



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF JUNE 30, 2016

OF THE CONDITION AND AFFAIRS OF THE

Republic-Franklin Insurance Company

NAIC Group Code 0201 (Current) 0201 (Prior) NAIC Company Code 12475 Employer's ID Number 31-4290270

Organized under the Laws of Ohio, State of Domicile or Port of Entry Ohio

Country of Domicile United States of America

Incorporated/Organized 02/10/1949 Commenced Business 02/10/1949

Statutory Home Office 2 Easton Oval, Suite 225 (Street and Number) Columbus, OH, US 43219 (City or Town, State, Country and Zip Code)

Main Administrative Office 180 Genesee Street (Street and Number) New Hartford, NY, US 13413 (City or Town, State, Country and Zip Code) 315-734-2000 (Area Code) (Telephone Number)

Mail Address Post Office Box 530 (Street and Number or P.O. Box) Utica, NY, US 13503-0530 (City or Town, State, Country and Zip Code)

Primary Location of Books and Records 180 Genesee Street (Street and Number) New Hartford, NY, US 13413 (City or Town, State, Country and Zip Code) 315-734-2000 (Area Code) (Telephone Number)

Internet Website Address www.uticanational.com

Statutory Statement Contact Sandra Jean Giehl (Name) 315-734-2192 (Area Code) (Telephone Number) sandy.giehl@uticanational.com (E-mail Address) 315-734-2994 (FAX Number)

OFFICERS

Chairman James Douglas Robinson VP, CFO & Treasurer Brian Wade Miller Jr.

President & CEO # Richard Patrick Creedon Secretary Louisa Suzanne Ruffine #

OTHER

Steven Paul Guzski, Executive Vice President

DIRECTORS OR TRUSTEES

Clarence William Bachman	Alfred Elliot Calligaris	Richard Patrick Creedon
Paul Alan Hagstrom, Ph.D.	Gregory Miller Harden	Alan Joseph Pope, Sr.
James Douglas Robinson	Linda Ellen Romano	Eric Keith Scholl

State of New York SS:

County of Oneida

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.

Richard Patrick Creedon President & CEO

Brian Wade Miller, Jr. VP, CFO & Treasurer

Louisa Suzanne Ruffine Secretary

Subscribed and sworn to before me this day of

a. Is this an original filing? Yes [X] No []

b. If no, 1. State the amendment number..... 2. Date filed 3. Number of pages attached.....

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	85,628,631		85,628,631	85,211,777
2. Stocks:				
2.1 Preferred stocks				
2.2 Common stocks	4,469,574		4,469,574	4,305,294
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens.....				
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)				
4.2 Properties held for the production of income (less \$ encumbrances)				
4.3 Properties held for sale (less \$ encumbrances)				
5. Cash (\$190,717), cash equivalents (\$) and short-term investments (\$100,000)	290,717		290,717	617,732
6. Contract loans (including \$ premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	90,388,921		90,388,921	90,134,803
13. Title plants less \$ charged off (for Title insurers only)				
14. Investment income due and accrued	684,259		684,259	699,951
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	7,832,306	169,274	7,663,032	7,980,606
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$21,678 earned but unbilled premiums)	445,946	2,409	443,537	580,748
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	243,439		243,439	276,230
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	2,240,625	272,896	1,967,729	2,026,875
19. Guaranty funds receivable or on deposit	1,525,154		1,525,154	1,590,048
20. Electronic data processing equipment and software	28,958		28,958	50,679
21. Furniture and equipment, including health care delivery assets (\$)	9,822	9,822		
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	581,709		581,709	
24. Health care (\$) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	2,095,391	1,131,915	963,476	992,737
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	106,076,528	1,586,315	104,490,213	104,332,678
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	106,076,528	1,586,315	104,490,213	104,332,678
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)				
2501. Accounts Receivable – Other	857,663	3,735	853,928	847,746
2502. Equities and Deposits in Pools and Associations	111,098	1,550	109,548	144,991
2503. Prepaid Expenses	83,956	83,956		
2598. Summary of remaining write-ins for Line 25 from overflow page	1,042,674	1,042,674		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	2,095,391	1,131,915	963,476	992,737

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$6,453,034)	29,123,804	28,537,561
2. Reinsurance payable on paid losses and loss adjustment expenses		
3. Loss adjustment expenses	7,411,390	7,307,825
4. Commissions payable, contingent commissions and other similar charges	483,645	584,066
5. Other expenses (excluding taxes, licenses and fees)	954,494	1,264,882
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	1,030,033	1,061,756
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	144,796	461,261
7.2 Net deferred tax liability		
8. Borrowed money \$ and interest thereon \$		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$91,349,167 and including warranty reserves of \$ and accrued accident and health experience rating refunds including \$ for medical loss ratio rebate per the Public Health Service Act)	11,949,537	12,054,079
10. Advance premium	98,014	101,159
11. Dividends declared and unpaid:		
11.1 Stockholders		
11.2 Policyholders	71,757	190,471
12. Ceded reinsurance premiums payable (net of ceding commissions)	205,810	235,199
13. Funds held by company under reinsurance treaties		18,456
14. Amounts withheld or retained by company for account of others	1,374,932	1,212,005
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates		987,426
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ and interest thereon \$		
25. Aggregate write-ins for liabilities	(160,724)	(129,103)
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	52,687,488	53,887,043
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	52,687,488	53,887,043
29. Aggregate write-ins for special surplus funds	234,276	180,750
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	5,139,802	5,139,802
35. Unassigned funds (surplus)	42,928,647	41,625,083
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)		
36.2 shares preferred (value included in Line 31 \$)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	51,802,725	50,445,635
38. Totals (Page 2, Line 28, Col. 3)	104,490,213	104,332,678
DETAILS OF WRITE-INS		
2501. Contingent Balances in Safety Groups	32,585	32,691
2502. Miscellaneous Accounts Payable	1	27,809
2503. Liability for Pension Benefits	(193,310)	(189,603)
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	(160,724)	(129,103)
2901. Reserve for Undeclared Dividends	234,276	180,750
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	234,276	180,750
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)		

