



QUARTERLY STATEMENT

As of September 30, 2012
of the Condition and Affairs of the

Stonewood National Insurance Company

NAIC Group Code.....3494, 3494 (Current Period) (Prior Period)	NAIC Company Code..... 31925	Employer's ID Number..... 42-1019055
Organized under the Laws of Ohio	State of Domicile or Port of Entry Ohio	Country of Domicile US
Incorporated/Organized..... February 6, 1974	Commenced Business..... February 21, 1974	
Statutory Home Office	52 East Gay Street..... Columbus OH 43215 (Street and Number) (City or Town, State and Zip Code)	
Main Administrative Office	6131 Falls of Neuse Rd., Suite 306..... Raleigh NC 27609 (Street and Number) (City or Town, State and Zip Code)	919-900-1200 (Area Code) (Telephone Number)
Mail Address	6131 Falls of Neuse Rd., Suite 306..... Raleigh NC 27609 (Street and Number or P. O. Box) (City or Town, State and Zip Code)	
Primary Location of Books and Records	6131 Falls of Neuse Rd., Suite 306..... Raleigh NC 27609 (Street and Number) (City or Town, State and Zip Code)	919-900-1200 (Area Code) (Telephone Number)
Internet Web Site Address	www.stonewoodins.com	
Statutory Statement Contact	Gregg T. Davis (Name) Gregg.Davis@james-river-group.com (E-Mail Address)	919-900-1200 (Area Code) (Telephone Number) (Extension) 919-900-1201 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Steven J. Hartman #	President	2. Michael E. Crow	Treasurer
3. Ann Person	Secretary	4. Gregg T. Davis	Chairman

OTHER

Thomas R. Fauerbach #	Interim CFO
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DIRECTORS OR TRUSTEES

Gregg T. Davis	Steven J. Hartman #	Ann Person	Michael E. Crow
Thomas R. Fauerbach #			

State of..... North Carolina
County of..... Granville

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.

(Signature)	(Signature)	(Signature)
Steven J. Hartman	Michael E. Crow	Ann Person
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President	Treasurer	Secretary
(Title)	(Title)	(Title)

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

ASSETS

	Current Statement Date			4
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds.....	5,661,172		5,661,172	7,983,259
2. Stocks:				
2.1 Preferred stocks.....			0	
2.2 Common stocks.....	34,297,566		34,297,566	
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....15,542), cash equivalents (\$.....0) and short-term investments (\$.....2,366,959).....	2,382,501		2,382,501	44,036
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	42,341,239	0	42,341,239	8,027,295
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	62,180		62,180	52,775
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....			0	
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums.....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	31,108		31,108	
18.2 Net deferred tax asset.....			0	
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	22,417	22,417	0	47,894
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	42,456,944	22,417	42,434,527	8,127,964
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	42,456,944	22,417	42,434,527	8,127,964

DETAILS OF WRITE-INS

1101.			0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Accounts receivable.....			0	47,894
2502. Other assets.....	22,417	22,417	0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	22,417	22,417	0	47,894

Stonewood National Insurance Company
LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....0).....		
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....		
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	16,001	
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....		
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....		
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act.....		
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....		
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....		
16. Provision for reinsurance.....		
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	51,437	
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	67,438	0
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	67,438	0
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,000,528	3,000,528
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	39,058,625	3,402,481
35. Unassigned funds (surplus).....	307,936	1,724,955
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	42,367,089	8,127,964
38. Totals.....	42,434,527	8,127,964

