PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

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QUARTERLY STATEMENT

As of March 31, 2016

of the Condition and Affairs of the

Falls Lake 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 ..... US ..... 43215 *(Street and Number) (City or Town, State, Country and Zip Code)*	
Main Administrative Office	6131 Falls of Neuse Rd., Suite 306..... Raleigh ..... NC ..... US ..... 27609 *(Street and Number) (City or Town, State, Country and Zip Code)*	919-882-3500 *(Area Code) (Telephone Number)*
Mail Address	6131 Falls of Neuse Rd., Suite 306..... Raleigh ..... NC ..... US ..... 27609 *(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)*	
Primary Location of Books and Records	6131 Falls of Neuse Rd., Suite 306..... Raleigh ..... NC ..... US ..... 27609 *(Street and Number) (City or Town, State, Country and Zip Code)*	919-882-3500 *(Area Code) (Telephone Number)*
Internet Web Site Address	www.fallslakeins.com	
Statutory Statement Contact	Aileen K. Celentano *(Name)*	919-882-3536 *(Area Code) (Telephone Number) (Extension)*
	accounting@fallslakeins.com *(E-Mail Address)*	888-698-7290 *(Fax Number)*

OFFICERS

Name	Title	Name	Title
1. Steven J. Hartman	President/CEO	2. Thomas R. Fauerbach	Secretary/CFO
3. Michael E. Crow	Treasurer	4. Gregg T. Davis	Chairman

OTHER

Joseph R. Raia — Controller

DIRECTORS OR TRUSTEES

Gregg T. Davis, Steven J. Hartman, Michael E. Crow, Thomas R. Fauerbach, Joseph R. Raia

State of..... North Carolina
County of..... Wake

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	Thomas R. Fauerbach	Joseph R. Raia
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President/CEO	Secretary/CFO	Controller
(Title)	(Title)	(Title)

Subscribed and sworn to before me
This _____ day of May, 2016

a. Is this an original filing? Yes [X] No [ ]
b. If no: 1. State the amendment number
2. Date filed
3. Number of pages attached

ASSETS

	Current Statement Date			4
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
1. Bonds	12,159,876		12,159,876	10,663,292
2. Stocks:				
2.1 Preferred stocks	2,035,643		2,035,643	2,041,058
2.2 Common stocks	44,307,210		44,307,210	44,113,559
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 $.....0 encumbrances)			0	
5. Cash ($.....5,508,118), cash equivalents ($.....0) and short-term investments ($.....171,812)	5,679,930		5,679,930	9,466,871
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	825
12. Subtotals, cash and invested assets (Lines 1 to 11)	64,182,659	0	64,182,659	66,285,605
13. Title plants less $.....0 charged off (for Title insurers only)			0	
14. Investment income due and accrued	76,095		76,095	59,120
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	23,720,436	75,580	23,644,856	17,730,567
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including $.....0 earned but unbilled premiums)	7,916,874		7,916,874	8,824,980
15.3 Accrued retrospective premiums ($.....0) and contracts subject to redetermination ($.....0)			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	17,567,711		17,567,711	13,602,402
16.2 Funds held by or deposited with reinsured companies	198,553,970		198,553,970	192,138,368
16.3 Other amounts receivable under reinsurance contracts			0	
17. Amounts receivable relating to uninsured plans			0	
18.1 Current federal and foreign income tax recoverable and interest thereon			0	
18.2 Net deferred tax asset	2,005,161	1,144,526	860,635	860,352
19. Guaranty funds receivable or on deposit			0	
20. Electronic data processing equipment and software			0	
21. Furniture and equipment, including health care delivery assets ($.....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	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25)	314,022,906	1,220,106	312,802,800	299,501,394
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	
28. Total (Lines 26 and 27)	314,022,906	1,220,106	312,802,800	299,501,394

DETAILS OF WRITE-INS

1101. Other investment receivable			0	825
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	825
2501.			0	
2502.			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)	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

		1 Current Statement Date	2 December 31 Prior Year
1.	Losses (current accident year $.....1,471,588)	13,386,506	12,764,722
2.	Reinsurance payable on paid losses and loss adjustment expenses	17,143,854	13,844,941
3.	Loss adjustment expenses	8,308,430	8,361,502
4.	Commissions payable, contingent commissions and other similar charges	3,165,114	1,761,238
5.	Other expenses (excluding taxes, licenses and fees)	562,009	411,936
6.	Taxes, licenses and fees (excluding federal and foreign income taxes)	1,439,096	1,587,156
7.1	Current federal and foreign income taxes (including $.....0 on realized capital gains (losses))	(21,787)	7,801
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 $.....62,739,352 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)	4,707,372	4,408,207
10.	Advance premium		
11.	Dividends declared and unpaid:		
	11.1 Stockholders		
	11.2 Policyholders		
12.	Ceded reinsurance premiums payable (net of ceding commissions)	28,296,853	27,596,305
13.	Funds held by company under reinsurance treaties	177,192,371	171,384,268
14.	Amounts withheld or retained by company for account of others	27,618	40,884
15.	Remittances and items not allocated	1,124,282	554
16.	Provision for reinsurance (including $.....0 certified)		
17.	Net adjustments in assets and liabilities due to foreign exchange rates		
18.	Drafts outstanding		
19.	Payable to parent, subsidiaries and affiliates	27,433	28,156
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	139,107	124,186
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25)	255,498,258	242,321,856
27.	Protected cell liabilities		
28.	Total liabilities (Lines 26 and 27)	255,498,258	242,321,856
29.	Aggregate write-ins for special surplus funds	0	0
30.	Common capital stock	4,200,000	4,200,000
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	43,558,551	43,558,551
35.	Unassigned funds (surplus)	9,545,988	9,420,987
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)	57,304,539	57,179,538
38.	Totals (Page 2, Line 28, Col. 3)	312,802,797	299,501,394

DETAILS OF WRITE-INS

2501.	Policyholder deposits	139,107	124,186
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)	139,107	124,186
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