STATEMENT OF INCOME

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$94,277,278)	98,675,653	89,800,219	184,962,287
1.2 Assumed (written \$12,474,897)	12,590,501	11,676,096	23,804,439
1.3 Ceded (written \$94,277,278)	98,686,715	89,800,219	184,956,465
1.4 Net (written \$12,474,897)	12,579,439	11,676,095	23,810,260
DEDUCTIONS:			
2. Losses incurred (current accident year \$8,605,798):			
2.1 Direct	52,577,518	45,900,650	85,928,521
2.2 Assumed	7,030,959	6,363,776	12,711,505
2.3 Ceded	52,680,238	45,946,733	86,025,833
2.4 Net	6,928,239	6,317,693	12,614,193
3. Loss adjustment expenses incurred	1,729,381	1,578,197	2,975,434
4. Other underwriting expenses incurred	4,307,777	3,994,582	8,457,050
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	12,965,397	11,890,472	24,046,677
7. Net income of protected cells			
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	(385,958)	(214,376)	(236,417)
INVESTMENT INCOME			
9. Net investment income earned	1,448,248	1,379,860	2,768,544
10. Net realized capital gains (losses) less capital gains tax of \$	(67,682)	(154,977)	(129,733)
11. Net investment gain (loss) (Lines 9 + 10)	1,380,566	1,224,882	2,638,811
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$1,278 amount charged off \$11,783)	(10,505)	(21,774)	(39,205)
13. Finance and service charges not included in premiums	94,403	108,037	217,600
14. Aggregate write-ins for miscellaneous income	(38,893)	(17,093)	(34,962)
15. Total other income (Lines 12 through 14)	45,005	69,170	143,434
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,039,613	1,079,676	2,545,828
17. Dividends to policyholders	83,111	104,788	300,198
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)	956,502	974,888	2,245,631
19. Federal and foreign income taxes incurred	(316,465)	116,185	49,702
20. Net income (Line 18 minus Line 19)(to Line 22)	1,272,967	858,703	2,195,928
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	50,445,635	49,035,801	49,035,801
22. Net income (from Line 20)	1,272,967	858,703	2,195,928
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains (losses) less capital gains tax of \$96,474	187,779	103,669	(157,038)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	123,909	(43,266)	(142,191)
27. Change in nonadmitted assets	(346,522)	(118,897)	(345,544)
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			
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	118,957	(15,652)	(141,322)
38. Change in surplus as regards policyholders (Lines 22 through 37)	1,357,090	784,556	1,409,834
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	51,802,725	49,820,357	50,445,635
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)			
1401. Gain/Loss on Sale of Assets	1,285	39	518
1402. Miscellaneous Income	(40,178)	(17,133)	(35,479)
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	(38,893)	(17,093)	(34,962)
3701. Contingent Balance in Safety Groups	106	8,640	(3,381)
3702. Pension Benefit Obligation	118,851	(24,292)	(137,941)
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	118,957	(15,652)	(141,322)

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	12,842,332	11,432,280	23,199,198
2. Net investment income	1,633,493	1,530,973	3,033,014
3. Miscellaneous income	45,005	69,170	143,434
4. Total (Lines 1 to 3)	14,520,829	13,032,423	26,375,646
5. Benefit and loss related payments	6,309,204	6,536,268	12,838,658
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	6,348,876	5,900,892	11,458,536
8. Dividends paid to policyholders	201,824	89,354	199,572
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses)		801,581	1,709,532
10. Total (Lines 5 through 9)	12,859,905	13,328,095	26,206,297
11. Net cash from operations (Line 4 minus Line 10)	1,660,924	(295,672)	169,348
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	6,825,632	8,340,177	13,276,447
12.2 Stocks		3,311,582	3,311,582
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	(21,658)		46,681
12.8 Total investment proceeds (Lines 12.1 to 12.7)	6,803,973	11,651,759	16,634,710
13. Cost of investments acquired (long-term only):			
13.1 Bonds	7,316,923	10,928,077	16,732,342
13.2 Stocks	45,207	42,601	89,283
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	0	2	
13.7 Total investments acquired (Lines 13.1 to 13.6)	7,362,131	10,970,679	16,821,625
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)	(558,157)	681,080	(186,915)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders			
16.6 Other cash provided (applied)	(1,429,782)	(87,066)	275,903
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(1,429,782)	(87,066)	275,903
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	(327,015)	298,342	258,336
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	617,732	359,396	359,396
19.2 End of period (Line 18 plus Line 19.1)	290,717	657,737	617,732

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

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STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

A. Accounting Practices

The financial statements of Republic-Franklin Insurance Company are presented on the basis of accounting practices prescribed or permitted by the Ohio Insurance Department.

The Ohio Insurance Department 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 and for determining its solvency under the Ohio Insurance Laws. 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 state of Ohio has adopted some practices that differ from NAIC SAP; however, none of those changes would impact the financial results of Republic-Franklin Insurance Company.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the state of Ohio is not required since there are no differences.

<u>Net Income</u>	<u>State of Domicile</u>	<u>2016</u>	<u>2015</u>
(1) Net Income, state basis (Page 4, Line 20, Columns 1 & 3)	Ohio	1,272,967	2,195,928
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) Net Income, NAIC SAP (1 - 2 - 3 = 4)	Ohio	1,272,967	2,195,928
<u>Surplus</u>			
(1) Statutory surplus, state basis (Page 3, Line 37, Columns 1 & 2)	Ohio	51,802,725	50,445,635
(2) State Prescribed Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(3) State Permitted Practices that increase/(decrease) NAIC SAP	Ohio	0	0
(4) Statutory Surplus, NAIC SAP (1 - 2 - 3 = 4)	Ohio	51,802,725	50,445,635

B. No change.

C. No change.

D. Management’s evaluation of the financial condition of the Company did not indicate any going concern issues.

Note 2 – Accounting Changes and Corrections of Errors

No change.

Note 3 – Business Combinations and Goodwill

No change.

Note 4 – Discontinued Operations

No change.

Note 5 - Investments

- A. No change.
- B. No change.
- C. No change.

D. Loan-Backed Securities

- (1) Our asset manager uses a proprietary model for loss assumptions and widely accepted models for prepayment assumptions in valuing mortgage-backed and asset-backed securities with inputs from major third party data providers. The models combine the effects of interest rates, volatility, and pre-payment speeds based on various scenarios (Monte Carlo), simulations with resulting effective analytics (spreads, duration, convexity) and cash-flows on a monthly basis. Credit sensitive cash flows are calculated using a proprietary model which estimates future loan defaults in terms of timing and severity. Model assumptions are specific to asset class and collateral types and are regularly evaluated and adjusted where appropriate.
- (2) Not applicable.
- (3) Not applicable.
- (4) Unrealized Losses

a. The aggregate amount of unrealized losses:

Less than 12 months	Greater than 12 months	Total
1,044	283,834	284,878

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

Less than 12 months	Greater than 12 months	Total
670,964	4,237,575	4,908,539

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

(5) There are a number of factors considered in determining if an other-than-temporary impairment does not exist for an investment, including, but not limited to, debt burden, credit ratings, sector, liquidity, financial flexibility, company management, expected earnings and cash flow stream, and economic prospects associated with the investment.

- E. Not applicable.
- F. Not applicable.
- G. Not applicable.
- H. No change.
- I. Not applicable.
- J. Not applicable.

Note 6 – Joint Ventures, Partnerships, and Limited Liability Companies

No change.

Note 7 – Investment Income

No change.

Note 8 – Derivative Instruments

No change.

Note 9 – Income Taxes

No change.

Note 10 – Information Concerning Parent, Subsidiaries, and Affiliates

No change.

Note 11 - Debt

No change.

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

No change.

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

No change.

Note 14 - Contingencies

No change.

Note 15 – Leases

No change.

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

No change.

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

- A. No change.
- B. No change.
- C. Not applicable.

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

No change.

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

No change.

Note 20 – Fair Value Measurement

- A. Assets Measured at Fair Value on a Recurring Basis

- (1) Fair Value Measurements at Reporting Date
 - (a) Assets at Fair Value

	Level 1	Level 2	Level 3	Total
Bonds	0	1,283,638	0	1,283,638
Common Stock	4,469,574	0	0	4,469,574
Total Assets at Fair Value	4,469,574	1,283,638	0	5,753,212

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

(b) Liabilities at Fair Value: Not applicable.

(2) Not applicable.

(3) Not applicable.

(4) The following are the levels of the hierarchy and a brief description of the type of valuation inputs that are used to establish each level:

Pricing Level 1 – Valuations based on unadjusted quoted prices in active markets for identical assets that our pricing sources have the ability to access. Since the valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these securities does not entail a significant amount or degree of judgment.

Pricing Level 2 – Valuations based upon quoted prices for similar assets in active markets, quoted prices for identical or similar assets in inactive markets; or valuations based on models where significant inputs are observable (e.g. interest rates, yield curves, prepayment speeds, default rates, loss severities) or can be corroborated by observable market data.