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

Stonewood National Insurance Company
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 \$....528,327).....	528,327	30,601	30,903
1.2 Assumed..... (written \$.....0).....		745,703	1,019,060
1.3 Ceded..... (written \$....528,327).....	528,327	30,601	30,903
1.4 Net..... (written \$.....0).....	0	745,703	1,019,060
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	569,210	(13,946)	220,228
2.2 Assumed.....		464,026	628,584
2.3 Ceded.....	569,210	(13,946)	220,228
2.4 Net.....	0	464,026	628,584
3. Loss adjustment expenses incurred.....		103,174	139,877
4. Other underwriting expenses incurred.....	325,090	228,979	242,326
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	325,090	796,179	1,010,787
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(325,090)	(50,476)	8,273
INVESTMENT INCOME			
9. Net investment income earned.....	101,478	162,459	212,519
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....		38,949	(34,899)
11. Net investment gain (loss) (Lines 9 + 10).....	101,478	201,408	177,620
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0	(14,408)	(19,974)
13. Finance and service charges not included in premiums.....		45,880	61,992
14. Aggregate write-ins for miscellaneous income.....	0	14,617	20,062
15. Total other income (Lines 12 through 14).....	0	46,089	62,080
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	(223,612)	197,021	247,973
17. Dividends to policyholders.....			
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).....	(223,612)	197,021	247,973
19. Federal and foreign income taxes incurred.....	(187,588)	54,832	1,379,288
20. Net income (Line 18 minus Line 19) (to Line 22).....	(36,024)	142,189	(1,131,315)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	8,127,964	7,893,921	7,893,921
22. Net income (from Line 20).....	(36,024)	142,189	(1,131,315)
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	(1,358,578)		
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....		9,412	(37,191)
27. Change in nonadmitted assets.....	(22,417)	(4,221)	68
28. Change in provision for reinsurance.....			
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.....	35,656,144		1,402,481
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.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	34,239,125	147,380	234,043
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	42,367,089	8,041,301	8,127,964
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Other fee income.....		14,983	20,692
1402. Miscellaneous Income or (expense).....		(366)	(630)
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	14,617	20,062
3701. Additional admitted deferred tax assets.....		1,416	
3702. Reclassification of additional admitted deferred tax assets to special surplus funds.....		(1,416)	
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1	2	3
	Current Year to Date	Prior Year To Date	Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....		789,327	667,285
2. Net investment income.....	92,160	189,236	245,979
3. Miscellaneous income.....		46,089	62,080
4. Total (Lines 1 through 3).....	92,160	1,024,652	975,344
5. Benefit and loss related payments.....		445,881	1,007,517
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	309,089	326,671	537,815
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(156,480)	64,000	1,489,904
10. Total (Lines 5 through 9).....	152,609	836,552	3,035,236
11. Net cash from operations (Line 4 minus Line 10).....	(60,449)	188,100	(2,059,892)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	2,322,000	2,063,605	2,993,600
12.2 Stocks.....			
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			
12.7 Miscellaneous proceeds.....			
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,322,000	2,063,605	2,993,600
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....		2,252,973	2,272,964
13.2 Stocks.....			
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	0	2,252,973	2,272,964
14. Net increase (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	2,322,000	(189,368)	720,636
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.....			1,402,481
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).....	76,914	(6,207)	(66,476)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	76,914	(6,207)	1,336,005
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	2,338,465	(7,475)	(3,251)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	44,036	47,287	47,287
19.2 End of period (Line 18 plus Line 19.1).....	2,382,501	39,812	44,036
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001 Surplus contribution in settlement of intercompany payable balance.....			1,402,481
20.0002 Securities transferred in satisfaction of intercompany payable balance.....			(936,315)
20.0003 Subsidiary common stock contributed by parent.....	35,656,144		
20.0004 Subsidiary common stock contributed by parent.....	(35,656,144)		

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

- A. The financial statements of Stonewood National Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.
- The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed or permitted practices by the state of Ohio.

Note 2 - Accounting Changes and Corrections of Errors

- A. On November 6, 2011, SSAP No. 101, Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10, was adopted by the NAIC. SSAP No. 101 contains changes to accounting for current and deferred federal and foreign income taxes, effective on January 1, 2012. This guidance provides that the deferred tax asset admissibility guidance is no longer elective, and the reversal and surplus limitation parameters in the admissibility tests are determined based on the risk-based capital level. It also requires gross deferred tax assets to be reduced by a statutory valuation allowance if it is more likely than not that some portion or all of the gross deferred tax assets will not be realized. Finally, the guidance sets a more likely than not threshold for the recording of contingent tax liabilities. The adoption of SSAP No. 101 had no impact to the Company.

Note 3 - Business Combinations and Goodwill

No significant change.

Note 4 - Discontinued Operations

No significant change.

Note 5 - Investments

- A. Not applicable
- B. Not applicable
- C. Not applicable
- D. Loan-Backed Securities - The Company does not invest in loan-backed securities.

Note 6 - Joint Ventures, Partnerships and Limited Liability Companies

No significant change.

Note 7 - Investment Income

No significant change.

Note 8 - Derivative Instruments

No significant change.

Note 9 - Income Taxes

No significant change. See Note 2.

Note 10 - Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

See Note 21 - Other Items for further details.

Note 11 - Debt

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 12 - Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans

No significant change.

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

At September 30, 2012, the Company's surplus as regards policyholders was \$42,367,089.

Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below at September 30, 2012 is as follows:

a. Net unrealized gains (losses), net of tax of \$-0-	\$(1,358,578)
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Note 14 - Contingencies

No significant change.