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 $.....17,881,622)	14,077,112	7,434,970	37,434,384
1.2 Assumed (written $.....24,460,749)	22,295,697	20,142,243	83,325,586
1.3 Ceded (written $.....39,042,214)	33,371,817	24,886,068	109,709,952
1.4 Net (written $.....3,300,157)	3,000,992	2,691,145	11,050,018
DEDUCTIONS:			
2. Losses incurred (current accident year $.....1,468,694):			
2.1 Direct	7,182,484	5,553,449	24,715,257
2.2 Assumed	10,741,242	7,758,144	27,836,815
2.3 Ceded	16,487,102	12,260,993	48,805,423
2.4 Net	1,436,624	1,050,600	3,746,649
3. Loss adjustment expenses incurred	856,942	822,027	3,459,302
4. Other underwriting expenses incurred	885,061	861,275	3,155,044
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	3,178,627	2,733,902	10,360,995
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	(177,635)	(42,757)	689,023
INVESTMENT INCOME			
9. Net investment income earned	82,732	20,890	285,069
10. Net realized capital gains (losses) less capital gains tax of $.....0	4,481	(1)	(11,051)
11. Net investment gain (loss) (Lines 9 + 10)	87,213	20,889	274,018
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered $.....43 amount charged off $.....0)	43	(449)	(435)
13. Finance and service charges not included in premiums	2,008	109	1,378
14. Aggregate write-ins for miscellaneous income	0	0	0
15. Total other income (Lines 12 through 14)	2,051	(340)	943
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	(88,371)	(22,208)	963,984
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)	(88,371)	(22,208)	963,984
19. Federal and foreign income taxes incurred	(29,588)	18,182	268,140
20. Net income (Line 18 minus Line 19) (to Line 22)	(58,783)	(40,390)	695,844
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	57,179,538	49,555,413	49,555,413
22. Net income (from Line 20)	(58,783)	(40,390)	695,844
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of $.....0	188,236	280,361	1,315,007
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(11,440)	25,544	(15,773)
27. Change in nonadmitted assets	6,988	(146,597)	(37,953)
28. Change in provision for reinsurance			667,000
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			5,000,000
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)	125,001	118,918	7,624,125
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	57,304,539	49,674,331	57,179,538
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.			
1402.			
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	0	0
3701.			
3702.			
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 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
	CASH FROM OPERATIONS			
1.	Premiums collected net of reinsurance	(1,010,213)	1,737,863	19,615,329
2.	Net investment income	73,289	18,104	281,116
3.	Miscellaneous income	2,051	(340)	943
4.	Total (Lines 1 through 3)	(934,873)	1,755,627	19,897,388
5.	Benefit and loss related payments	7,896,838	6,928,479	19,017,260
6.	Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7.	Commissions, expenses paid and aggregate write-ins for deductions	389,186	485,286	6,123,848
8.	Dividends paid to policyholders			
9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)			(43,643)
10.	Total (Lines 5 through 9)	8,286,024	7,413,765	25,097,465
11.	Net cash from operations (Line 4 minus Line 10)	(9,220,897)	(5,658,138)	(5,200,077)
	CASH FROM INVESTMENTS			
12.	Proceeds from investments sold, matured or repaid:			
	12.1 Bonds	1,455,207		9,471,944
	12.2 Stocks		12,500,000	12,500,000
	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	(340)		5,036
	12.7 Miscellaneous proceeds	825		
	12.8 Total investment proceeds (Lines 12.1 to 12.7)	1,455,692	12,500,000	21,976,980
13.	Cost of investments acquired (long-term only):			
	13.1 Bonds	2,954,500		13,384,759
	13.2 Stocks		1,998,936	17,000,936
	13.3 Mortgage loans			
	13.4 Real estate			
	13.5 Other invested assets			
	13.6 Miscellaneous applications			825
	13.7 Total investments acquired (Lines 13.1 to 13.6)	2,954,500	1,998,936	30,386,520
14.	Net increase or (decrease) in contract loans and premium notes			
15.	Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(1,498,808)	10,501,064	(8,409,540)
	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			5,000,000
	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)	6,932,763	5,797,466	15,822,420
17.	Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6)	6,932,763	5,797,466	20,822,420
	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)	(3,786,942)	10,640,392	7,212,803
19.	Cash, cash equivalents and short-term investments:			
	19.1 Beginning of year	9,466,871	2,254,068	2,254,068
	19.2 End of period (Line 18 plus Line 19.1)	5,679,929	12,894,460	9,466,871

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

20.0001				

Inside Amount input area:

9.	Federal and foreign income taxes paid (recovered) net of $.....0 tax on capital gains (losses)	

NOTES TO FINANCIAL STATEMENTS

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GOING CONCERN

A. Accounting Practices

The financial statements of Falls Lake 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* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The Insurance Commissioner has the right to permit other specific practices that deviate from prescribed practices.

	State of Domicile	Current Period	Prior Year
NET INCOME			
(1) Falls Lake National Insurance Company state basis (Page 4, Line 20, Columns 1 & 3)	OH	$ (58,783)	$ 695,844
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	OH	$ (58,783)	$ 695,844
SURPLUS			
(5) Falls Lake National Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	OH	$ 57,304,539	$ 57,179,538
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	OH	$ 57,304,539	$ 57,179,538

C. Accounting Policy

(4) Preferred stocks are stated at fair value.
(6) The Company does not invest in loan-backed securities.

D. Going Concern

(6) The Company does not invest in loan-backed securities.

NOTE 2 – ACCOUNTING CHANGES AND CORRECTIONS OF ERRORS

No significant changes

NOTE 3 –BUSINESS COMBINATIONS AND GOODWILL

No significant change.

NOTE 4 – DISCONTINUED OPERATIONS

No significant change

NOTE 5 – INVESTMENTS

A. Mortgage Loans, including Mezzanine Real Estate Loans – Not applicable.

B. Debt Restructuring – Not applicable.

C. Reverse Mortgages – Not applicable.

D. Loan-Backed Securities -- The Company does not invest in loan backed securiteis.

E. Repurchase Agreements and/or Securities Lending Transactions -- The Company does not participate inrepurchase agreements or securites lending activities.

(3) Collateral Received

b. Not applicable.

F. Real Estate – Not applicable.

G. Investments in Low-Income Housing Tax Credits – Not applicable.

H. Restricted Assets – No significant change.

I. Working Capital Finance Investments – The Company does not have working capital finance investments.

NOTES TO FINANCIAL STATEMENTS

(2) Not applicable

(3)Not applicable

J. Offsetting and Netting of Assets and Liabilities – Not applicable.

K. Structured Notes -- Not applicable

NOTE 6 – JOINT VENTURES, PARTNERSHIPS AND LIMITED LIABILITY COMPANIES

No significant changes

NOTE 7 – INVESTMENT INCOME

No significant changes

NOTE 8 – DERIVATIVE INSTRUMENTS

No significant changes

NOTE 9 – INCOME TAXES

No significant changes

NOTE 10 – INFORMATION CONCERNING PARENT, SUBSIDIARIES, AFFILIATES AND OTHER RELATED PARTIES

A., C. - H., K. and L. No significant change.