Pricing Level 3 – Valuations that are derived from techniques in which one or more of the significant inputs are unobservable, including broker quotes which are non-binding.

(5) 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)
Bonds	90,237,885	85,728,631	100,000	90,137,885	0	0
Common Stock	4,469,574	4,469,574	4,469,574	0	0	0

D. Not applicable.

Note 21 – Other Items

No change.

Note 22 – Events Subsequent

No change.

Property & Casualty Specific Notes

Note 23 – Reinsurance

No change.

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

No change.

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

Reserves as of December 31, 2015 were \$35.8 million. As of June 30, 2016, \$5.8 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$30 million as a result of re-estimation of unpaid claims and claim adjustment expenses. Therefore, there has been a \$52 thousand unfavorable prior-year development since December 31, 2015 to June 30, 2016.

Note 26 – Intercompany Pooling Arrangements

No change.

Note 27 – Structured Settlements

No change.

Note 28 – Health Care Receivables

No change.

Note 29 –Participating Policies

No change.

Note 30 –Premium Deficiency Reserves

No change.

Note 31 – High Deductibles

No change.

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

NOTES TO FINANCIAL STATEMENTS

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

No change.

Note 33 – Asbestos / Environmental Reserves

No change.

Note 34 – Subscriber Savings Accounts

No change

Note 35 –Multiple Peril Crop Insurance

No change.

Note 36 –Financial Guaranty Insurance

No change.

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN 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:
- 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 ☒ No ☐
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 3.3

If the response to 3.2 is yes, provide a brief description of those changes.
- 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 the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?
If yes, attach an explanation.

Yes ☐ No ☐ 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).

06/30/2016
- 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:
- 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.
- 8.3

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

Yes ☐ No ☒
- 8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(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 [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

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

Yes [] No [X]
- 9.31

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

FINANCIAL

- 10.1

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

Yes [X] No []
- 10.2

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

\$.....581,709

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:
12.

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

\$.....
13.

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

\$.....
- 14.1

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

Yes [] No [X]
- 14.2

If yes, please complete the following:
- | | 1 | 2 |
|---|---|--|
| | Prior Year-End Book/Adjusted Carrying Value | Current Quarter Book/Adjusted Carrying Value |
| 14.21 Bonds | \$..... | \$..... |
| 14.22 Preferred Stock | \$..... | \$..... |
| 14.23 Common Stock | \$..... | \$..... |
| 14.24 Short-Term Investments | \$..... | \$..... |
| 14.25 Mortgage Loans on Real Estate | \$..... | \$..... |
| 14.26 All Other | \$..... | \$..... |
| 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26) | \$..... | \$..... |
| 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above | \$..... | \$..... |
- 15.1

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

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes [] No []

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

GENERAL INTERROGATORIES

16. For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.

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

16.3 Total payable for securities lending reported on the liability page.
- \$

\$

\$

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
Bank of New York Mellon	One Wall Street, New York, NY

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

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

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

- 17.4 If yes, give full information relating thereto:

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

- 17.5 Identify all investment advisors, brokers/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
107423	Conning Asset Management	One Financial Plaza, Hartford, CT

- 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:

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1.

If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change?
If yes, attach an explanation.

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

Yes [] No [X]
- 3.1

Have any of the reporting entity's primary reinsurance contracts been canceled?

Yes [] No [X]
- 3.2

If yes, give full and complete information thereto.
- 4.1

Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see Annual Statement Instructions pertaining to disclosure of discounting for definition of " tabular reserves") discounted at a rate of interest greater than zero?

Yes [] No [X]

4.2 If yes, complete the following schedule:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL										

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 %
- 6.1

Do you act as a custodian for health savings accounts?

Yes [] No [X]
- 6.2

If yes, please provide the amount of custodial funds held as of the reporting date\$.....
- 6.3

Do you act as an administrator for health savings accounts?

Yes [] No [X]
- 6.4

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

SCHEDULE F - CEDED REINSURANCE

[illegible]

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, etc.	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama.....AL	N						
2. Alaska.....AK	N						
3. Arizona.....AZ	N						
4. Arkansas.....AR	N						
5. California.....CA	N						
6. Colorado.....CO	N						
7. Connecticut.....CT	L	11,563,308	10,525,966	6,730,145	7,118,159	23,616,726	23,445,151
8. Delaware.....DE	L	777,200	777,249	565,564	626,478	3,006,400	3,936,457
9. District of Columbia.....DC	L	31,398	19,142	1,862	19,580	46,814	24,175
10. Florida.....FL	N						
11. Georgia.....GA	L	4,741,646	3,736,296	1,962,849	1,884,713	7,079,484	6,728,172
12. Hawaii.....HI	N						
13. Idaho.....ID	N						
14. Illinois.....IL	L	2,201,900	1,724,745	2,317,842	192,359	3,849,594	6,321,444
15. Indiana.....IN	L	369,930	274,593	30,807	57,875	204,336	225,393
16. Iowa.....IA	N						
17. Kansas.....KS	L	66,014	72,844	23,750	900	21,727	26,323
18. Kentucky.....KY	N						
19. Louisiana.....LA	N						
20. Maine.....ME	N						
21. Maryland.....MD	L	1,497,823	1,318,356	826,422	535,376	5,207,430	7,049,764
22. Massachusetts.....MA	L	5,123,784	5,087,302	3,314,846	4,171,507	10,655,562	12,844,279
23. Michigan.....MI	L	1,754,321	1,353,160	230,876	192,143	1,267,521	628,022
24. Minnesota.....MN	N						
25. Mississippi.....MS	N						
26. Missouri.....MO	N						
27. Montana.....MT	N						
28. Nebraska.....NE	N						
29. Nevada.....NV	N						
30. New Hampshire.....NH	L	186,559	105,694	88,220	105,781	210,124	297,013
31. New Jersey.....NJ	L	18,187,890	15,251,164	6,677,977	8,686,972	40,853,617	23,928,901
32. New Mexico.....NM	N						
33. New York.....NY	L	28,537,098	27,317,796	11,431,995	22,795,600	67,295,305	79,775,720
34. North Carolina.....NC	L	4,757,102	4,788,614	1,817,286	2,088,950	5,504,116	4,724,559
35. North Dakota.....ND	N						
36. Ohio.....OH	L	3,263,381	2,989,187	1,211,339	682,563	3,537,392	2,442,957
37. Oklahoma.....OK	N						
38. Oregon.....OR	N						
39. Pennsylvania.....PA	L	3,565,104	2,519,361	1,442,247	1,077,935	6,149,937	6,257,554
40. Rhode Island.....RI	L	332,222	266,132	301,729	129,773	368,280	207,276
41. South Carolina.....SC	N						
42. South Dakota.....SD	N						
43. Tennessee.....TN	L	776,586	844,395	222,302	461,318	1,761,865	1,831,760
44. Texas.....TX	L	3,487,159	2,816,721	1,063,447	612,025	5,874,511	4,096,747
45. Utah.....UT	N						
46. Vermont.....VT	N						
47. Virginia.....VA	L	2,074,883	1,891,231	1,265,324	846,103	2,047,800	2,655,234
48. Washington.....WA	N						
49. West Virginia.....WV	N						
50. Wisconsin.....WI	L	981,970	1,149,226	637,364	497,042	3,722,604	2,801,273
51. Wyoming.....WY	N						
52. American Samoa.....AS	N						
53. Guam.....GU	N						
54. Puerto Rico.....PR	N						
55. U.S. Virgin Islands.....VI	N						
56. Northern Mariana Islands.....MP	N						
57. Canada.....CAN	N						
58. Aggregate Other Alien OT	XXX						
59. Totals	(a) 21	94,277,278	84,829,174	42,164,191	52,783,151	192,281,145	190,248,172
DETAILS OF WRITE-INS							
58001.....	XXX						
58002.....	XXX						
58003.....	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page.....	XXX						
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX						

(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.