Note 15 - Leases

No significant change.

Note 16 - Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

No significant change.

Note 17 - Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Not applicable.

B. Not applicable.

C. The Company was not involved in any wash sale transactions during the quarter ended or nine months ended September 30, 2012.

Note 18 - Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

No significant change.

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

No significant change.

Note 20 - Fair Value

A. (1) The Company values its investments in bonds at amortized cost and values its investments in insurance subsidiaries using the statutory equity method.

(2) The Company has no assets or liabilities measured at fair value in the Level 3 category.

(3) Not applicable

(4) Not applicable.

B. Not applicable

C.	Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
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Bonds	\$5,775,902	\$5,661,172	\$5,775,902	\$-0-	\$-0-	\$-0-
Short-term						

NOTES TO FINANCIAL STATEMENTS

	investments	\$2,366,959	\$2,366,959	\$2,366,959	\$-0-	\$-0-	\$-0-
D.	Not applicable						

Note 21 - Other Items

C. Other Disclosures

1. On October 27, 2011, James River Group, Inc. entered into a stock purchase agreement to acquire the Company and Infinity General Insurance Company (NAIC #35211) for a purchase price of \$4.0 million plus the statutory-basis capital and surplus of the acquired insurance companies from their parent, Infinity Insurance Company (NAIC #22268). The acquisition was completed on December 31, 2011 and did not have any effect on the Company’s operations for the year then ended or total capital and surplus on that date. All of the officers and directors of the Company were replaced on the date of close, December 31, 2011.
2. On December 31, 2011, immediately following the sale to James River Group, Inc., the Company entered into a reinsurance agreement with Infinity Insurance Company whereby the Company ceded 100% of its liability with respect to all insurance business written or assumed by the Company prior to the sale.
3. On January 3, 2012, following the acquisition by James River Group, Inc., and the receipt of all necessary regulatory approvals, James River Group, Inc. contributed to the Company all the issued and outstanding common stock of Infinity General Insurance Company (renamed Stonewood General Insurance Company on January 27, 2012) and Stonewood Insurance Company (NAIC #11828) to the Company.
4. On January 27, 2012, following the acquisition by James River Group, Inc., and the receipt of all necessary regulatory approvals, the Company was renamed Stonewood National Insurance Company.
5. The Company values its investments in its insurance subsidiaries using the statutory equity method in accordance with SSAP No. 97, *Investments in Subsidiary, Controlled and Affiliated Entities, A Replacement of SSAP No. 88*.

Note 22 - Events Subsequent

No significant change.

Note 23 - Reinsurance

No significant change.

Note 24 - Retrospectively Rated Contracts & Contracts Subject to Redetermination

No significant change.

Note 25 - Change in Incurred Losses and Loss Adjustment Expenses

The Company had no net incurred losses and loss adjustment expenses during the quarter ended or nine months ended September 30, 2012.

Note 26 - Intercompany Pooling Arrangements

No significant change.

Note 27 - Structured Settlements

No significant change.

Note 28 - Health Care Receivables

No significant change.

Note 29 - Participating Policies

No significant change.

Note 30 - Premium Deficiency Reserves

NOTES TO FINANCIAL STATEMENTS

No significant change.

Note 31 - High Deductibles

No significant change.

Note 32 - Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses

No significant change.

Note 33 - Asbestos/Environmental Reserves

No significant change.

Note 34 - Subscriber Savings Accounts

No significant change.

Note 35 - Multiple Peril Crop Insurance

No significant change.

Note 36 - Financial Guaranty Insurance

The Company does not write financial guaranty insurance.

Stonewood National Insurance Company
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 [☐]

No [☒]

1.2

If yes, has the report been filed with the domiciliary state?

Yes [☐]

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 [☐]

2.2

If yes, date of change:

1/27/2012.....

3.

Have there been any substantial changes in the organizational chart since the prior quarter end?
If yes, complete the Schedule Y-Part 1 - Organizational chart.

Yes [☐]

No [☒]

4.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes [☐]

No [☒]

4.2

If yes, provide name of 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
Not Applicable		

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?
If yes, attach an explanation.

Yes [☒]

No [☐]

N/A [☐]

The Company filed a Form D with the Ohio Department of Insurance on June 5, 2012 regarding a management services and cost sharing agreement between the Company and Stonewood Insurance Management Company, Inc., an affiliate. The Ohio Department of Insurance approved this agreement on June 26, 2012.

The Company filed a Form D with the Ohio Department of Insurance on June 5, 2012 regarding a tax allocation agreement between the Company and James River Group, Inc., the Company's parent. The Ohio Department of Insurance approved this agreement on June 21, 2012.

