versus a targeted operating return on equity of 300 basis points over our weighted average cost of capital, 8.1%, or 11.1% in total.

We think the domestic commercial lines marketplace is being impacted by two important dynamics. First, prolonged low interest rates have consistently reduced investment book yields. For the commercial lines industry, investment leverage, measured by investment assets over policyholder surplus, is about 2.3 times. Multiplying the investment leverage by an after-tax book yield of approximately 2.5%, results in an industry-wide commercial lines and investment ROE of less than 6 points.

And second, within the top five commercial lines writers that control more than a quarter of the market, three carriers have statutory combined ratios close to or above 100. Also, according to A.M. Best, the commercial lines industry is expected to produce a combined ratio of 99% in 2016. In an environment where the commercial lines industry must produce a low 90s statutory combined ratio just to reach a 10% operating return on equity, significant pressure on underwriting quality and performance should exist.

The main ingredient to improve or maintain underwriting results is higher rate levels. You know arithmetic has no mercy, and the pressure to produce underwriting profit should be intense. Just last week, the Fed voted 9 to 1 to keep its short-term interest rate benchmark unchanged.

I believe that much of the rhetoric about commercial lines pricing turning negative is overcooked. However, a somewhat more competitive marketplace for new business does exist. At Selective, we've already done the heavy lifting to drive down our combined ratio through rate increases in excess of expected claim inflation, as well as underwriting and claim improvements. In fact, our standard commercial lines renewal pure price increases have met or exceeded expected claim inflation for the last 26 consecutive quarters.

In addition, we benefit from higher underwriting leverage than the industry, and we generate about twice the return on equity for each point of statutory combined ratio. In 2016, our goal is to continue to outpace industry growth rates while maintaining overall profitability. In standard commercial lines, growth will primarily be driven by executing on our small business strategy, production from additional agency management specialists, and adding distribution partners in areas with strong new business opportunities.

Ultimately, our goal is to increase our agents' combined state market share from 17% to 25%, and our share of wallet from 7% to 12%. These efforts will take time, but our field personnel and management team have developed detailed action plans to move us forward.

We continue to experience robust growth in our E&S business. Net premiums written increased 28% compared to the first quarter of 2015. We're also very focused on profit improvement, and expect further benefits from rate increases, as well as underwriting and claims improvements.

In the quarter, our statutory combined ratio was 98.4%, an improvement of 3.7 points from the same period last year. In recent quarters, we have discussed the competitive advantages in our superior customer experience delivered by best in class employees. Significant efforts are being made to reinforce our organizational focus on customer centricity, and improve the technology and data that underpin our customer experience.

These initiatives are increasing the understanding of our customers, and providing actionable information to our employees. Our "ivy league" distribution partners play an important role in customer experience. Ongoing meetings with our distribution partners continuously identify changing customer demands, key customer service friction points, and aid in developing further customer experience action plans.

We are pleased with our customer experience efforts over the past several years, and as a result have experienced consistent improvements in our customer net promoter scores. After one quarter of better than expected results, we are maintaining the following expectations for the full year 2016 statutory combined ratio, excluding catastrophe losses, of approximately 91%, which assumes no additional prior year casualty reserve development, catastrophe losses of 3.5 points, after-tax investment income of approximately $100 million, and weighted average shares outstanding of $58.5 million.

Now I'll turn the call back to Dale to review the first quarter results.

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Thanks, Greg.

We're off to a great start for the year, and are very pleased with our ability to execute and produce strong, sustainable financial results. For the first three months, we reported operating income per diluted share of $0.66, a 38% increase from a year ago, attributable to an improved combined ratio in increased net investment income.

Our statutory combined ratio in the quarter was 90.7%, a 2.3 point improvement from the same period last year. On an underlying basis, excluding catastrophes and prior-year casualty development, the combined ratio improved to 91.2%, down from 91.9% in the prior year period.

Non-catastrophe property losses were 2.2 points lower than the first quarter of 2015, which was impacted by severe winter weather. They were partially offset by higher supplemental commission expense to our distribution partners.

Catastrophe losses for the quarter were 2.8 points, which was better than our full-year expectation of 3.5 points, and below the 5.3 points reported in the first quarter of 2015. Favorable prior year casualty reserve development in the quarter was $17 million, or 3.3 statutory combined ratio points, compared to $20 million, or 4.2 points a year ago.

Overall, favorable development was driven by continued improving claims trends within the general liability and workers' compensation lines, and our strong reserve position reflects our rigorous quarterly review process.

Overall, statutory net premiums written grew 9% in the quarter, driven by standard lines renewal pure price increases and improved retention levels. New business was in line with the strong result we generated in the first quarter of 2015.