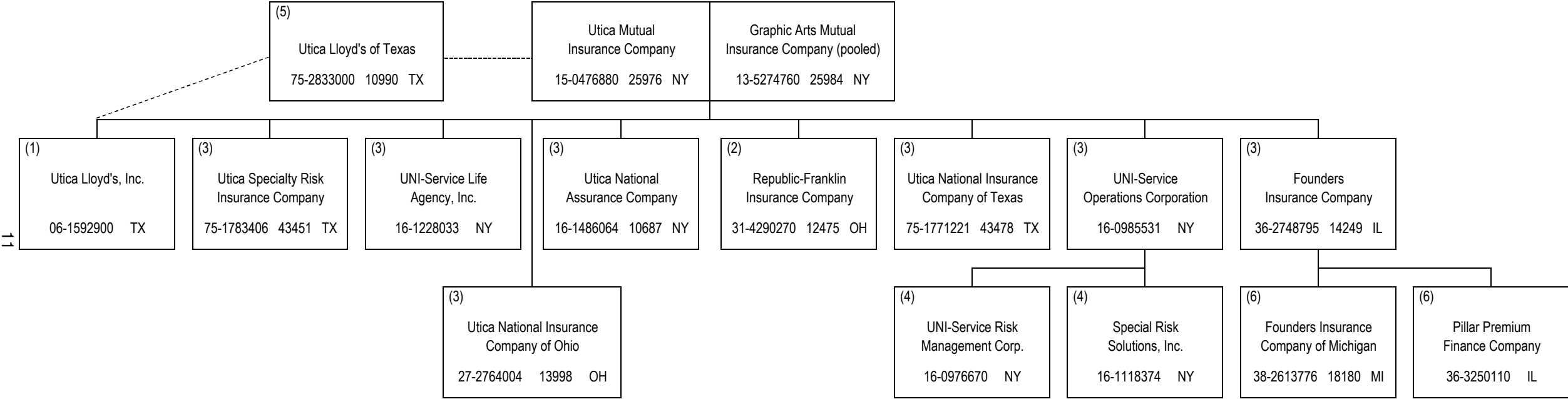
(a) Insert the number of L responses except for Canada and Other Alien.

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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

PART 1 - ORGANIZATIONAL CHART

UTICA NATIONAL INSURANCE GROUP ORGANIZATION STRUCTURE JUNE 30, 2016



1. Owned 100% by Utica Mutual Insurance Company; operates as attorney-in-fact for Utica Lloyd's of Texas.
2. Owned 94% by Utica Mutual Insurance Company and 6% by Graphic Arts Mutual Insurance Company.
3. Owned 100% by Utica Mutual Insurance Company.
4. Owned 100% by UNI-Service Operations Corporation.
5. A Texas Lloyd's association of twelve underwriters under sponsorship of the Utica Mutual Insurance Company.
6. Owned 100% by Founders Insurance Company.
7. Shares common management with the group.

(7)
Utica National
Group Foundation, Inc.
16-1313450 NY

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
1	Owned 6% by Graphic Arts Mutual Insurance Company.
2	A Texas Lloyd's association of twelve underwriters under the sponsorship of the Utica Mutual Insurance Company.
3	Shares common management with the group.

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire	25,550	(22)	(0.1)	
2.	Allied Lines	25,750	(632)	(2.5)	
3.	Farmowners multiple peril				
4.	Homeowners multiple peril	8,422,175	3,724,498	44.2	76.3
5.	Commercial multiple peril	32,846,630	16,093,842	49.0	57.9
6.	Mortgage guaranty				
8.	Ocean marine				
9.	Inland marine	171,437	75,577	44.1	25.3
10.	Financial guaranty				
11.1	Medical professional liability - occurrence				
11.2	Medical professional liability - claims-made				
12.	Earthquake	6,262			
13.	Group accident and health				
14.	Credit accident and health				
15.	Other accident and health				
16.	Workers' compensation	17,436,939	6,823,177	39.1	19.4
17.1	Other liability - occurrence	1,634,267	(992,479)	(60.7)	(34.2)
17.2	Other liability - claims-made	9,194,034	7,496,209	81.5	29.5
17.3	Excess workers' compensation				
18.1	Products liability - occurrence	20,908	979	4.7	
18.2	Products liability - claims-made				
19.1,19.2	Private passenger auto liability	2,820,211	1,668,895	59.2	76.9
19.3,19.4	Commercial auto liability	19,451,373	14,420,511	74.1	67.1
21.	Auto physical damage	6,616,259	3,267,583	49.4	60.8
22.	Aircraft (all perils)				
23.	Fidelity				
24.	Surety	2,340	(618)	(26.4)	
26.	Burglary and theft	1,519	(2)	(0.1)	
27.	Boiler and machinery				
28.	Credit				
29.	International				
30.	Warranty				
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business				
35.	Totals	98,675,653	52,577,518	53.3	51.1
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page				
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)				

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1	2	3
		Current Quarter	Current Year to Date	Prior Year Year to Date
1.	Fire	7,252	19,531	13,531
2.	Allied Lines	8,238	25,997	19,569
3.	Farmowners multiple peril			
4.	Homeowners multiple peril	4,478,740	7,985,242	8,166,351
5.	Commercial multiple peril	14,072,575	25,607,792	22,967,143
6.	Mortgage guaranty			
8.	Ocean marine			
9.	Inland marine	93,696	169,970	166,536
10.	Financial guaranty			
11.1	Medical professional liability - occurrence			
11.2	Medical professional liability - claims-made			
12.	Earthquake	4,377	6,164	6,220
13.	Group accident and health			
14.	Credit accident and health			
15.	Other accident and health			
16.	Workers' compensation	11,883,306	21,059,185	17,906,721
17.1	Other liability - occurrence	806,726	1,480,053	1,247,775
17.2	Other liability - claims-made	4,360,157	9,926,709	7,856,664
17.3	Excess workers' compensation			
18.1	Products liability - occurrence	24,127	44,012	27,825
18.2	Products liability - claims-made			
19.1,19.2	Private passenger auto liability	1,388,167	2,740,655	3,090,640
19.3,19.4	Commercial auto liability	10,022,560	19,055,694	17,153,146
21.	Auto physical damage	3,234,781	6,154,606	6,205,502
22.	Aircraft (all perils)			
23.	Fidelity			
24.	Surety			
26.	Burglary and theft	904	1,669	1,551
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			
35.	Totals	50,385,605	94,277,278	84,829,174
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Summary of remaining write-ins for Line 34 from overflow page			
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)			

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13	
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)	
1. 2013 + Prior	10,878	7,657	18,535	2,546	51	2,597	9,297	175	6,745	16,217	964	(685)	279	
2. 2014	3,261	3,622	6,882	1,089	47	1,136	2,559	182	2,850	5,592	387	(542)	(155)	
3. Subtotals 2014 + Prior	14,139	11,278	25,418	3,635	98	3,733	11,856	357	9,596	21,809	1,351	(1,227)	124	
4. 2015	4,164	6,264	10,428	1,775	307	2,082	3,160	469	4,645	8,274	771	(844)	(73)	
5. Subtotals 2015 + Prior	18,303	17,542	35,845	5,410	405	5,815	15,016	826	14,240	30,082	2,123	(2,071)	52	
6. 2016	XXX	XXX	XXX	XXX	2,153	2,153	XXX	2,438	4,015	6,453	XXX	XXX	XXX	
7. Totals	18,303	17,542	35,845	5,410	2,558	7,968	15,016	3,264	18,256	36,535	2,123	(2,071)	52	
8. Prior Year-End Surplus As Regards Policyholders	50,446											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. 11.6	2. (11.8)	3. 0.1
												Col. 13, Line 7 As a % of Col. 1 Line 8 4. 0.1		

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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.