6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2006.....

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.

12/31/2006.....

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).

12/15/2007.....

6.4

By what department or departments?

Ohio 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 [☒]

6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes [☐]

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 [☒]

7.2

If yes, give full information:

Not Applicable

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [☐]

No [☒]

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

Not Applicable

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [☐]

No [☒]

8.4

If the 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
Not Applicable					

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?
(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.

Yes [☒]

No [☐]

9.11

If the response to 9.1 is No, please explain:

Not Applicable

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).

Not Applicable

9.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [☐]

No [☒]

Q07

Stonewood National Insurance Company
GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES - GENERAL

9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

Not Applicable

PART 1 - FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:

.....

PART 1 - 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 [X]

11.2 If yes, give full and complete information relating thereto:

Not Applicable

12. Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$.....0

13. Amount of real estate and mortgages held in short-term investments:

\$.....0

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] 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.....	\$0	\$0
14.22 Preferred Stock.....	\$0	\$0
14.23 Common Stock.....	\$0	\$34,297,566
14.24 Short-Term Investments.....	\$0	\$0
14.25 Mortgage Loans on Real Estate.....	\$0	\$0
14.26 All Other.....	\$0	\$0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26).....	\$0	\$34,297,566
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above.....	\$0	\$0

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]

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.

Not Applicable

16. 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 []

16.1 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
U.S. Bank, N.A.	225 Water Street, Suite 700, Jacksonville, FL 32202

16.2 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)
Not Applicable		

16.3 Have there been any changes, including name changes, in the custodian(s) identified in 16.1 during the current quarter?

Yes [] No [X]

16.4 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Not Applicable			

16.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
Not Applicable	Gen Re-New England Asset Management, Inc.	76 Batterson Park Road, Farmington, CT 06032

17.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed?

Yes [X] No []

17.2 If no, list exceptions:

Not Applicable

Stonewood National Insurance Company
GENERAL INTERROGATORIES (continued)

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?
If yes, attach an explanation.
Not Applicable

Yes [] No [] N/A [X]

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?
If yes, attach an explanation.
Not Applicable

Yes [] No [X]

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled?
3.2 If yes, give full and complete information thereto:
Not Applicable

Yes [] No [X]

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?
4.2 If yes, complete the following schedule:

Yes [] No [X]

1	2	3	Total Discount				Discount Taken During Period			
Line of Business	Maximum Interest	Disc. Rate	4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
	.....	.....	.....	.....	.....	.....0	.....	.....	.....	.....0
Total.....	.....XXX..	.....XXX.....	.....0	.....0	.....0	.....0	.....0	.....0	.....0	.....0

5. Operating Percentages:
5.1 A&H loss percent
5.2 A&H cost containment percent
5.3 A&H expense percent excluding cost containment expenses

0.0 %
0.0 %
0.0 %

6.1 Do you act as a custodian for health savings accounts?
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?
6.4 If yes, please provide the amount of funds administered as of the reporting date.

Yes [] No [X]
0
Yes [] No [X]
0

Stonewood National Insurance Company
SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5
NAIC Company Code	Federal ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Is Insurer Authorized? (YES or NO)

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

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
1. Alabama.....AL	L			12,806	60,808	44,000	37,368
2. Alaska.....AK	L						
3. Arizona.....AZ	L		27				(801)
4. Arkansas.....AR	L						
5. California.....CA	N						
6. Colorado.....CO	L			(84)	(2,782)		
7. Connecticut.....CT	N						
8. Delaware.....DE	N						
9. District of Columbia.....DC	L						
10. Florida.....FL	L	528,259	2,330	669,922	57,694	85,383	41,646
11. Georgia.....GA	L		3,640	72,452	47,762	46,845	58,538
12. Hawaii.....HI	N						
13. Idaho.....ID	L						
14. Illinois.....IL	L						
15. Indiana.....IN	L						
16. Iowa.....IA	L						
17. Kansas.....KS	L						
18. Kentucky.....KY	L						
19. Louisiana.....LA	L						
20. Maine.....ME	N						
21. Maryland.....MD	L						
22. Massachusetts.....MA	N						
23. Michigan.....MI	N						
24. Minnesota.....MN	L						
25. Mississippi.....MS	L						
26. Missouri.....MO	L	68		37			
27. Montana.....MT	L						
28. Nebraska.....NE	L						
29. Nevada.....NV	L						
30. New Hampshire.....NH	N						
31. New Jersey.....NJ	L						
32. New Mexico.....NM	L						
33. New York.....NY	L				24,755	10,263	11,208
34. North Carolina.....NC	L						
35. North Dakota.....ND	L						
36. Ohio.....OH	L						
37. Oklahoma.....OK	L						
38. Oregon.....OR	L						
39. Pennsylvania.....PA	L						
40. Rhode Island.....RI	L						
41. South Carolina.....SC	N			(1,013)	(535)		
42. South Dakota.....SD	L						
43. Tennessee.....TN	L						
44. Texas.....TX	L						
45. Utah.....UT	L						
46. Vermont.....VT	N						
47. Virginia.....VA	L						
48. Washington.....WA	L						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	L				133		
51. Wyoming.....WY	L						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. US Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CN	N						
58. Aggregate Other Alien.....OT	XXX	0	0	0	0	0	0
59. Totals.....	(a).....40	528,327	5,997	754,120	187,835	186,491	147,959

