



QUARTERLY STATEMENT

As of June 30, 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) accounting@fallslakeins.com (E-Mail Address)	919-882-3536 (Area Code) (Telephone Number) (Extension) 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
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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 Raia
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President/CEO	Secretary/CFO	Controller
(Title)	(Title)	(Title)

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	12,272,403		12,272,403	10,663,292
2. Stocks:				
2.1 Preferred stocks.....	2,089,345		2,089,345	2,041,058
2.2 Common stocks.....	44,918,813		44,918,813	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 (\$.....5,943,651), cash equivalents (\$.....0) and short-term investments (\$.....150,898).....	6,094,549		6,094,549	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).....	65,375,110	0	65,375,110	66,285,605
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	74,873		74,873	59,120
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	24,884,069	119,160	24,764,909	17,730,567
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	6,440,283	191,864	6,248,419	8,824,980
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	20,328,204		20,328,204	13,602,402
16.2 Funds held by or deposited with reinsured companies.....	207,910,376		207,910,376	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.....	2,110,091	1,248,438	861,653	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).....	327,123,006	1,559,462	325,563,544	299,501,394
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	327,123,006	1,559,462	325,563,544	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 \$.....0).....	14,001,931	12,764,722
2. Reinsurance payable on paid losses and loss adjustment expenses.....	19,394,639	13,844,941
3. Loss adjustment expenses.....	8,568,319	8,361,502
4. Commissions payable, contingent commissions and other similar charges.....	2,402,473	1,761,238
5. Other expenses (excluding taxes, licenses and fees).....	430,106	411,936
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,630,365	1,587,156
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	40,879	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 \$....66,680,685 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).....	5,120,960	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).....	28,738,954	27,596,305
13. Funds held by company under reinsurance treaties.....	185,805,726	171,384,268
14. Amounts withheld or retained by company for account of others.....		40,884
15. Remittances and items not allocated.....	1,446,357	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.....	91,767	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.....	133,040	124,186
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	267,805,516	242,321,856
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	267,805,516	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).....	9,999,476	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).....	57,758,027	57,179,538
38. Totals (Page 2, Line 28, Col. 3).....	325,563,543	299,501,394

DETAILS OF WRITE-INS

2501. Deferred ceding commission.....	(17,540)	
2502. Policyholder deposits.....	127,818	124,186
2503. Excise Tax Payable.....	22,762	
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).....	133,040	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	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....34,752,125).....	29,998,291	15,527,420	37,434,384
1.2 Assumed..... (written \$.....51,960,370).....	46,389,721	38,981,826	83,325,586
1.3 Ceded..... (written \$.....79,771,751).....	70,160,021	49,355,980	109,709,952
1.4 Net..... (written \$.....6,940,744).....	6,227,991	5,153,266	11,050,018
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	22,751,475	10,931,561	24,715,257
2.2 Assumed.....	21,191,303	15,700,113	27,836,815
2.3 Ceded.....	41,040,693	24,546,788	48,805,423
2.4 Net.....	2,902,085	2,084,886	3,746,649
3. Loss adjustment expenses incurred.....	2,061,135	1,396,287	3,459,302
4. Other underwriting expenses incurred.....	1,505,472	1,718,577	3,155,044
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	6,468,692	5,199,750	10,360,995
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(240,701)	(46,484)	689,023
INVESTMENT INCOME			
9. Net investment income earned.....	169,672	79,670	285,069
10. Net realized capital gains (losses) less capital gains tax of \$.....2,016.....	3,745	1,960	(11,051)
11. Net investment gain (loss) (Lines 9 + 10).....	173,417	81,630	274,018
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....10 amount charged off \$.....0).....	10	(449)	(435)
13. Finance and service charges not included in premiums.....	2,987	371	1,378
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	2,997	(78)	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).....	(64,287)	35,068	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).....	(64,287)	35,068	963,984
19. Federal and foreign income taxes incurred.....	(28,113)	26,324	268,140
20. Net income (Line 18 minus Line 19) (to Line 22).....	(36,174)	8,744	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).....	(36,174)	8,744	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.....	853,541	423,348	1,315,007
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	93,490	20,676	(15,773)
27. Change in nonadmitted assets.....	(332,368)	(20,393)	(37,953)
28. Change in provision for reinsurance.....		667,000	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).....	578,489	1,099,375	7,624,125
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	57,758,027	50,654,788	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