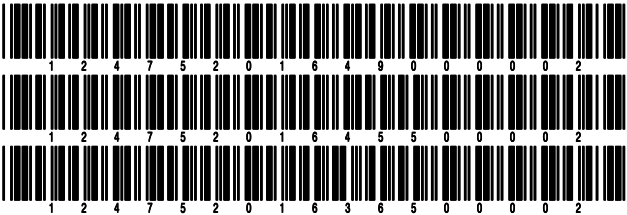
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state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

Explanations:

1.
2.
3.

Bar Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]



STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Statement Date			4 December 31 Prior Year Net Admitted Assets
		1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504.	Miscellaneous Office Equipment	984,089	984,089		
2505.	Clearing Accounts	58,185	58,185		
2506.	Deposits	400	400		
2597.	Summary of remaining write-ins for Line 25 from overflow page	1,042,674	1,042,674		

SCHEDULE A - VERIFICATION

Real Estate

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

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. 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)		
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)		

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	89,517,074	89,998,475
2. Cost of bonds and stocks acquired	7,362,130	16,821,631
3. Accrual of discount	18,696	25,821
4. Unrealized valuation increase (decrease)	284,254	(236,978)
5. Total gain (loss) on disposals	(67,682)	(129,733)
6. Deduct consideration for bonds and stocks disposed of	6,825,632	16,588,033
7. Deduct amortization of premium	190,632	374,109
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)	90,098,208	89,517,074
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	90,098,208	89,517,074

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	70,384,861	2,704,427	1,663,631	(253,951)	70,384,861	71,171,706		70,142,383
2. NAIC 2 (a)	13,480,312	532,635	908,561	168,901	13,480,312	13,273,287		13,965,891
3. NAIC 3 (a)	949,600			(311,463)	949,600	638,137		1,203,503
4. NAIC 4 (a)	712,375		450,000	383,125	712,375	645,500		
5. NAIC 5 (a)								
6. NAIC 6 (a)								
7. Total Bonds	85,527,148	3,237,062	3,022,192	(13,388)	85,527,148	85,728,630		85,311,777
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock								
15. Total Bonds and Preferred Stock	85,527,148	3,237,062	3,022,192	(13,388)	85,527,148	85,728,630		85,311,777

(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 \$100,000 ; NAIC 2 \$; NAIC 3 \$;
NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	100,000	xxx	100,000		

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	99,998	99,998
2. Cost of short-term investments acquired	600,000	1,200,000
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	600,000	1,200,000
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)	99,998	99,998
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	99,998	99,998

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1.	Book/Adjusted Carrying Value, December 31, prior year (Line 9, prior year)	
2.	Cost Paid/(Consideration Received) on additions	
3.	Unrealized Valuation increase/(decrease)	
4.	Total gain (loss) on termination recognized	
5.	Considerations received/(paid) on terminations	
6.	Amortization	
7.	Adjustment to the Book/Adjusted Carrying Value of hedged item	
8.	Total foreign exchange change in Book/Adjusted Carrying Value	
9.	Book/Adjusted Carrying Value at End of Current Period (Lines 1+2+3+4-5+6+7+8)	
10.	Deduct nonadmitted assets	
11.	Statement value at end of current period (Line 9 minus Line 10)	

NONE

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1.	Book/Adjusted carrying value, December 31 of prior year (Line 6, prior year)	
2.	Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column)	
3.1	Add:	
	Change in variation margin on open contracts - Highly Effective Hedges	
3.11	Section 1, Column 15, current year to date minus	
3.12	Section 1, Column 15, prior year	
	Change in variation margin on open contracts - All Other	
3.13	Section 1, Column 18, current year to date minus	
3.14	Section 1, Column 18, prior year	
3.2	Add:	
	Change in adjustment to basis of hedged item	
3.21	Section 1, Column 17, current year to date minus	
3.22	Section 1, Column 17, prior year	
	Change in amount recognized	
3.23	Section 1, Column 19, current year to date minus	
3.24	Section 1, Column 19, prior year	
3.3	Subtotal (Line 3.1 minus Line 3.2)	
4.1	Cumulative variation margin on terminated contracts during the year	
4.2	Less:	
	4.21 Amount used to adjust basis of hedged item	
	4.22 Amount recognized	
4.3	Subtotal (Line 4.1 minus Line 4.2)	
5.	Dispositions gains (losses) on contracts terminated in prior year:	
	5.1 Total gain (loss) recognized for terminations in prior year	
	5.2 Total gain (loss) adjusted into the hedged item(s) for terminations in prior year	
6.	Book/Adjusted carrying value at end of current period (Lines 1+2+3.3-4.3-5.1-5.2)	
7.	Deduct total nonadmitted amounts	
8.	Statement value at end of current period (Line 6 minus Line 7)	

NONE

SCHEDULE DB - PART C - SECTION 1

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE DB - PART C - SECTION 2

Replication (Synthetic Asset) Transactions Open

	First Quarter		Second Quarter		Third Quarter		Fourth Quarter		Year To Date	
	1 Number of Positions	2 Total Replication (Synthetic Asset) Transactions Statement Value	3 Number of Positions	4 Total Replication (Synthetic Asset) Transactions Statement Value	5 Number of Positions	6 Total Replication (Synthetic Asset) Transactions Statement Value	7 Number of Positions	8 Total Replication (Synthetic Asset) Transactions Statement Value	9 Number of Positions	10 Total Replication (Synthetic Asset) Transactions Statement Value
1. Beginning Inventory										
2. Add: Opened or Acquired Transactions.....										
3. Add: Increases in Replication (Synthetic Asset) Transactions Statement Value.....	XXX		XXX		XXX		XXX		XXX	
4. Less: Closed or Disposed of Transactions.....										
5. Less: Positions Disposed of for Failing Effectiveness Criteria.....										
6. Less: Decreases in Replication (Synthetic Asset) Transactions Statement Value	XXX		XXX		XXX		XXX		XXX	
7. Ending Inventory										

SCHEDULE DB - VERIFICATION

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

		Book/Adjusted Carrying Value Check
1.	Part A, Section 1, Column 14.....	.....
2.	Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance.....	.....
3.	Total (Line 1 plus Line 2) .....	.....
4.	Part D, Section 1, Column 5 .....	.....
5.	Part D, Section 1, Column 6 .....	.....
6.	Total (Line 3 minus Line 4 minus Line 5) .....	.....
		Fair Value Check
7.	Part A, Section 1, Column 16 .....	.....
8.	Part B, Section 1, Column 13 .....	.....
9.	Total (Line 7 plus Line 8) .....	.....
10.	Part D, Section 1, Column 8 .....	.....
11.	Part D, Section 1, Column 9 .....	.....
12.	Total (Line 9 minus Line 10 minus Line 11) .....	.....
		Potential Exposure Check
13.	Part A, Section 1, Column 21 .....	.....
14.	Part B, Section 1, Column 20 .....	.....
15.	Part D, Section 1, Column 11 .....	.....
16.	Total (Line 13 plus Line 14 minus Line 15) .....	.....