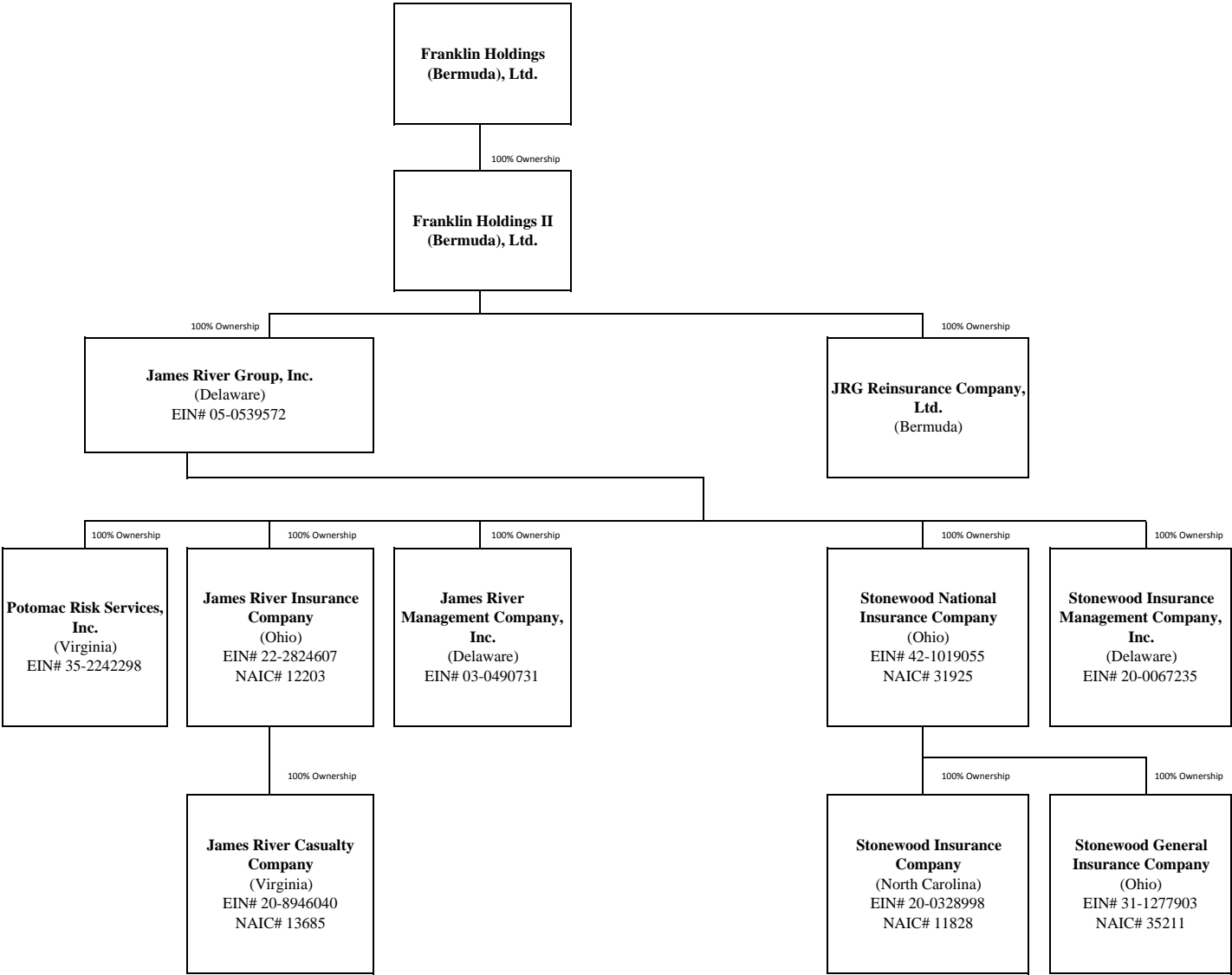
DETAILS OF WRITE-INS

5801.	XXX						
5802.	XXX						
5803.	XXX						
5898. Summary of remaining write-ins for Line 58 from overflow page.	XXX	0	0	0	0	0	0
5899. Totals (Lines 5801 thru 5803 + Line 5898) (Line 58 above).....	XXX	0	0	0	0	0	0