Falls Lake National 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.....	3,385,433	8,913,793	19,615,329
2. Net investment income.....	171,831	42,382	281,116
3. Miscellaneous income.....	2,997	(78)	943
4. Total (Lines 1 through 3).....	3,560,261	8,956,097	19,897,388
5. Benefit and loss related payments.....	18,612,988	12,557,517	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.....	2,657,176	3,777,239	6,123,848
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	(59,175)	(96,534)	(43,643)
10. Total (Lines 5 through 9).....	21,210,989	16,238,222	25,097,465
11. Net cash from operations (Line 4 minus Line 10).....	(17,650,728)	(7,282,125)	(5,200,077)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,748,625		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)	3,015	5,036
12.7 Miscellaneous proceeds.....	825	1,302,277	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	1,749,110	13,805,292	21,976,980
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	3,369,549	7,048,467	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).....	3,369,549	9,047,403	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).....	(1,620,439)	4,757,889	(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).....	15,898,842	9,773,548	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).....	15,898,842	9,773,548	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).....	(3,372,325)	7,249,312	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).....	6,094,546	9,503,380	9,466,871
Note: Supplemental disclosures of cash flow information for non-cash transactions:			
20.0001 .....	.....	.....	.....

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	\$ (36,174)	\$ 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	\$ (36,174)	\$ 695,844
SURPLUS			
(5) Falls Lake National Insurance Company state basis (Page 3, line 37, Columns 1 & 2)	OH	\$ 57,758,027	\$ 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	\$ 57,758,027	\$ 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

- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	\$ 48
		2.	12 Months or Longer	\$
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than 12 Months	\$ 151,562
		2.	12 Months or Longer	\$

E. Repurchase Agreements and/or Securities Lending Transactions – The Company does not participate in repurchase agreements or securities lending activities.

- (3) Collateral Received
b. Not applicable.

NOTES TO FINANCIAL STATEMENTS

- 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.

(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 subsidiary, 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

No significiant change

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	11,752
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	10,520
AE Underwriters Agency, Inc., 444 Madison Ave., Suite 501, New York, NY 10022	46-3127467	NO	Commercial Package	U,B,P,CA,C	4,175
Total	XXX	XXX	XXX	XXX	26,447

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.

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.

NOTES TO FINANCIAL STATEMENTS

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	\$ 4,207,529	\$ 8,484,090	\$	\$ 12,691,619
Preferred Stock		2,100,145		2,100,145
Shiort-term investments are carried at amortized cost	150,898			150,898
Total	\$ 4,358,427	\$ 10,584,235	\$	\$ 14,942,662

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Not applicable	\$	\$	\$	\$
Total	\$	\$	\$	\$

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

	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
a. Assets										
Not applicable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$

	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
b. Liabilities										
Not applicable	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
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	\$ 12,691,619	\$ 12,272,403	\$ 4,185,513	\$ 8,086,889	\$	\$
Preferred Stock	2,100,145	2,089,345		2,089,345		
Short Term Investments	150,898	150,898				

D. Not Practicable to Estimate Fair Value

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

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:

	6/30/2016	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	5,138,961	8,863,993
Prior Years	(175,741)	(1,658,042)
Incurred Losses/Expenses	4,963,220	7,205951
Deduct: Payments for Claims Occurring During:		
Current Year	737,249	1,397,854
Prior Years	2,781,945	4,070,610
	3,519,194	5,468,464
Reserves, net of Reins Recoverables at End of Period	\$ 22,570,250	\$ 21,126,224

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by approximately \$176,000 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.

Subsequent to June 30, 2016 Falls Lake Fire and Casualty Company (FLFCC) received 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. The current participating companies are in the process of filing the revised agreement with their States of domicile (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%	20%
James River Insurance Company	12203	75%	57%
Stonewood Insurance Company	11828	6%	9%
James River Casualty Company	13685	5%	6%
Falls Lake General Insurance Company	35211	1%	2%
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 [☐] 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 name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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).