NONE

SCHEDULE E - VERIFICATION

(Cash Equivalents)

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

NONE

SCHEDULE A - PART 2

[illegible]

Showing All Real Estate DISPOSED During the Quarter, Including Payments During the Final Year on "Sales Under Contract"

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE B - PART 2

Showing All Mortgage Loans ACQUIRED AND ADDITIONS MADE During the Current Quarter

[illegible]

SCHEDULE B - PART 3

Showing All Mortgage Loans DISPOSED, Transferred or Repaid During the Current Quarter

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE BA - PART 2

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

[illegible]

SCHEDULE BA - PART 3

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

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
542433-RE-9	LONG BEACH CA UNIF SCH DIST		.04/19/2016	RAYMOND JAMES		425,067	370,000	329	1FE
2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						425,067	370,000	329	XXX
31320W-MS-5	FG 039368		.05/17/2016	J.P. MORGAN		367,349	347,068	405	1
31335A-QK-7	FG G60458		.04/19/2016	J.P. MORGAN		262,882	249,881	510	1
31335A-S7-4	FG G60542		.06/23/2016	BNP PARIBUS SECURITIES		162,623	152,073	456	1
3138EQ-7K-2	FN AL8097		.05/12/2016	CITIGROUP GLOBAL MARKETS		368,057	342,877	610	1
3138WF-GE-0	FN AS5596		.05/19/2016	PNC CAPITAL MARKETS		313,924	300,271	350	1
3199999. Subtotal - Bonds - U.S. Special Revenues						1,474,835	1,392,170	2,331	XXX
512807-AP-3	LAM RESEARCH CORP		.05/23/2016	GOLDMAN SACHS		199,488	200,000		2FE
84610W-AB-1	SOVRAN ACQUISITION LP		.06/13/2016	WELLS FARGO SECURITIES LLC		333,147	335,000		2FE
857477-AW-3	STATE STREET CORP		.05/16/2016	BANK AMERICA		339,524	340,000		1FE
90931L-AA-6	UNITED AIR 2016-1 AA PTT		.06/06/2016	MORGAN STANLEY		165,000	165,000		1FE
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						1,037,159	1,040,000		XXX
8399997. Total - Bonds - Part 3						2,937,061	2,802,170	2,660	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						2,937,061	2,802,170	2,660	XXX
8999997. Total - Preferred Stocks - Part 3							XXX		XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX		XXX
922908-71-0	VANGUARD 500 INDEX-ADM		.06/20/2016	DIVIDEND REINVESTMENT	114.618	22,023			L
9299999. Subtotal - Common Stocks - Mutual Funds						22,023	XXX		XXX
9799997. Total - Common Stocks - Part 3						22,023	XXX		XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						22,023	XXX		XXX
9899999. Total - Preferred and Common Stocks						22,023	XXX		XXX
9999999 - Totals						2,959,084	XXX	2,660	XXX