B. Detail of Transactions Greater than 1/2% of Admitted Assets

On March 23, 2015, the Company received an extraordinary distribution of $12,500,000 from its wholly owned subsidary, Stonewood Insurance Company (NAIC #11828). The transaction was recorded by Stonewood Insurance as a reduction to gross paid in and contributed surplus; and by Falls Lake National as a reduction to the booked basis in its subsidiary.

On December 15, 2015, the parent company, James River Group, Inc., contributed $5 million of additional paid in capital to the Company.

As part of the process to establish a licensed insurance subsidiary in California, on December 18, 2015, the Company capitalized Falls Lake Fire and Casualty Company, a California corporation. In the transaction, Falls Lake Fire and Casualty Company sold the Company 26,000 shares of its $100 per share par value capital stock at the price of $577 per share. Gross proceeds received by Falls Lake Fire and Casualty Company were $15,002,000. At the time the funds were transferred, Falls Lake Fire and Casualty Company had been granted a permit and was authorized by the California Department of Insurance to receive funds. Subsequently, on January 11, 2016, Falls Lake Fire and Casualty Company was issued a Certificate of Authority, effective January 1, 2016.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

See Note 10.B.

NOTE 11 – DEBT

No significant change

B. FHLB (Federal Home Loan Bank) Agreements -- The Company does not have any FHLB (Federal Home Loan Bank) Agreements.

NOTE 12 – RETIREMENT PLANS, DEFERRED COMPENSATION, POSTEMPLOYMENT BENEFITS AND COMPENSATED ABSENCES AND OTHER POSTRETIREMENT BENEFIT PLANS

No significant change

A. Defined Benefit Plan -- The Company does not have a defined benefit plan.

(4) Not applicable

NOTE 13 – CAPITAL AND SURPLUS, DIVIDEND RESTRICTIONS AND QUASI-REORGANIZATIONS

At March 31, 2016, the Company's surplus as regards to policyholders was $57,115,340.

Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented or reduced by each item below at March 31, 2016 is as follows:

a. Cumulative net unrealized gains/(losses), net of tax of $-0-, $5,449,421.

NOTE 14 – LIABILITIES, CONTINGENCIES AND ASSESSMENTS

No significant changes

NOTES TO FINANCIAL STATEMENTS

NOTE 15 – LEASES

No significant changes

NOTE 16 – INFORMATION ABOUT FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FINANCIAL INSTRUMENTS WITH CONCENTRATIONS OF CREDIT RISK

No significant changes

NOTE 17 – SALE, TRANSFER AND SERVICING OF FINANCIAL ASSETS AND EXTINGUISHMENTS OF LIABILITIES

A. Transfer of Receivables Reported as Sales -- Not applicable.

B. Transfer and Servicing of Financial Assets -- Not applicable.

(2)

a. Not applicable.
b. Not applicable.
c. Not applicable.

(4)

a. Not applicable
b. Not applicable.

C. Wash Sales

(1) Not applicable

(2) Not applicable2016

NOTE 18 – GAIN OR LOSS TO THE REPORTING ENTITY FROM UNINSURED PLANS AND THE PORTION OF PARTIALLY INSURED PLANS

Not applicable

NOTE 19 – DIRECT PREMIUM WRITTEN/PRODUCED BY MANAGING GENERAL AGENTS/THIRD PARTY ADMINISTRATORS

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premums Written/ Produced By
5 Star Specialty, P.O. Box 59 Winston-salem, NC 27102	56-1074313	YES	Specialty Commercial Auto	U, B, P	6,553
Rocky Mountain Insurance Services LLC, 5051 Journal Center Blvd NE, Albuquerque, NM 87109	84-1440132	YES	Property, CMP General Liability, Commercial Auto	U,B,P,CA,C	5,636
AE Underwriters Agency, Inc., 444 Madison Ave., Suite 501, New York, NY 10022	46-3127467	NO	Commercial Package	U,B,P,CA,C	1,687
Total	XXX	XXX	XXX	XXX	7,323

NOTE 20 – FAIR VALUE MEASUREMENTS

A. Fair value measurements for fixed income and equity securities are based on values either published by the NAIC's Security Valuation Office (SVO) or from an independent pricing service vendor. Under certain circumstances, if neither an SVO price nor vendor price is available, a price may be obtained from a broker. Short term securities and cash equivalents are valued at amortized cost.

When published prices from the SVO are not available, the Company's investment manager relies predominantly on independent pricing service vendors that have been evaluated and approved by the investment manager's internal pricing policy committee. Generally, pricing service vendors use a pricing methodology involving the market approach, including pricing models, which use prices and relevant market information regarding a particular security or securities with similar characteristics to establish a valuation.

For statutory accounting, certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value. Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with the investment manager's pricing policy procedures. Market information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

The Company attempts to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. There are three levels of inputs that may be used to measure fair value: (1) Level 1: quoted price (unadjusted) in active markets for identical assets, (2) Level 2: inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the instrument, and (3) Level 3: inputs to the valuation methodology are unobservable for the asset or liability.

NOTES TO FINANCIAL STATEMENTS

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date.

To measure fair value, the Company obtains quoted market prices for its investment securities. If a quoted market price is not available, the Company uses prices of similar securities. Values for U.S. Treasury and publicly traded equity securities are generally based on Level 1 inputs which use the market approach valuation technique. The values for all other bonds (including state and municipal securities and obligations of U.S. government corporations and agencies) generally incorporate significant Level 2 inputs using the market approach and income approach valuation techniques. There have been no changes in the Company's use of valuation techniques during 2016. There were no transfers between Level 1 and Level 2 or between Level 2 and Level 3 during 2016.