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 [☒]

6.6

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

Yes [☐] No [☐] N/A [☒]

7.1

Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes [☐] No [☒]

7.2

If yes, give full information:
Not applicable

8.1

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

Yes [☐] No [☒]

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.
Not applicable

8.3

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

Yes [☐] No [☒]

8.4

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

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

9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [☒] No [☐]

9.11

If the response to 9.1 is No, please explain:
Not applicable

9.2

Has the code of ethics for senior managers been amended?

Yes [☐] No [☒]

9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
Not applicable

9.3

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

Yes [☐] No [☒]

9.31

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

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?
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount:
- Yes ☐ No ☒
- \$ 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.)
- 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:
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?
- 14.2 If yes, please complete the following:
- Yes ☐ No ☒
- Yes ☒ No ☐

- 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

1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
\$ 0	\$ 0
0	0
44,113,559	44,918,813
0	0
0	0
0	0
\$ 44,113,559	\$ 44,918,813
0	0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB?
- 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 ☒
- Yes ☐ No ☐

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:
- 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:
- \$ 0
- \$ 0
- \$ 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 ☒ 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

- 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 ☒

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

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

- 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

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed?
- Yes ☒ No ☐

- 18.2 If no, list exceptions:
- Not applicable

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating

NONE

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

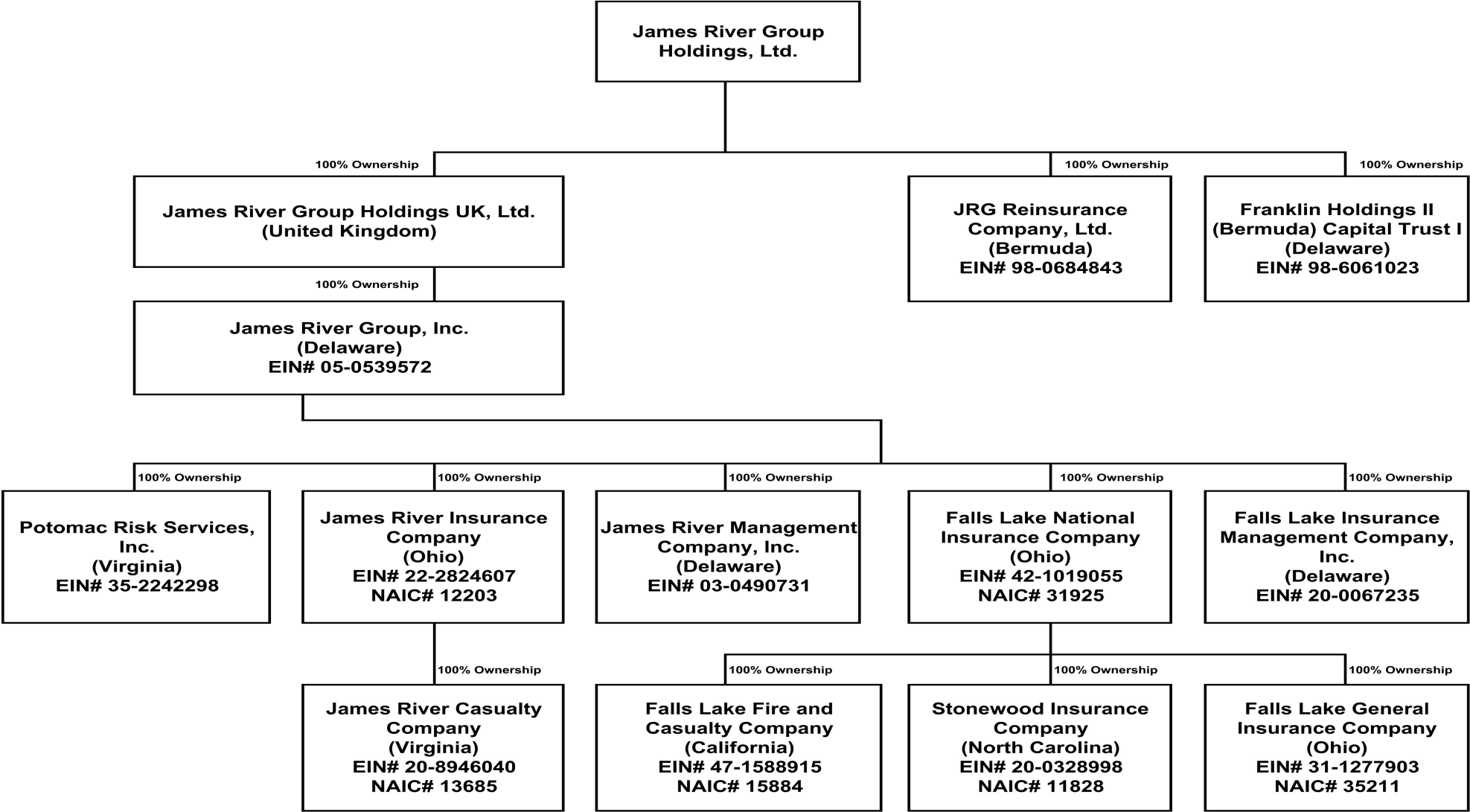
Current Year to Date - Allocated by States and Territories