Standard commercial lines premiums were up 10% for the quarter, led by strong retention and renewal pure price increases of 2.8%. For the quarter, standard commercial lines generated a statutory combined ratio of 89.7%, in line with the same period last year.

The benefits from lower catastrophe and non-catastrophe property losses were offset by a reduction in favorable prior year casualty reserve development, and an increase in underwriting expenses, mainly attributable to increased supplemental commission expense from our strong profitability.

For the quarter, workers' compensation reported an 81.1% statutory combined ratio, improving 9.6 points from a year ago. Results included 15.8 points of favorable prior year casualty reserve development, compared to 7.3 points a year ago.

General liability also reported strong profitability, with an 83.4% statutory combined ratio that included 8.6 points of favorable prior year casualty reserve development.

On the other hand, commercial auto reported a 104.9% statutory combined ratio, which included 5.2 points of adverse prior year casualty reserve development. This was attributable to higher frequencies in the 2015 accident year.

Standard personal lines statutory premiums declined 5%, despite renewal pure price remaining strong at 5.1%. The personal lines statutory combined ratio was 90.6% for the quarter, including 3.2 points of catastrophe losses.

In the prior year period, the statutory combined ratio was 105.1%, including 8.7 points of catastrophe losses. Non-CAT property losses were 10.1 points lower in the first quarter of 2016 compared to the first quarter of 2015.

Homeowners reported a quarterly statutory combined ratio of 86.5%, including 6.2 points of CAT losses, significantly better than last year's 113.7% combined ratio, including 18.7 points of CAT losses.

In addition to lower catastrophe losses, this line also benefitted from lower non-catastrophe property losses due to a mild winter throughout our footprint. Renewal pure price increases in this line remain strong at 6.8%.

In personal auto, the quarter's statutory combined ratio was 104.9%, down from 106.7% a year ago. Renewal pure price increases for the quarter were 3.5%. Excess and surplus lines continue to generate strong growth, with a 28% increase in statutory net premiums written in the first quarter, driven primarily by a 3.3% price increase for this segment of our business, coupled with higher audit premium. The E&S statutory combined ratio in the quarter was 98.4%, compared to a 102.1% reported a year ago.

Moving to investments, after-tax net investment income for the quarter increased 11%, to $23.6 million from $21.2 million in the first quarter of 2015. The increase was driven by lower losses on our alternative investment portfolio, which report on a one quarter lag.

In the fixed income portfolio, our annualized after-tax portfolio yield in the first quarter was 2.0%, down from 2.1% for the same period last year.

ROE from investments was 6.6%, which can be approximated by multiplying invested assets per dollar of stockholders' equity of 3.5, by our total after-tax portfolio yield of 1.84%.

Year-to-date after-tax new money yields average 1.9%, as we continue to invest in high quality fixed income products. Our fixed income portfolio continues to be highly rated, with an average credit quality of AA- and a 3.8 year duration, including short-term investments.

For the entire portfolio, the pre-tax unrealized gain position increased to $138 million at March 31, from $69 million at the end of 2015, as Treasury yields declined. The pre-tax unrecognized gain position in the fixed income held to maturity portfolio was $8 million, or $0.09 per share on an after-tax basis.

Surplus and stockholders' equity were each $1.5 billion at the end of the first quarter, while book value per share increased 5% to $25.61 from year-end 2015. Year to date, annualized operating return on equity was 10.8%, compared to our weighted average cost of capital of 8.1%.

Now I'll turn the call over to John to review insurance operations.

John Marchioni - *Selective Insurance Group, Inc. - President & COO*

Thanks, Dale.

We are very pleased with the overall performance of our insurance operations in the first three months of 2016, with an overall statutory combined ratio of 90.7%, an ex-catastrophe combined ratio of 87.9%, and net premiums written growth of 9%. These results reflect our ability to execute and outperform the industry in a market that is facing headwinds, but for the most part remaining rational.

We have built a solid foundation comprised of talented employees, sophisticated underwriting and claims tools, and "ivy league" distribution partners. This foundation has positioned us to drive sustainable, profitable results despite current market conditions.

Growth of standard commercial lines this quarter was a very strong 10%, driven by strong retention and renewal pure price increases of 2.8%. Our commercial lines statutory combined ratio for the quarter was 89.7%, unchanged from a year ago. Despite moderating price increases, we continue to grow our core business profitably.