(1) Fair Value Measurements at Reporting Date

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Bonds are reported at amortized cost	$	$	$	$
Preferred Stock		2,038,718		2,038,718
Shiort-term investments are carried at amortized cost				
Total	$	$ 2,038,718	$	$ 2,038,718

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Not applicalble	$	$	$	$
Total	$	$	$	$

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

a. Assets	Beginning Balance at current period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at current period
Not applicalble	$	$	$	$	$	$	$	$	$	$
Total	$	$	$	$	$	$	$	$	$	$

b. Liabilities	Beginning Balance at current period	Transfers Into Level 3	Transfers Out of Level 3	Total Gains and (Losses) Included in Net Income	Total Gains and (Losses) Included in Surplus	Purchases	Issuances	Sales	Settlements	Ending Balance at current period
Not applicalble	$	$	$	$	$	$	$	$	$	$
Total	$	$	$	$	$	$	$	$	$	$

(3) The Company has a policy to recognize transfers between levels at the beginning of the reporting period.

(4) See narrative above fro Level 2 valuation techniques. The Company does not have any Level 3 assets.

(5) The Company does not have any Level 3 assets or liabilites.

B. Otther Fair Value Disclosures -- Not applicable

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	$ 12,415,834	$ 12,159,876	$ 4,198,267	$ 8,217,567	$	$
Preferred Stock	2,038,718	2,035,643		2,038,718		
Short Term Investments	171,811	171,811	171,811			

D. Not Practicable to Estimate Fair Value

Type of Class or Financial Instrument	Carrying Value	Effective Interest Rate	Maturity Date	Explanation
Not applicalble	$	%		

NOTE 21 – OTHER ITEMS

No significant changes

NOTE 22 – EVENTS SUBSEQUENT

No significant changes

NOTE 23 – REINSURANCE

No significant changes

NOTE 24 – RETROSPECTIVELY RATED CONTRACTS AND CONTRACTS SUBJECT TO REDETERMINATION

No significant change

F. Risk Sharing Provisions of the Affordable Care Act

(1) Not applicable.
(2) Not applicable.
(3) Not applicable

NOTES TO FINANCIAL STATEMENTS

NOTE 25 – CHANGE IN INCURRED LOSSES AND LOSS ADJUSTMENT EXPENSES

The following table provides an analysis of the change in loss and loss adjustment expense reserves net of reinsurance recoverables for the indicated periods:

	3/31/2016	12/31/2015
Reserves, Net of Reinsurance Recoverables at		
Beginning of Year	$ 21,126,224	$ 19,388,737
Add: Provision of Claims Occurring During:		
Current Year	2,387,900	8,863,993
Prior Years	(94,335)	(1,658,042)
Incurred Losses/Expenses	2,293,566	7,205951
Deduct: Payments for Claims Occurring During:		
Current Year	212.609	1,397,854
Prior Years	1,512,244	4,070,610
	,1,724,853	5,468,464
Reserves, net of Reins Recoverables at End of Period	**$ 21,694,936**	**$ 21,126,224**

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by approximately $94,000 in 2016, resulting primarily from other liability and products liability - claims made lines of business. This change is the result of an ongoing analysis of recent development trends and additional information regarding individual claims.

NOTE 26 – INTERCOMPANY POOLING ARRANGEMENTS

A.-D.

The insurance entities within the James River Group are participants in an intercompany reinsurance pooling agreement (the pooling) which was effective January 1, 2013 and included business in-force and subsequent to that date. All lines of business are subject to the pooling which is net of all other reinsurance coverage carried by the participants. The pooling provides proportionate sharing of premiums earned, losses and loss adjustment expenses incurred and underwriting expenses incurred.

Falls Lake Fire and Casualty Company (FLFCC) has requested and is awaiting approval from the California Department of Insurance to be a party to the pooling agreement, effective January 1, 2016 on an in-force, new and renewal basis. Upon approval from CA, the revised agreement will be put forth for approval to the various States where the other participants are domiciled (OH, NC and VA). Upon receipt of all required approvals, it is expected that FLFCC will be included in the pool and all participants shares will be modified.

Current and pending participants and their percentages of the pool are as follows:

Company	NAIC #	Current Participation	Pending Participation
Falls Lake National Insurance Company (Lead Company)	31925	13%	8%
James River Insurance Company	12203	75%	58%
Stonewood Insurance Company	11828	6%	15%
James River Casualty Company	13685	5%	10%
Falls Lake General Insurance Company	35211	1%	3%
Falls Lake Fire and Casualty Company	15884	-	6%

E. Not applicable

F. Not applicable

G. Not applicable at this time.

NOTE 27 – STRUCTURED SETTLEMENTS

No significant changes

NOTE 28 – HEALTH CARE RECEIVABLES

No significant changes

NOTE 29 – PARTICIPATING POLICIES

No significant changes

NOTE 30 – PREMIUM DEFICIENCY RESERVES

No significant changes

NOTE 31 – HIGH DEDUCTIBLES

No significant changes

NOTES TO FINANCIAL STATEMENTS

NOTE 32 – DISCOUNTING OF LIABILITIES FOR UNPAID LOSSES OR UNPAID LOSS ADJUSTMENT EXPENSES

No significant changes

NOTE 33 – ASBESTOS/ENVIRONMENTAL RESERVES

No significant changes

NOTE 34 – SUBSCRIBER SAVINGS ACCOUNTS

No significant changes

NOTE 35 – MULTIPLE PERIL CROP INSURANCE

No significant changes

NOTE 36 – FINANCIAL GUARANTY INSURANCE

No significant change

B. Schedule of Insured Financial Obligations at the End of the Period -- Not applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [X] No [ ]

1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [X]

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [X]

2.2 If yes, date of change:

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No [ ]

3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [X] No [ ]

3.3 If the response to 3.2 is yes, provide a brief description of those changes.

Subsidiary Falls Lake Fire and Casualty Compnay granted Certificate of Authority by California Department of Insurance effective January 1. 2016

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [X]

4.2 If yes, provide 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 Name of Entity	2 NAIC Company Code	3 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 [X] N/A [ ]

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. 12/31/2014

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). 11/09/2015

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 [X]

6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ ] No [ ] N/A [X]

7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [ ] No [X]

7.2 If yes, give full information:

Not applicable

8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [X]

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

Not applicable

8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [X]

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 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 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? Yes [X] No [ ]

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code.