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

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn- ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	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 Con- tractual Maturity Date	NAIC Desig- nation or Market In- dicator (a)
36178W-GL-7	GN AB9203		06/01/2016	MBS PAYMENT		63,606	63,606	67,954	63,749		(143)		(143)		63,606				813	11/15/2042	1
36202E-RS-0	G2 4097		06/01/2016	MBS PAYMENT		6,638	6,638	6,511	6,628		10		10		6,638				137	03/20/2038	1
36205B-4L-3	GN 386127		06/01/2016	MBS PAYMENT		594	594	596	594						594				20	01/15/2030	1
36209D-B2-9	GN 468157		06/01/2016	MBS PAYMENT		179	179	179	179						179				5	08/15/2028	1
36209M-4A-9	GN 476117		06/01/2016	MBS PAYMENT		43	43	44	43						43				1	07/15/2028	1
36209U-PA-8	GN 482017		06/01/2016	MBS PAYMENT		93	93	92	93						93				3	08/15/2028	1
36209W-AJ-8	GN 484225		06/01/2016	MBS PAYMENT		23	23	25	23						23				1	08/15/2028	1
36210Y-D9-3	GN 506028		06/01/2016	MBS PAYMENT		243	243	242	243						243				8	10/15/2029	1
36211C-QY-1	GN 509071		06/01/2016	MBS PAYMENT		341	341	324	341						341				9	05/15/2029	1
36213E-L3-8	GN 552146		06/01/2016	MBS PAYMENT		648	648	652	648						648				16	11/15/2016	1
36220U-Z2-0	GN 288861		06/01/2016	MBS PAYMENT		172	172	171	172						172				5	12/15/2022	1
36224J-HS-4	GN 329741		06/01/2016	MBS PAYMENT		336	336	344	336		(1)		(1)		336				12	01/15/2023	1
36225A-KU-3	GN 780307		06/01/2016	MBS PAYMENT		241	241	257	242		(1)		(1)		241				9	12/15/2021	1
36225A-NY-2	GN 780407		06/01/2016	MBS PAYMENT		641	641	645	641						641				18	08/15/2024	1
36290S-ZC-8	GN 616439		06/01/2016	MBS PAYMENT		1,929	1,929	1,922	1,929						1,929				40	06/15/2024	1
38378B-7C-7	GNR 2013-33 A		06/01/2016	MBS PAYMENT		2,715	2,715	2,702	2,714						2,715				12	07/16/2038	1
0599999 Subtotal - Bonds - U.S. Governments						78,442	78,442	82,660	78,575		(135)		(135)		78,442				1,109	XXX	XXX
669827-FT-9	NOVA SCOTIA PROVINCE	A	04/29/2016	BNP PARIBUS SECURITIES ..		288,540	280,000	325,651	292,629		(4,024)		(4,024)		288,605		(65)	(65)	11,081	01/26/2017	1FE
71647N-AC-3	PETROBRAS GLOBAL FINANCE	F	05/20/2016	MATURITY		450,000	450,000	448,128	441,140	8,613	247		8,860		450,000				4,500	05/20/2016	4FE
1099999 Subtotal - Bonds - All Other Governments						738,540	730,000	773,779	733,769	8,613	(3,777)		4,836		738,605		(65)	(65)	15,581	XXX	XXX
31283G-K8-9	FG 600319		06/01/2016	MBS PAYMENT		69	69	72	69						69				3	04/01/2025	1
31283H-HN-8	FG 601137		06/01/2016	MBS PAYMENT		22	22	22	22						22				1	09/01/2030	1
31287Q-ND-9	FG 064888		06/01/2016	MBS PAYMENT		1,071	1,071	1,085	1,072						1,071				34	03/01/2032	1
31288E-B5-5	FG C75460		06/01/2016	MBS PAYMENT		6,352	6,352	6,444	6,363		(11)		(11)		6,352				129	01/01/2033	1
31289W-Z2-0	FG E92592		06/01/2016	MBS PAYMENT		1,440	1,440	1,485	1,444		(4)		(4)		1,440				33	11/01/2017	1
3128M9-2M-3	FG 607680		06/01/2016	MBS PAYMENT		7,054	7,054	7,450	7,074		(20)		(20)		7,054				117	04/01/2044	1
3128M9-XG-2	FG 607579		06/01/2016	MBS PAYMENT		11,671	11,671	12,091	11,683		(11)		(11)		11,671				183	08/01/2043	1
3128MC-UJ-3	FG G13997		06/01/2016	MBS PAYMENT		6,141	6,141	6,294	6,161		(21)		(21)		6,141				107	12/01/2025	1
3128MJ-UH-1	FG G08583		06/01/2016	MBS PAYMENT		16,160	16,160	17,362	16,278		(117)		(117)		16,160				293	04/01/2044	1
31292H-D6-8	FG C01025		06/01/2016	MBS PAYMENT		139	139	141	140						139				5	07/01/2030	1
31292K-7G-6	FG C03595		06/01/2016	MBS PAYMENT		14,976	14,976	15,605	15,010		(35)		(35)		14,976				243	10/01/2040	1
31293R-ME-8	FG C27557		06/01/2016	MBS PAYMENT		57	57	54	57						57				2	06/01/2029	1
312942-NF-8	FG A93990		06/01/2016	MBS PAYMENT		7,037	7,037	7,280	7,055		(18)		(18)		7,037				120	09/01/2040	1
31298U-CF-4	FG C57270		06/01/2016	MBS PAYMENT		138	138	136	138						138				3	09/01/2031	1
31298W-CR-4	FG C59080		06/01/2016	MBS PAYMENT		346	346	344	346						346				9	10/01/2031	1
31307A-EK-4	FG J21938		06/01/2016	MBS PAYMENT		30,635	30,635	31,971	30,714		(79)		(79)		30,635				326	01/01/2028	1
3132SD-H5-4	FG 000252		06/01/2016	MBS PAYMENT		13,448	13,448	13,792	13,461		(13)		(13)		13,448				252	04/01/2041	1
31323K-5A-0	FG 004741		06/01/2016	MBS PAYMENT		3,482	3,482	3,721	3,493		(12)		(12)		3,482				65	11/01/2041	1
31323K-V9-4	FG 004540		06/01/2016	MBS PAYMENT		22,563	22,563	22,995	22,577		(14)		(14)		22,563				321	11/01/2041	1
31323K-ZN-9	FG 004649		06/01/2016	MBS PAYMENT		41,262	41,262	41,932	41,294		(32)		(32)		41,262				604	11/01/2041	1
31323L-FM-1	FG 004972		06/01/2016	MBS PAYMENT		18,372	18,372	18,773	18,389		(17)		(17)		18,372				258	12/01/2041	1
3132J6-US-1	FG Q15592		06/01/2016	MBS PAYMENT		10,789	10,789	11,040	10,797		(8)		(8)		10,789				135	02/01/2043	1
3132M8-3G-9	FG 028299		06/01/2016	MBS PAYMENT		4,845	4,845	5,102	4,856		(11)		(11)		4,845				94	09/01/2044	1
3132M9-2R-4	FG 029184		06/01/2016	MBS PAYMENT		17,539	17,539	18,735	17,599		(60)		(60)		17,539				299	10/01/2044	1
31335A-QK-7	FG 660458		06/01/2016	MBS PAYMENT		8,142	8,142	8,566			(4)		(4)		8,142				36	01/01/2044	1
313615-LF-1	FN 50726		06/01/2016	MBS PAYMENT		156	156	156	156						156				4	05/01/2023	1
31365D-UL-7	FN 124887		06/01/2016	MBS PAYMENT		308	308	310	308						308				9	06/01/2023	1
31369T-N7-7	FN 220114		06/01/2016	MBS PAYMENT		73	73	73	73						73				2	06/01/2023	1
31371K-HW-4	FN 254145		06/01/2016	MBS PAYMENT		704	704	710	704						704				15	01/01/2032	1
31380S-5J-8	FN 449149		06/01/2016	MBS PAYMENT		21	21	21	21						21				1	12/01/2028	1
31386T-FU-4	FN 572679		06/01/2016	MBS PAYMENT		59	59	60	59						59				2	04/01/2031	1
3138AW-RQ-8	FN AJ4994		06/01/2016	MBS PAYMENT		12,381	12,381	13,327	12,447		(66)		(66)		12,381				203	11/01/2041	1
3138EJ-3Y-2	FN AL2614		06/01/2016	MBS PAYMENT		6,545	6,545	6,768	6,556		(11)		(11)		6,545				86	11/01/2042	1
3138EK-QD-0	FN AL3151		06/01/2016	MBS PAYMENT		2,774	2,774	2,977	2,780		(6)		(6)		2,774				49	06/01/2042	1
3138EN-4H-9	FN AL6223		06/01/2016	MBS PAYMENT		28,483	28,483	30,993	28,722		(239)		(239)		28,483				542	08/01/2044	1
3138EQ-7K-2	FN AL8097		06/01/2016	MBS PAYMENT		3,468	3,468	3,722							3,468				12	01/01/2046	1
3138M5-EA-3	FN AP1928		06/01/2016	MBS PAYMENT		31,140	31,140	33,173	31,302		(162)		(162)		31,140				557	08/01/2042	1