On the commercial lines renewal portfolio, we continue to balance rate and retention successfully with the use of our dynamic portfolio manager. The pricing environment is evolving, and our results highlight the benefits gained by deployment of our sophisticated pricing tools. These tools allow our underwriters to make sound pricing decisions at a granular level.

In the first quarter, standard commercial lines retention was strong at 85%, up one point from the first quarter of 2015. For our highest quality standard commercial lines accounts, which represent 49% of our premium, we achieved renewal pure rate of 1.5% and point of renewal retention of 91%. On our lower quality accounts, which represent 10% of premium, we achieved pure rate of 7.6% and point of renewal retention of 79%.

In workers' compensation, we are very pleased with the results and progress in improving this line of business. For the quarter, we achieved an 81.1% statutory combined ratio. This includes $12 million or 15.8 points of favorable reserve development driven by lower severities in accident years 2013 and prior, as results continue to benefit from the significant changes in claims handling and outcome management.

This is the ninth consecutive quarter of either no development or favorable development in this line. Since the first quarter of 2013, the underlying workers' comp combined ratio has improved by 10.9 points. Significant progress has been made in the last few years, and we have aligned the right people and resources to deliver sustainable results in this line.

Personal lines pure rate for the quarter was strong at 5.1%. In conjunction with the rate increases, personal lines retention and new business were in line with the prior period. However, new business production was not sufficient to offset premium that was not retained. This was the primary driver of the 5% reduction in premiums. Despite the decline, we are seeing pockets of growth in certain geographies with our personal lines book and are confident in our strategy of targeting the consultative buyer.

For homeowners, underwriting results benefitted from lower catastrophe and non-catastrophe property losses. Additionally, renewal pure price increases remained strong at 6.8%, moving us towards our goal of a 90% combined ratio in a normal catastrophe year.

In personal auto, the underlying combined ratio improved by 2.2 points compared to the prior year period, and renewal pure price increases were 3.5%. We have been pushing rate increases in auto in an effort to improve profitability as our book continues to mature. In the broader market, rates in personal auto are beginning to move higher, and we believe this dynamic will bolster our competitive position in this line.

In E&S, the underlying statutory combined ratio for the quarter was 95.4%, an improvement of 3.2 points compared to the prior year period. Margin improvement in E&S is being achieved through a shift in mix of business, claims improvements, and targeted price increases on challenged segments.

In 2015, E&S claims management responsibility was moved into our corporate claims group and migrated to our best practices across both property and liability. These changes include the use of more robust monitoring tools to better manage the claim process and outcomes. These structural changes and aggressive pricing actions are expected to provide benefits, and we'll continue to focus on refining our E&S claims manager practices to improve profitability.

Overall, we are pleased with the results in insurance operations and remain focused on continued improvement of our company and distribution partners in outperformance of the industry.

Now I'll turn the call back to Greg.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

Thanks, John.

I'm very proud of what we've been able to accomplish. From what you've just heard on this call, it should be clear that we have no intention to slow down. Our employees throughout our organization are devoted to our success and focused on creating sustainable shareholder value that will continue to be driven by true franchise value with "ivy league" distribution partners, our unique field model coupled with sophisticated underwriting and claims capability, and providing a superior customer experience, delivered by best in class employees.

With that, we'd be happy to answer your questions. Operator?

QUESTIONS AND ANSWERS

Operator

We will now proceed to the question-and-answer session. (Operator Instructions) One moment, please, for our first question.

The first question is from Arash Soleimani from KBW. Sir, your line is open.

Arash Soleimani - *KBW - Analyst*

Hi, good morning.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

Good morning.

Arash Soleimani - *KBW - Analyst*

So the guidance staying the same, does that suggest the change imply -- that's implied in the underlying combined ratio guidance, since there was some favorable development this quarter?

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Basically what it amounts to is that, yes, we had 3.3 points of favorable development this quarter, but it's early in the year and there's no reason to go coming off of guidance this early. It's not intended to indicate any expectation going forward other than clearly, it makes it a little bit easier to achieve the guidance that we initially laid out. We haven't been shy in the past about modifying guidance when it is called for, but as I said, a little too early in the year for us to go moving dramatically.

Arash Soleimani - *KBW - Analyst*

Okay, thanks. And then on the commercial lines rate increases, can you talk -- do you think the 2.8% that you're at now, what you're seeing in the market, do you feel that that would kind of stay at that level, or do you think it will dip below expected loss trends there?

John Marchioni - *Selective Insurance Group, Inc. - President & COO*

This is John. You know, when we look at rate and retention together, we feel very good about the path that we're on. So at a 2.8% rate on the commercial lines side for the quarter, we saw very strong retention at 85%, as we said in the prepared comments. That's up about a point. So that's a good indicator that the market continues to support that kind of rate level.