9.11 If the response to 9.1 is No, please explain:

Not applicable

9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [X]

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 [X]

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

Not applicable

FINANCIAL

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

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: $ 0

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	44,113,559	44,307,210
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)	$ 44,113,559	$ 44,307,210
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. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: $ 0

16.3 Total payable for securities lending reported on the liability page: $ 0

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

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
SunTrust Bank	P.O. Box 465 Atlanta, GA 30302

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

1 Name(s)	2 Location(s)	3 Complete Explanation(s)
Not applicable		

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

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

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

17.5 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	New England Asset Management, Inc.	74 Batterson Park Rd., Farmington, CT 06032

18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]

18.2 If no, list exceptions:
Not applicable

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

   If yes, attach an explanation.

   No Change

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]

   If yes, attach an explanation.

   Not applicable

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

3.2 If yes, give full and complete information thereto:

   Not applicable

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

4.2 If yes, complete the following schedule:

1	2	3	Total Discount				Discount Taken During Period			
			4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Disc. Rate	Unpaid Losses	Unpaid LAE	IBNR	Total	Unpaid Losses	Unpaid LAE	IBNR	Total
Not applicable	0.000	0.000	0	0	0	0	0	0	0	0
Total	XXX	XXX	0	0	0	0	0	0	0	0

5.1 Operating Percentages:

5.1 A&H loss percent	0.000%
5.2 A&H cost containment percent	0.000%
5.3 A&H expense percent excluding cost containment expenses	0.000%

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

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. $ 0

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

6.4 If yes, please provide the amount of funds administered as of the reporting date. $ 0

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

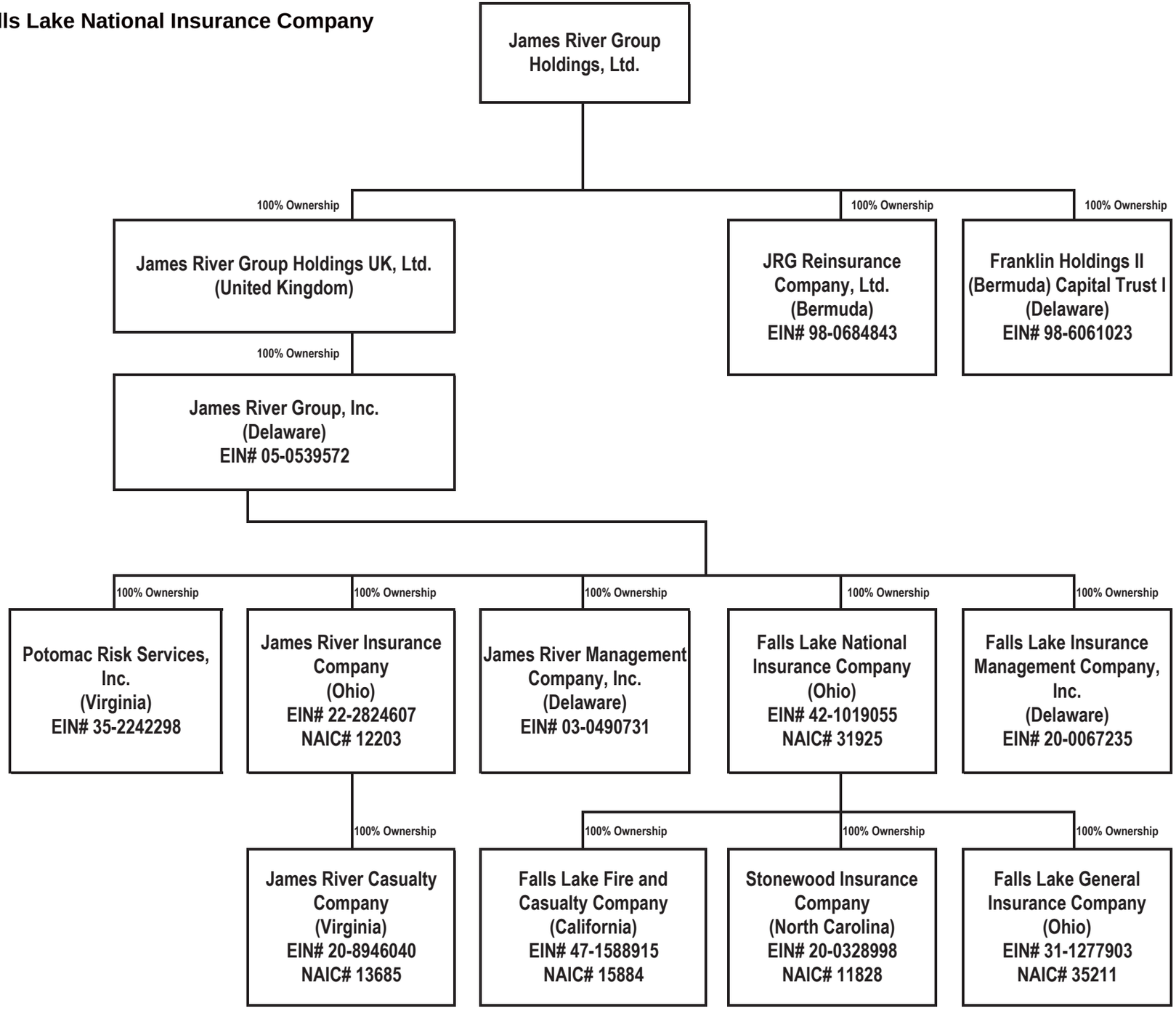
1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
U.S. Insurers						
12900.....	84-1681186.....	VICTORY INS CO INC.....	MT.....	Unauthorized....	.....	.....