(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;
(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.
(a) Insert the number of L responses except for Canada and Other Alien.

SCHEDULE Y - INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY

PART 1 - ORGANIZATIONAL CHART



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
Group Code	Group Name	NAIC Company Code	Federal 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)	*
Members														
.....	.....	00000.....	.....	.....	.....	.....	Franklin Holdings, Ltd.....	BM.....	UIP.....	.....	.....	.....	.....	.....
.....	.....	00000.....	.....	.....	.....	.....	Franklin Holdings II, Ltd.....	BM.....	UIP.....	Franklin Holdings, Ltd.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
.....	.....	00000.....	05-0539572	.....	.....	.....	James River Group, Inc.....	DE.....	UDP.....	Franklin Holdings II, Ltd.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
.....	.....	00000.....	AA-3190958	.....	.....	.....	JRG Reinsurance Company, Ltd.....	BM.....	IA.....	Franklin Holdings II, Ltd.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
.....	.....	00000.....	35-2242298	.....	.....	.....	Potomac Risk Services, Inc.....	VA.....	NIA.....	James River Group, Inc.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
3494.....	James River Insurance Group.....	12203.....	22-2824607	.....	.....	.....	James River Insurance Company.....	OH.....	IA.....	James River Group, Inc.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
.....	.....	00000.....	03-0490731	.....	.....	.....	James River Management Company.....	DE.....	NIA.....	James River Group, Inc.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
3494.....	James River Insurance Group.....	13685.....	20-8946040	.....	.....	.....	James River Casualty Company.....	VA.....	IA.....	James River Insurance Company.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
3494.....	James River Insurance Group.....	31925.....	42-1019055	.....	.....	.....	Stonewood National Insurance Company.....	OH.....	.....	James River Group, Inc.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
.....	.....	00000.....	20-0067235	.....	.....	.....	Stonewood Insurance Management Co.....	DE.....	NIA.....	James River Group, Inc.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
3494.....	James River Insurance Group.....	11828.....	20-0328998	.....	.....	.....	Stonewood Insurance Company.....	NC.....	DS.....	Stonewood National Insurance Company.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....
3494.....	James River Insurance Group.....	35211.....	31-1277903	.....	.....	.....	Stonewood General Insurance Company.....	OH.....	DS.....	Stonewood National Insurance Company.....	Ownership.....	.....100.00	Franklin Holdings, Ltd.....	.....

Stonewood National Insurance Company
PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			.00	
2. Allied lines.....			.00	
3. Farmowners multiple peril.....			.00	
4. Homeowners multiple peril.....			.00	
5. Commercial multiple peril.....			.00	
6. Mortgage guaranty.....			.00	
8. Ocean marine.....			.00	
9. Inland marine.....			.00	
10. Financial guaranty.....			.00	
11.1. Medical professional liability - occurrence.....			.00	
11.2. Medical professional liability - claims-made.....			.00	
12. Earthquake.....			.00	
13. Group accident and health.....			.00	
14. Credit accident and health.....			.00	
15. Other accident and health.....			.00	
16. Workers' compensation.....			.00	
17.1 Other liability-occurrence.....			.00	
17.2 Other liability-claims made.....			.00	
17.3 Excess workers' compensation.....			.00	
18.1 Products liability-occurrence.....			.00	
18.2 Products liability-claims made.....			.00	
19.1, 19.2 Private passenger auto liability.....	516,213	566,177	109.7	(104.0)
19.3, 19.4 Commercial auto liability.....			.00	
21. Auto physical damage.....	12,114	3,033	25.0	80.1
22. Aircraft (all perils).....			.00	
23. Fidelity.....			.00	
24. Surety.....			.00	
26. Burglary and theft.....			.00	
27. Boiler and machinery.....			.00	
28. Credit.....			.00	
29. International.....			.00	
30. Warranty.....			.00	
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.....	.0	.0	.00	
35. Totals.....	528,327	569,210	107.7	(45.6)