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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	For- eign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amor- tization)/ Accretion	Current Year's Other Than Temporary Impairment Recogn- ized	Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	Total Foreign Exchange Change in Book /Adjusted Carrying Value	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 Con- tractual Maturity Date	NAIC Desig- nation or Market In- dicator (a)
3138M5-LP-2	FN AP2133		06/01/2016	MBS PAYMENT		12,096	12,096	12,550	12,115		(19)		(19)		12,096				175	08/01/2042	1
3138MP-YV-1	FN A07923		06/01/2016	MBS PAYMENT		17,031	17,031	17,781	17,062		(31)		(31)		17,031				203	12/01/2042	1
3138W9-HL-7	FN AS0234		06/01/2016	MBS PAYMENT		18,914	18,914	19,834	18,985		(70)		(70)		18,914				320	08/01/2043	1
3138WB-AR-6	FN AS1815		06/01/2016	MBS PAYMENT		14,131	14,131	14,717	14,156		(24)		(24)		14,131				224	02/01/2044	1
3138WB-GU-3	FN AS2010		06/01/2016	MBS PAYMENT		17,727	17,727	18,502	17,766		(39)		(39)		17,727				284	03/01/2044	1
3138WB-LK-9	FN AS2385		06/01/2016	MBS PAYMENT		10,275	10,275	10,848	10,292		(17)		(17)		10,275				180	05/01/2044	1
3138WE-6G-9	FN ASS370		06/01/2016	MBS PAYMENT		7,941	7,941	8,268	7,957		(17)		(17)		7,941				120	07/01/2045	1
3138WE-ZJ-1	FN ASS244		06/01/2016	MBS PAYMENT		4,185	4,185	4,352	4,192		(7)		(7)		4,185				59	06/01/2045	1
3138WF-B6-2	FN ASS460		06/01/2016	MBS PAYMENT		5,403	5,403	5,661	5,416		(13)		(13)		5,403				82	07/01/2045	1
3138X4-V9-8	FN AU5139		06/01/2016	MBS PAYMENT		16,889	16,889	17,602	16,889		(33)		(33)		16,889				194	08/01/2043	1
3138Y6-3S-1	FN AX5308		06/01/2016	MBS PAYMENT		15,529	15,529	16,291	15,555		(26)		(26)		15,529				224	01/01/2042	1
31390E-SX-1	FN 644134		06/01/2016	MBS PAYMENT		59	59	59	59						59				2	05/01/2032	1
31403A-YD-2	FN 743276		06/01/2016	MBS PAYMENT		167	167	171	167						167				4	10/01/2033	1
31403C-6L-0	FN 745275		06/01/2016	MBS PAYMENT		2,422	2,422	2,360	2,416		6		6		2,422				51	02/01/2036	1
31403C-6U-0	FN 745283		06/01/2016	MBS PAYMENT		6,465	6,465	6,244	6,443		21		21		6,465				146	01/01/2036	1
31404F-J4-6	FN 767183		06/01/2016	MBS PAYMENT		4,542	4,542	4,523	4,538		3		3		4,542				94	02/01/2019	1
31408J-DS-7	FN 852513		06/01/2016	MBS PAYMENT		121	121	120	121						121				3	01/01/2036	1
31409W-D9-9	FN 880428		06/01/2016	MBS PAYMENT		2,570	2,570	2,579	2,570						2,570				70	04/01/2036	1
31410X-ZR-0	FN 900852		06/01/2016	MBS PAYMENT		3,582	3,582	3,601	3,583		(1)		(1)		3,582				90	01/01/2037	1
31416X-QU-7	FN AB2266		06/01/2016	MBS PAYMENT		6,530	6,530	6,799	6,546		(16)		(16)		6,530				112	02/01/2041	1
31417D-TR-4	FN AB6859		06/01/2016	MBS PAYMENT		7,724	7,724	8,028			(12)		(12)		7,724				87	11/01/2042	1
31417E-CG-4	FN AB7270		06/01/2016	MBS PAYMENT		6,079	6,079	6,355	6,090		(11)		(11)		6,079				78	12/01/2042	1
31417E-H2-0	FN AB7448		06/01/2016	MBS PAYMENT		47,087	47,087	48,827	47,181		(94)		(94)		47,087				494	01/01/2028	1
31417E-ZK-0	FN AB7945		06/01/2016	MBS PAYMENT		11,353	11,353	11,722	11,367		(14)		(14)		11,353				141	02/01/2043	1
31417G-5A-0	FN AB9840		06/01/2016	MBS PAYMENT		6,653	6,653	6,984			(7)		(7)		6,653				60	07/01/2043	1
31419F-FW-1	FN AE4680		06/01/2016	MBS PAYMENT		7,061	7,061	7,323	7,072		(11)		(11)		7,061				118	11/01/2040	1
3199999. Subtotal - Bonds - U.S. Special Revenues						582,398	582,398	606,883	540,869		(1,403)		(1,403)		582,398				8,769	XXX	XXX
12591F-AC-0	CNH 2013-A A3		06/15/2016	MBS PAYMENT		16,388	16,388	16,388	16,400		(12)		(12)		16,388				46	06/15/2018	1FE
14313L-AC-0	CARIX 2013-1 A3		06/15/2016	MBS PAYMENT		52,415	52,415	52,413	52,496		(81)		(81)		52,415				127	10/16/2017	1FE
36252A-AA-4	GSMS 2015-GS1 A1		06/01/2016	MBS PAYMENT		8,290	8,290	8,289	8,290						8,290				80	11/13/2048	1FE
43814J-AC-8	HAROT 2014-4 A3		06/15/2016	MBS PAYMENT		31,976	31,976	31,971	31,963		13		13		31,976				148	09/17/2018	1FE
46643G-AA-8	JPMBB 2014-C24 A1		06/01/2016	MBS PAYMENT		5,121	5,121	5,121	5,121						5,121				33	11/18/2047	1FM
548661-CS-4	LOWES COMPANIES INC		04/15/2016	MATURITY		300,000	300,000	299,850	299,991		9		9		300,000				3	04/15/2016	1FE
292505-AJ-3	ENCANA CORP	A	05/11/2016	J.P. MORGAN		447,050	500,000	496,415	497,717		130		130		497,847		(50,797)	(50,797)	9,804	11/15/2021	2FE
10553Y-AF-2	BRASKEM FINANCE LTD	F	05/16/2016	J.P. MORGAN		397,000	400,000	412,800	411,131		(417)		(417)		410,714		(13,714)	(13,714)	20,497	02/03/2024	2FE
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						1,258,240	1,314,190	1,323,247	1,323,109		(358)		(358)		1,322,751		(64,511)	(64,511)	33,923	XXX	XXX
8399997. Total - Bonds - Part 4						2,657,620	2,705,030	2,786,569	2,676,322	8,613	(5,673)		2,940		2,722,196		(64,576)	(64,576)	59,382	XXX	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds						2,657,620	2,705,030	2,786,569	2,676,322	8,613	(5,673)		2,940		2,722,196		(64,576)	(64,576)	59,382	XXX	XXX
8999997. Total - Preferred Stocks - Part 4							XXX													XXX	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							XXX													XXX	XXX
9799997. Total - Common Stocks - Part 4							XXX													XXX	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							XXX													XXX	XXX
9899999. Total - Preferred and Common Stocks							XXX													XXX	XXX
9999999 - Totals						2,657,620	XXX	2,786,569	2,676,322	8,613	(5,673)		2,940		2,722,196		(64,576)	(64,576)	59,382	XXX	XXX

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

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE DB - PART A - SECTION 1

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule/ Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number or Contract	Notional Amount	Strike Price or Rate or Index Received (Paid)	Cumulative Price Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/ Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase/ (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization)/ Accretion	Adjustment to Carrying Value of Hedged Item	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Quarter-end (b)
1449999 - Totals															XXX						XXX	XXX

(a)	Code	Description of Hedged Risk(s)																				
(b)	Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period																				

SCHEDULE DB - PART B - SECTION 1

[illegible]

(a)	Code	Description of Hedged Risk(s)
(b)	Code	Financial or Economic Impact of the Hedge at the End of the Reporting Period

SCHEDULE DB - PART D - SECTION 1

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

SCHEDULE DB - PART D - SECTION 2

Collateral for Derivative Instruments Open as of Current Statement Date

Collateral Pledged by Reporting Entity

1	2	3	4	5	6	7	8	9
Exchange, Counterparty or Central Clearinghouse	Type of Asset Pledged	CUSIP Identification	Description	Fair Value	Par Value	Book/Adjusted Carrying Value	Maturity Date	Type of Margin (I, V or IV)
NONE								
0199999 - Total							XXX	XXX

Collateral Pledged to Reporting Entity

1	2	3	4	5	6	7	8	9
Exchange, Counterparty or Central Clearinghouse	Type of Asset Pledged	CUSIP Identification	Description	Fair Value	Par Value	Book/Adjusted Carrying Value	Maturity Date	Type of Margin (I, V or IV)
NONE								
0299999 - Total						XXX	XXX	XXX

SCHEDULE DL - PART 1
SECURITIES LENDING COLLATERAL ASSETS

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

1. Total activity for the year to date Fair Value \$ Book/Adjusted Carrying Value \$

2. Average balance for the year to date Fair Value \$ Book/Adjusted Carrying Value \$

3. Reinvested securities lending collateral assets book/adjusted carrying value included in this schedule by NAIC designation:
NAIC 1 \$ NAIC 2 \$ NAIC 3 \$ NAIC 4 \$ NAIC 5 \$ NAIC 6 \$

SCHEDULE DL - PART 2
SECURITIES LENDING COLLATERAL ASSETS

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

General Interrogatories:

- E11

SCHEDULE E - PART 1 - CASH

[illegible]

STATEMENT AS OF JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

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 and Accrued	Amount Received During Year
NONE							
8699999 - Total Cash Equivalents							



SUPPLEMENT FOR THE QUARTER ENDING JUNE 30, 2016 OF THE REPUBLIC-FRANKLIN INSURANCE COMPANY

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended JUNE 30, 2016

NAIC Group Code 0201 NAIC Company Code 12475

Company Name REPUBLIC-FRANKLIN INSURANCE COMPANY

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 100	\$ 49	\$

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [X] No []
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [X] No []
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified:\$ 39,689

2.32 Amount estimated using reasonable assumptions:\$
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies.\$