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	Direct Premiums Written 2 Current Year to Date	3 Prior Year to Date	Direct Losses Paid (Deducting Salvage) 4 Current Year to Date	5 Prior Year to Date	Direct Losses Unpaid 6 Current Year to Date	7 Prior Year to Date
1. Alabama AL	L	56,397	48,269	1,043	(75)	83,998	57,241
2. Alaska AK	L						
3. Arizona AZ	L	195,920	480,326	95,180	4,809	665,293	108,405
4. Arkansas AR	L	219,834	99,429	27,397	7,207	294,823	226,845
5. California CA	N						
6. Colorado CO	L	1,893,419	494,984	132,174	104,555	370,614	645,617
7. Connecticut CT	N						
8. Delaware DE	L						
9. District of Columbia DC	L	54,018				787	
10. Florida FL	L	1,904,756		75,724	1,507	1,113,633	4,684
11. Georgia GA	L	175,389	311,527	14,852	(1,297)	130,649	87,384
12. Hawaii HI	L						
13. Idaho ID	L	33,451				480	
14. Illinois IL	L	761,588	871,219	112,430	76,260	1,161,478	307,516
15. Indiana IN	L	83,770	917,302	219,835	49,288	1,044,341	322,943
16. Iowa IA	L		64,073	36,742		68,723	63,008
17. Kansas KS	L	4,128	264,465	(553)		26,200	13,211
18. Kentucky KY	L	243,939	316,067	93,495	9,737	498,470	625,545
19. Louisiana LA	L	426,117		4,335		41,804	16,039
20. Maine ME	N						
21. Maryland MD	L	106,492	150,413	37,819	12,030	568,777	49,137
22. Massachusetts MA	L	150,245	42,168	26,907		92,565	17,830
23. Michigan MI	L						
24. Minnesota MN	L						
25. Mississippi MS	L	171,051	284,729	121,550	5,244	87,179	147,290
26. Missouri MO	L	14,878	180,237	11,955	5,184	249,692	32,554
27. Montana MT	L	102,891				13,309	
28. Nebraska NE	L	11,881	52,309	35,477		102,879	8,610
29. Nevada NV	L	531,890	162,231	77,146	9,622	900,580	191,960
30. New Hampshire NH	L						
31. New Jersey NJ	L	1,063,091	723,219	127,253	19,587	1,282,842	392,527
32. New Mexico NM	L	2,555,508	1,228,262	336,660	399,880	5,864,016	2,515,951
33. New York NY	L	2,428,884	1,419,312	125,120	27,000	3,329,669	813,640
34. North Carolina NC	L	41,318	20,227	6,992		34,579	14,054
35. North Dakota ND	L	47,697	34,251	4,043	32,454	105,760	46,646
36. Ohio OH	L	6,134	(86)		8,731	1,253,740	611,262
37. Oklahoma OK	L	(1,865)	(10,598)	14,668	20,629	312,199	260,189
38. Oregon OR	L	(20,459)				18,044	
39. Pennsylvania PA	L	778,899	281,840	40,017	14,240	643,773	147,533
40. Rhode Island RI	L	169,057	110,687	179,232		280,533	84,822
41. South Carolina SC	L	130,808	41,078	(225)	1,110	68,409	38,471
42. South Dakota SD	L						
43. Tennessee TN	L	55,204	115,764	119,901	8,354	635,155	152,755
44. Texas TX	L	3,167,989	1,174,225	780,858	281,817	7,263,451	3,808,923
45. Utah UT	L	141,469	81,267	44,746	25,538	164,611	172,608
46. Vermont VT	L						
47. Virginia VA	L	152,426	6,242	110,649		94,116	11,628
48. Washington WA	L	23,408				1,754	
49. West Virginia WV	L		1,575			94	50
50. Wisconsin WI	L						
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 CAN	N						
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59. Totals	(a) 48	17,881,622	9,967,013	3,013,422	1,123,411	28,869,019	11,996,877
DETAILS OF WRITE-INS							
58001.	XXX						
58002.	XXX						
58003.	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (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.


James River Group Holdings, Ltd.
100% Ownership
James River Group Holdings UK, Ltd. (United Kingdom)
100% Ownership
James River Group, Inc. (Delaware) EIN# 05-0539572
100% Ownership
JRG Reinsurance Company, Ltd. (Bermuda) EIN# 98-0684843
100% Ownership
Franklin Holdings II (Bermuda) Capital Trust I (Delaware) EIN# 98-6061023
100% Ownership
Potomac Risk Services, Inc. (Virginia) EIN# 35-2242298
100% Ownership
James River Insurance Company (Ohio) EIN# 22-2824607 NAIC# 12203
100% Ownership
James River Management Company, Inc. (Delaware) EIN# 03-0490731
100% Ownership
Falls Lake National Insurance Company (Ohio) EIN# 42-1019055 NAIC# 31925
100% Ownership
Falls Lake Insurance Management Company, Inc. (Delaware) EIN# 20-0067235
100% Ownership
James River Casualty Company (Virginia) EIN# 20-8946040 NAIC# 13685
100% Ownership
Falls Lake Fire and Casualty Company (California) EIN# 47-1588915 NAIC# 15884
100% Ownership
Stonewood Insurance Company (North Carolina) EIN# 20-0328998 NAIC# 11828
100% Ownership
Falls Lake General Insurance Company (Ohio) EIN# 31-1277903 NAIC# 35211

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	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Public Traded (U.S. or International)	Name 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														
0000...	.....	00000.....	98-0585280..	.....	0001620459	OQ.....	James River Group Holdings, Ltd.....	BMU.....	UIP.....	.....	.....	.....	.....	.....
0000...	.....	00000.....	05-0539572..	.....	.....	.....	James River Group, Inc.....	DE.....	UDP.....	James River Group Holdings, Ltd.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
0000...	.....	00000.....	98-0684843..	.....	.....	.....	JRG Reinsurance Company, Ltd.....	BMU.....	IA.....	James River Group Holdings, Ltd.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
0000...	.....	00000.....	98-6061023..	.....	.....	.....	Franklin Holdings II (Bermuda) Capital Trust I	DE.....	NIA.....	James River Group Holdings, Ltd.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
0000...	.....	00000.....	35-2242298..	.....	.....	.....	Potomac Risk Services Inc.....	VA.....	NIA.....	James River Group, Inc.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	12203.....	22-2824607..	.....	.....	.....	James River Insurance Company.....	OH.....	IA.....	James River Group, Inc.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
0000...	.....	00000.....	03-0490731..	.....	.....	.....	James River Management Company.....	DE.....	NIA.....	James River Group, Inc.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	13685.....	20-8946040..	.....	.....	.....	James River Casualty Company.....	VA.....	IA.....	James River Insurance Company.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	31925.....	42-1019055..	.....	.....	.....	Falls Lake National Insurance Company.....	OH.....	RE.....	James River Group, Inc.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
0000...	.....	00000.....	20-0067235..	.....	.....	.....	Falls Lake Insurance Management Company, Inc.	DE.....	NIA.....	James River Group, Inc.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	15884.....	47-1588915..	.....	.....	.....	Falls Lake Fire and Casualty Company.....	CA.....	DS.....	Falls Lake National Insurance Company.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	11828.....	20-0328998..	.....	.....	.....	Stonewood Insurance Company.....	NC.....	DS.....	Falls Lake National Insurance Company.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....
3494...	James River Insurance Group.....	35211.....	31-1277903..	.....	.....	.....	Falls Lake General Insurance Company.....	OH.....	DS.....	Falls Lake National Insurance Company.....	Ownership.....	....100.000	James River Group Holdings, Ltd.....	.....