DETAILS OF WRITE-INS

3401. ....			.00	
3402. ....			.00	
3403. ....			.00	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	.00	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	.00	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1 Medical professional liability - occurrence.....			
11.2 Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1 Other liability-occurrence.....			
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....	516,213	516,213	4,068
19.3 19.4 Commercial auto liability.....			
21. Auto physical damage.....	12,114	12,114	1,929
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
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.....	.0	.0	.0
35. Totals.....	528,327	528,327	5,997

DETAILS OF WRITE-INS

3401.			
3402.			
3403.			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	.0

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

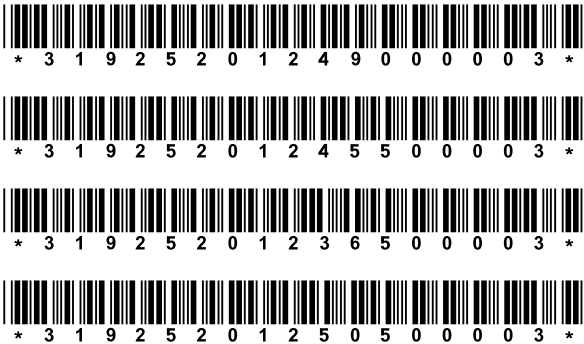
The following supplemental reports are required to be filed as part of your statement filing. However, in the event that your company does not transact the type of business for which the special report must be filed, your response of NO to the specific interrogatory will be accepted in lieu of filing 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 Trusted Surplus Statement be filed with the state of domicile and the NAIC with this statement?	<div>NO</div>
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	<div>NO</div>
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	<div>NO</div>
4. Will the Director and Officer Supplement be filed with the state of domicile and the NAIC with this statement?	<div>NO</div>

Explanation:

1.
2.
3.
4.

Bar Code:



Stonewood National Insurance Company
Overflow Page for Write-Ins

NONE

Stonewood National 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.....	0	
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

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.....	0	
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 interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding 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).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

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.....	0	
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 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).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

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.....	7,983,259	8,632,272
2. Cost of bonds and stocks acquired.....	35,656,144	2,272,964
3. Accrual of discount.....	2,375	4,454
4. Unrealized valuation increase (decrease).....	(1,358,578)	
5. Total gain (loss) on disposals.....		74,932
6. Deduct consideration for bonds and stocks disposed of.....	2,322,000	2,993,600
7. Deduct amortization of premium.....	2,462	7,763
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).....	39,958,738	7,983,259
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	39,958,738	7,983,259

SCHEDULE D - PART 1B

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

QS102

	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. Class 1 (a).....	8,111,666	2,355,054	2,438,291	(298)	7,983,363	8,111,666	8,028,131	8,027,295
2. Class 2 (a).....								
3. Class 3 (a).....								
4. Class 4 (a).....								
5. Class 5 (a).....								
6. Class 6 (a).....								
7. Total Bonds.....	8,111,666	2,355,054	2,438,291	(298)	7,983,363	8,111,666	8,028,131	8,027,295
PREFERRED STOCK								
8. Class 1.....								
9. Class 2.....								
10. Class 3.....								
11. Class 4.....								
12. Class 5.....								
13. Class 6.....								
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds and Preferred Stock.....	8,111,666	2,355,054	2,438,291	(298)	7,983,363	8,111,666	8,028,131	8,027,295

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999. Totals.....	.....2,366,959	.....XXX.....	.....2,366,959	.....	.....

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.....44,036	.....47,287
2. Cost of short-term investments acquired.....	.....2,519,973	.....2,267,551
3. Accrual of discount.....	.....	.....
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	.....	.....
6. Deduct consideration received on disposals.....	.....197,050	.....2,270,802
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).....	.....2,366,959	.....44,036
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	.....2,366,959	.....44,036