Now the other important dynamic for us is looking at the sub-segments by expected quality going forward of those accounts and making sure we're administering rate that way. And those also back up, I think, what continues to be a good solid marketplace for that kind of rate level when you look at our mix improvement coming from very strong retention and a little bit lower rate on our best accounts, and then a lot higher rate level and lower retentions on the lower quality business.

So I don't want to prognosticate the marketplace, but clearly, looking at rate and retention in tandem is the best way to understand whether or not the market is going to support what we're doing from a rate perspective.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

And if I could -- Greg Murphy -- good morning, by the way, and thank you. So, again, I just wanted to tell you a little bit. I mean, we've had a meeting with our wholesale distribution partners and we've done a lot of rate level at that front, and that seems to be going over extremely well. Very pleased with the rate level we're achieving on new business and moving our renewal higher.

And then, as John mentioned, what we're hearing from our distribution partners is there's not as much chatter at that level about people backing off price increases. Most of the competitors out there are trying to get rate level on their existing inventory. It's just a little bit of a conundrum that you find that people have a tendency to get a little bit more aggressive on new business, and obviously in many cases in a slow GDP growth environment, their new business opportunities is our renewal or, in our case, their renewal. And therein lies a little bit of the issue that you hear about.

But as I mentioned before, I just think this whole thing about commercial lines, rate level turning negative, with the exception of maybe the very large account segmentation, which we're not really a writer in at all. I mean, our large accounts are way smaller than what I think you're reading in terms of headline amount. I just think this whole thing about small and middle market turning negatives is way overcooked.

Arash Soleimani - *KBW - Analyst*

And last, can you just talk quickly about what the mix changes are within E&S? I know in workers' comp you were going to lower hazard grades, but what are the mix changes within E&S?

John Marchioni - *Selective Insurance Group, Inc. - President & COO*

Yeah, so this is John again. So the mix changes for us, there's a couple of segments in a couple of geographies that we have really up-priced and started to remove ourselves from, and I would say that habitational in a couple of our states would be one of the bigger drivers of performance that we're trying to address. And then there are some pockets of contractors in a couple of states that we've really focused on up-pricing, and that business in certain cases is leaving or we're actually achieving the price on renewal, and that'll also generate the same kind of mix change we're talking about here.

So, fairly targeted in terms of that inventory. And just, again, to remind you, that business traditionally retains at much lower retention levels than standard insurance, admitted insurance, so you're going to see retentions between 55% and 63% or 64% on a normal basis, which allows you to drive that mix improvement a lot more quickly than you would in a standard insurance line.

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

And the other reminder I'll provide is that within the E&S space, we don't write any workers' comp there.

Arash Soleimani - *KBW - Analyst*

Okay, that's helpful. Thanks for the answers and congrats on the quarter.

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Thank you.

Operator

Thank you. (Operator Instructions) The next question is from Scott Heleniak from RBC Capital Markets. Sir, your line is open.

Scott Heleniak - *RBC Capital Markets - Analyst*

Hi, thanks. Good morning. I'm just wondering if you could comment specifically about, I know you've talked in the past just about increasing share with some of your existing agents. And just if you could focus, kind of narrow it down a little bit specifically to geographically. Is there any states in particular where you're kind of seeing the most opportunities to look out the next three to five years?

John Marchioni - *Selective Insurance Group, Inc. - President & COO*

Yeah, Scott, this is John. So if you looked across our footprint, we start with the idea that our overall market share is about 1% on a countrywide basis for our -- and this is a commercial lines example -- and that'll range from closer to 3.5% in New Jersey down to under a 1% share in a number of our states. So we view opportunity in every one of our footprint states.

As you heard from Greg in his prepared comments, we look at that in two ways. We look at that at the agency market share, and that's 17% right now with a target of 25%. We do have a couple of states that are right around 25% right now, so that really is more of a push on the share wallet side. You know, the dollar premium, the percentage that our agents write with us. We have a number of other states where agency appointments will be a bigger part of the strategy.

We have very few states that are currently at a 12 share of the wallet, so I would say the opportunity is pretty significant across the board in every one of our regions, and obviously New Jersey being the one where we're pretty close to our target already and don't necessarily see significant upside, but I think we could continue to grow that state at a pretty solid clip.