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date 1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	4 Prior Year to Date Direct Loss Percentage
1. Fire	7,249	2,332	32.2	(263.6)
2. Allied lines	9,409	3,261	34.7	(280.1)
3. Farmowners multiple peril			0.0	
4. Homeowners multiple peril			0.0	
5. Commercial multiple peril	1,984,456	1,213,966	61.2	63.6
6. Mortgage guaranty			0.0	
8. Ocean marine			0.0	
9. Inland marine	320,184	121,968	38.1	114.4
10. Financial guaranty			0.0	
11.1. Medical professional liability - occurrence			0.0	
11.2. Medical professional liability - claims-made			0.0	
12. Earthquake			0.0	
13. Group accident and health			0.0	
14. Credit accident and health			0.0	
15. Other accident and health			0.0	
16. Workers' compensation	2,277,983	1,065,483	46.8	57.2
17.1 Other liability-occurrence	999,056	481,808	48.2	87.5
17.2 Other liability-claims made	821	350	42.6	61.7
17.3 Excess workers' compensation			0.0	
18.1 Products liability-occurrence	94,626	30,999	32.8	(210.9)
18.2 Products liability-claims made			0.0	
19.1, 19.2 Private passenger auto liability		(5,058)	0.0	
19.3, 19.4 Commercial auto liability	7,601,828	3,661,960	48.2	80.8
21. Auto physical damage	757,985	603,213	79.6	75.6
22. Aircraft (all perils)			0.0	
23. Fidelity	82	26	31.7	2,250.0
24. Surety			0.0	200.0
26. Burglary and theft	241	107	44.4	44.3
27. Boiler and machinery	23,191	2,067	8.9	
28. Credit			0.0	
29. International			0.0	
30. Warranty			0.0	
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	0.0	
35. Totals	14,077,111	7,182,482	51.0	74.7
DETAILS OF WRITE-INS				
3401.			0.0	
3402.			0.0	
3403.			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34)	0	0	0.0	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	12,188	12,188	269
2. Allied lines	11,336	11,336	327
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril	3,271,736	3,271,736	1,684,692
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	316,106	316,106	322,167
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	1,854,260	1,854,260	3,241,041
17.1 Other liability-occurrence	1,193,135	1,193,135	726,030
17.2 Other liability-claims made	1,676	1,676	1,029
17.3 Excess workers' compensation			
18.1 Products liability-occurrence	95,849	95,849	(13,367)
18.2 Products liability-claims made			
19.1 19.2 Private passenger auto liability			
19.3 19.4 Commercial auto liability	10,153,037	10,153,037	3,508,014
21. Auto physical damage	937,228	937,228	475,828
22. Aircraft (all perils)			
23. Fidelity			(16)
24. Surety			
26. Burglary and theft	1,459	1,459	(1)
27. Boiler and machinery	33,612	33,612	21,000
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	17,881,622	17,881,622	9,967,013
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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2016 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2013 + Prior	2,886	6,256	9,143	845	69	914	2,493	22	5,881	8,395	452	(285)	167
2. 2014	820	3,697	4,518	219	11	230	733	14	3,521	4,268	132	(151)	(19)
3. Subtotals 2014 + Prior	3,706	9,954	13,660	1,064	80	1,145	3,226	36	9,402	12,663	584	(436)	148
4. 2015	1,255	6,211	7,466	568	(200)	368	1,252	97	5,508	6,856	565	(807)	(242)
5. Subtotals 2015 + Prior	4,961	16,165	21,126	1,632	(120)	1,512	4,478	132	14,909	19,520	1,149	(1,243)	(94)
6. 2016	XXX	XXX	XXX	XXX	213	213	XXX	299	1,876	2,175	XXX	XXX	XXX
7. Totals	4,961	16,165	21,126	1,632	93	1,725	4,478	432	16,785	21,695	1,149	(1,243)	(94)
8. Prior Year-End's Surplus As Regards Policyholders	57,180										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. 23.2 %	2. (7.7)%	3. (0.4)%
													Col. 13, Line 7 Line 8
													4. (0.2)%

Q14

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

1. The data for this supplement is not required to be filed.
2. The data for this supplement is not required to be filed.
3. The data for this supplement is not required to be filed.
4. The data for this supplement is not required to be filed.

Bar Code:

Overflow Page for Write-Ins

NONE

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

		1 Year to Date	2 Prior Year Ended December 31
1.	Book value/recorded investment excluding accrued interest, December 31 of prior year	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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

		1 Year to Date	2 Prior Year Ended December 31
1.	Book/adjusted carrying value, December 31 of prior year	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

NONE

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	56,817,909	47,122,001
2.	Cost of bonds and stocks acquired	2,954,500	30,385,695
3.	Accrual of discount	1,978	10,717
4.	Unrealized valuation increase (decrease)	188,236	1,329,750
5.	Total gain (loss) on disposals	4,822	(16,087)
6.	Deduct consideration for bonds and stocks disposed of	1,455,207	21,971,944
7.	Deduct amortization of premium	9,510	42,223
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)	58,502,728	56,817,909
11.	Deduct total nonadmitted amounts		
12.	Statement value at end of current period (Line 10 minus Line 11)	58,502,728	56,817,909

SCHEDULE D - PART 1B

Showing the Acquisitions, Dispositions and Non-Trading Activity

During the Current Quarter for all Bonds and Preferred Stock by NAIC Designation

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	12,260,120	4,288,971	4,210,012	(7,391)	12,331,688			12,260,120
2. NAIC 2 (a)					0			
3. NAIC 3 (a)					0			
4. NAIC 4 (a)					0			
5. NAIC 5 (a)					0			
6. NAIC 6 (a)					0			
7. Total Bonds	12,260,120	4,288,971	4,210,012	(7,391)	12,331,688	0	0	12,260,120
PREFERRED STOCK								
8. NAIC 1	207,600			(1,600)	206,000			207,600
9. NAIC 2	1,433,648			(80)	1,433,568			1,433,648
10. NAIC 3	399,809			(3,734)	396,075			399,809
11. NAIC 4					0			
12. NAIC 5					0			
13. NAIC 6					0			
14. Total Preferred Stock	2,041,057	0	0	(5,414)	2,035,643	0	0	2,041,057
15. Total Bonds and Preferred Stock	14,301,177	4,288,971	4,210,012	(12,805)	14,367,331	0	0	14,301,177