Sch. DB-Pt A-Verification
NONE

Sch. DB-Pt B-Verification
NONE

Sch. DB-Pt C-Sn 1
NONE

Sch. DB-Pt C-Sn 2
NONE

Sch. DB-Verification
NONE

Sch. E-Verification
NONE

Sch. A-Pt 2
NONE

Sch. A-Pt 3
NONE

Sch. B-Pt 2
NONE

Sch. B-Pt 3
NONE

Sch. BA-Pt 2
NONE

Sch. BA-Pt 3
NONE

Sch. D-Pt 3
NONE

SCHEDULE D - PART 4

Show All Long-Term Bonds and Stock Sold, Redeemed or Otherwise Disposed of During the Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization) Accretion	Current Year's Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value At Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Design- nation or Market Indicabr (a)
Bonds - U.S. Government																					
912828 LB 4	UNITED STATES TREASURY NOTES.....	.....	07/15/2012	MATURITY .....	.....	.....2,322,000	.....2,322,000	.....2,316,438	.....2,320,985	.....	.....1,015	.....	.....1,015	.....	.....2,322,000	.....	.....	.....0	.....28,905	07/15/2012	1.....
0599999.	Total - Bonds - U.S. Government.....					.....2,322,000	.....2,322,000	.....2,316,438	.....2,320,985	.....0	.....1,015	.....0	.....1,015	.....0	.....2,322,000	.....0	.....0	.....0	.....28,905	....XXX...	..XXX...
8399997.	Total - Bonds - Part4.....					.....2,322,000	.....2,322,000	.....2,316,438	.....2,320,985	.....0	.....1,015	.....0	.....1,015	.....0	.....2,322,000	.....0	.....0	.....0	.....28,905	....XXX...	..XXX...
8399999.	Total - Bonds.....					.....2,322,000	.....2,322,000	.....2,316,438	.....2,320,985	.....0	.....1,015	.....0	.....1,015	.....0	.....2,322,000	.....0	.....0	.....0	.....28,905	....XXX...	..XXX...
9999999.	Total - Bonds, Preferred and Common Stocks.....					.....2,322,000	.....XXX.....	.....2,316,438	.....2,320,985	.....0	.....1,015	.....0	.....1,015	.....0	.....2,322,000	.....0	.....0	.....0	.....28,905	....XXX...	..XXX...

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

Sch. DB-Pt A-Sn 1
NONE

Sch. DB-Pt B-Sn 1
NONE

Sch. DB-Pt B-Sn 1B-Broker List
NONE

Sch. DB-Pt D
NONE

Sch. DL-Pt. 1
NONE

Sch. DL-Pt. 2
NONE

NONE

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open December 31 of Current Year

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Change in Variation Margin				19	20
														15	16	17	18		
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Hedged Item(s)	Schedule/ Exhibit Identifier	Type(s) of Risk	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/ Adjusted Carrying Value	Cumulative	Gain (Loss) Recognized in Current Year	Gain (Loss) Used to Adjust Basis of Hedged Item	Deferred	Potential Exposure	Hedge Effectiveness at Inception and at Quarter-end (a)

NONE

QE07

Broker Name	Net Cash Deposits
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NONE

QE07FE

NONE

SCHEDULE DB - PART D

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1	2	3	4	Book Adjusted Carrying Value			Fair Value			11	12
				5	6	7	8	9	10		
Description Counterparty or Exchange Traded	Master Agreement (Y or N)	Credit Support Annex (Y or N)	Fair Value of Acceptable Collateral	Contracts With Book Adjusted Carrying Value > 0	Contracts With Book Adjusted Carrying Value < 0	Exposure Net of Collateral	Contracts With Fair Value > 0	Contracts With Fair Value < 0	Exposure Net of Collateral	Potential Exposure	Off-Balance Sheet Exposure

NONE

Stonewood National Insurance Company

SCHEDULE DL - PART 1

SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1	2	3	4	5	6	7
CUSIP Identification	Description	Code	NAIC Designation /Market Indicator	Fair Value	Book/Adjusted Carrying Value	Maturity Dates

General Interrogatories:

1. The activity for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
NAIC 1: \$.....0 NAIC 2: \$.....0 NAIC 3: \$.....0 NAIC 4: \$.....0 NAIC 5: \$.....0 NAIC 6: \$.....0

NONE

Stonewood National Insurance Company
SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

Reinvested Collateral Assets Owned Current Statement Date

1	2	3	4	5	6	7
CUSIP Identification	Description	Code	NAIC Designation /Market Indicator	Fair Value	Book/Adjusted Carrying Value	Maturity Dates

General Interrogatory:

1. The activity for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
2. Average balance for the year to date: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0
3. Grand Total Schedule DL Part 1 and Part 2: Fair Value \$.....0 Book/Adjusted Carrying Value \$.....0

NONE

Stonewood National 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	
Open Depositories								
0199998. Deposits in.....1 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....15,542	XXX..
0199999. Total Open Depositories.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....15,542	XXX..
0399999. Total Cash on Deposit.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....15,542	XXX..
0599999. Total Cash.....	...XXX.....	...XXX.....	.....0	.....0	.....0	.....0	.....15,542	XXX..

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1	2	3	4	5	6	7	8
Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year

NONE