So not to dodge the question, but we've got great opportunity across our entire 22-state commercial lines footprint, and as we talked about in the past, growing in the states that we know with the agents that we know is the lowest risk form of growth for us to achieve.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

And Scott, if I could, so obviously, giving you a sense of what John just went through, we look at both share wallet and market shares, each slightly over a billion dollars of premium opportunities selected. And just to let you know, from each one of those, it's slightly above a billion dollars through share wallet, and it's slightly over a billion dollars in terms of market share that we look at, that we are developing comprehensive plans around how do we harvest that type of opportunity for Selective.

So that gives you a sense, in the 22 states that we operate, in today's dollars, we're sitting there saying, hey, this is about $2.5 billion of opportunity through those two initiatives.

Scott Heleniak - *RBC Capital Markets - Analyst*

Okay. And the increase in the 7% to 12%, any sense on timing when, how long that might take? I know you're not going to give a specific target, but is there --

John Marchioni - *Selective Insurance Group, Inc. - President & COO*

You're correct, Scott. But, you know, it really does vary agency to agency. And keep in mind, there are agents that we already have a 20%-share wallet with or other that we have a 3% or a 4%. But I would just think about this in terms of our ability to continue to grow relative to the market growth and maintaining that kind of a trajectory, which is going to come from this share of wallet penetration.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

But the conversation, Scott, that we have with our agency plan and the kind of planning that we're doing is very much dialed into, hey, we're in your shop. This is where we are, this is where we want to be. This is our plan to get there. And we have this cohesive effort between the field management and the regional managers, right down to the territorial manager and the AMS or the field underwriter in terms of, this is what I need to do in your shop, this is what I need to accomplish. And those conversations are clear, and we are very dialed into, okay, how are we going to do that?

So we're creating -- theoretically, you could say we're creating action plans with 1,150 agents that get towards a 12%-share wallet. We're not going to get there everywhere, but on average that's what we target.

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Another way to look at all the math, Scott, is that if you look at us on an overall basis, we're at about a 1% market share in our 22 states for commercial lines. What we're shooting for with the math that we've articulated equates to a 3% market share in those 22 states. So right now, we're at a 3% market share in New Jersey and Rhode Island, roughly speaking. We're at a little over a 2% share in Maryland and a little under a 2% share in Pennsylvania, and the rest of the 22 states is where we have the bigger opportunity in terms of achieving that 3% market share. So that's just another way to look at it.

Scott Heleniak - *RBC Capital Markets - Analyst*

Okay. That's a good answer. Very thorough. And then just on personal lines, last year's first quarter, you had a heavy non-CAT weather load, and it seems like this quarter was a lot lower. So can you put some context on just kind of what's sort of an average in any given quarter? I mean, is it literally somewhere in the middle? Just referencing the 10-point swing that we saw in the non-CAT weather-related losses. So is the average somewhere in between?

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

Yeah, Scott, Greg Murphy. How are you? Yeah. So again, it comes down to you're looking at the first quarter of 2014, first quarter of 2015, polar vortexes that were extreme, creating enormous amounts of water damage-related claims. So, again, you're looking back at two quarters, in my mind, and I would say that the first quarter of 2014, ISO was very stingy in how they ID'd PCS zones relative to that of then. And 2015, I think they were a little bit more open in terms of the geo-territories that they included in, as for part of the polar vortex. But that's been a big part, in my mind, because there were a lot of claims, in my mind, that were in CAT or in non-CAT, and they were driven by extreme weather temperatures.

So I would sit there and go, it's hard to call first quarter results given the fact that you're looking back in 2015 with polar vertex, 2014 with a polar vortex. So we did have it two years in a row. This year was, in our mind, a relatively clean weather quarter from our standpoint. Hard to call that one.

Scott Heleniak - *RBC Capital Markets - Analyst*

Okay. Yep, that's good context. The last question, too, I was wondering if you had a breakout for the other income, alternative income, what that was specific to energy for the quarter? What the contribution was to the loss of a million dollars, how much was that from energy?

Dale Thatcher - *Selective Insurance Group, Inc. - EVP, CFO & Treasurer*

Yeah, it's about a million dollars on a straight energy play. Some of the other alternatives have an energy component, so it's hard to subdivide the ultimate numbers from the other alternatives. But one of our alts is a pure energy play, and that was a million dollar loss.

Scott Heleniak - *RBC Capital Markets - Analyst*

Yep, okay. Thanks a lot, guys.

Operator

Thank you. (Operator Instructions) As of this time, speakers, we don't have any other questions on queue.

Greg Murphy - *Selective Insurance Group, Inc. - CEO*

All right. Well, thank you for participating in the call this morning. If you have any follow-up items, please call Dale Thatcher. Thank you very much.

Operator

And that concludes Selective Insurance Group's first quarter 2016 earnings call. Thank you for your participation. You may now disconnect.