(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	171,811	XXX	171,811		

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	1,596,828	219,897
2. Cost of short-term investments acquired	1,334,473	16,566,643
3. Accrual of discount	139	102
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	(340)	5,036
6. Deduct consideration received on disposals	2,759,288	15,192,406
7. Deduct amortization of premium		2,444
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)	171,812	1,596,828
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	171,812	1,596,828

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

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Government									
912828 N4 8	UNITED STATES TREASURY NOTE		01/29/2016	NOMURA SECURITIES INTL		152,866	150,000	231	1
912828 P5 3	UNITED STATES TREASURY NOTE		03/03/2016	MORGAN STANLEY & CO		312,700	315,000	136	1
912828 P9 5	UNITED STATES TREASURY NOTE		03/22/2016	NOMURA SECURITIES INTL		149,860	150,000	33	1
0599999. Total Bonds - U.S Government						615,426	615,000	400	XXX
Bonds - Industrial and Miscellaneous									
035242 AP 1	ANHEUSER-BUSCH INBEV FIN		01/13/2016	BARCLAYS CAPITAL		249,583	250,000		1FE
25468P DK 9	WALT DISNEY COMPANY/THE		01/20/2016	KEY BANC CAPITAL MARKETS		251,875	250,000	354	1FE
44930U AE 6	HYUNDAI AUTO RECEIVABLES TRUST 16-A A4		03/22/2016	BANK OF AMERICA		249,969	250,000		1FE
585055 BS 4	MEDTRONIC INC		03/18/2016	BANK OF AMERICA		425,196	400,000	311	1FE
742718 EN 5	PROCTER & GAMBLE CO/THE		01/28/2016	CITIGROUP GLOBAL MARKETS		299,943	300,000		1FE
855244 AJ 8	STARBUCKS CORP		02/01/2016	GOLDMAN SACHS		249,858	250,000		1FE
91324P CP 5	UNITEDHEALTH GROUP INC		02/02/2016	JEFFERIES & COMPANY INC		261,190	250,000	521	1FE
92826C AB 8	VISA INC		01/26/2016	CITIGROUP GLOBAL MARKETS		351,460	350,000	963	1FE
3899999. Total Bonds - Industrial and Miscellaneous						2,339,074	2,300,000	2,149	XXX
8399997. Total Bonds - Part 3						2,954,500	2,915,000	2,549	XXX
8399999. Total Bonds						2,954,500	2,915,000	2,549	XXX
9999999. Total Bonds, Preferred and Common Stocks						2,954,500	XXX	2,549	XXX

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

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	Foreign	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 Other-Than-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 Desig-nation or Market Indicator (a)
Bonds - U.S. Government																					
912828 PS 3	UNITED STATES TREASURY NOTES		01/31/2016.	VARIOUS		800,000	800,000	795,003	799,914		86		86		800,000			0	8,000	01/31/2016.	1
0599999. Total Bonds - U.S Government						800,000	800,000	795,003	799,914	0	86	0	86	0	800,000	0	0	0	8,000	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3132L6 YH 8	FEDERAL HOME LN MTG CORP #V81612		03/01/2016.	PAYDOWN		22,713	22,713	23,387	22,720		(7)		(7)		22,713			0	138	04/01/2045.	1FE
3138EP UV 4	FEDERAL NATIONAL MTG ASSOC #AL6895		03/01/2016.	PAYDOWN		6,479	6,479	6,780	6,481		(2)		(2)		6,479			0	29	05/01/2045.	1FE
3138Y4 WA 3	FEDERAL NATIONAL MTG ASSOC #AX3340		03/01/2016.	PAYDOWN		1,690	1,690	1,772	1,690				0		1,690			0	10	02/01/2045.	1FE
3138YR QX 9	FEDERAL NATIONAL MTG ASSOC #AZ0469		03/01/2016.	PAYDOWN		18,187	18,187	19,074	18,204		(17)		(17)		18,187			0	125	05/01/2045.	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment						49,069	49,069	51,013	49,095	0	(26)	0	(26)	0	49,069	0	0	0	302	XXX	XXX
Bonds - Industrial and Miscellaneous																					
855244 AJ 8	STARBUCKS CORP		03/02/2016.	WELLS FARGO FINANCIAL		252,053	250,000	249,858			2		2		249,860		2,193	2,193	481	02/04/2021.	1FE
92826C AB 8	VISA INC		02/03/2016.	RBC CAPITAL MARKETS		354,085	350,000	351,460			(4)		(4)		351,456		2,629	2,629	1,069	12/14/2020.	1FE
3899999. Total Bonds - Industrial and Miscellaneous						606,138	600,000	601,318	0	0	(2)	0	(2)	0	601,316	0	4,822	4,822	1,550	XXX	XXX
8399997. Total Bonds - Part 4						1,455,207	1,449,069	1,447,334	849,009	0	58	0	58	0	1,450,385	0	4,822	4,822	9,852	XXX	XXX
8399999. Total Bonds						1,455,207	1,449,069	1,447,334	849,009	0	58	0	58	0	1,450,385	0	4,822	4,822	9,852	XXX	XXX
9999999. Total Bonds, Preferred and Common Stocks						1,455,207	XXX	1,447,334	849,009	0	58	0	58	0	1,450,385	0	4,822	4,822	9,852	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. D - Sn. 1
NONE

Sch. DB - Pt. D - Sn. 2
NONE

Sch. DL - Pt. 1
NONE

Sch. DL - Pt. 2
NONE

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount of Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
KeyBank..... Cleveeland, OH.....	.....	.....	.....	.....	8,445,679	12,448,976	5,503,393	XXX
0199998. Deposits in.....1 depositories that do not exceed the allowable limit in any one depository (see Instructions) - Open Depositories.....	XXX	XXX	.....	.....	4,725	4,725	4,725	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	8,450,404	12,453,701	5,508,118	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	8,450,404	12,453,701	5,508,118	XXX
0599999. Total Cash.....	XXX	XXX	0	0	8,450,404	12,453,701	5,508,118	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

NONE