		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.....L...	122,711	48,108	4,984	(125)	82,368	21,356
2.	Alaska.....	AK.....L...						
3.	Arizona.....	AZ.....L...	247,105	959,162	195,529	63,652	1,325,556	417,823
4.	Arkansas.....	AR.....L...	217,774	148,297	98,147	37,071	495,414	258,048
5.	California.....	CA.....N...						
6.	Colorado.....	CO.....L...	2,159,002	634,352	212,510	13,815	1,493,227	13,705
7.	Connecticut.....	CT.....N...						
8.	Delaware.....	DE.....L...						
9.	District of Columbia.....	DC.....L...	115,596				9,582	
10.	Florida.....	FL.....L...	1,470,304		224,387	1,700	2,265,458	2,615
11.	Georgia.....	GA.....L...	483,963	400,748	53,250	16,725	229,163	71,932
12.	Hawaii.....	HI.....L...						
13.	Idaho.....	ID.....L...	124,194				14,974	
14.	Illinois.....	IL.....L...	1,070,989	1,240,767	179,084	120,837	1,356,124	401,078
15.	Indiana.....	IN.....L...	174,731	1,343,992	358,021	145,142	1,607,384	732,011
16.	Iowa.....	IA.....L...		64,073	46,447	10,886	79,881	59,019
17.	Kansas.....	KS.....L...	(15,800)	302,025	(553)		37,115	9,042
18.	Kentucky.....	KY.....L...	247,284	422,819	62,055	137,032	604,880	547,928
19.	Louisiana.....	LA.....L...	1,174,032		8,151		195,304	16,856
20.	Maine.....	ME.....N...						
21.	Maryland.....	MD.....L...	717,082	259,019	62,961	41,312	655,638	111,188
22.	Massachusetts.....	MA.....L...	305,848	82,479	26,907		141,206	18,973
23.	Michigan.....	MI.....L...						
24.	Minnesota.....	MN.....L...	91,504				8,220	
25.	Mississippi.....	MS.....L...	162,026	374,451	99,508	32,821	233,850	129,912
26.	Missouri.....	MO.....L...	33,163	227,149	25,556	6,005	196,782	31,673
27.	Montana.....	MT.....L...	129,323				25,808	
28.	Nebraska.....	NE.....L...	17,653	224,495	67,041	2,553	103,899	20,216
29.	Nevada.....	NV.....L...	853,239	358,857	202,357	31,475	1,010,666	269,970
30.	New Hampshire.....	NH.....L...						
31.	New Jersey.....	NJ.....L...	3,286,804	1,115,147	247,832	96,598	1,690,143	528,473
32.	New Mexico.....	NM.....L...	5,339,130	1,823,602	1,424,397	971,419	5,749,279	1,850,367
33.	New York.....	NY.....L...	5,136,978	2,214,372	325,964	198,283	5,068,483	1,004,525
34.	North Carolina.....	NC.....L...	51,768	17,343	32,894		55,089	24,476
35.	North Dakota.....	ND.....L...	203,485	187,934	7,792	86,138	132,839	40,461
36.	Ohio.....	OH.....L...	92,026	(86)	3,343	6,591	1,260,613	1,024,540
37.	Oklahoma.....	OK.....L...	(6,065)	13,026	31,536	43,693	298,267	247,519
38.	Oregon.....	OR.....L...	791,344				18,858	
39.	Pennsylvania.....	PA.....L...	1,457,639	482,573	101,105	30,682	916,034	126,462
40.	Rhode Island.....	RI.....L...	451,405	247,030	336,674	24,567	298,132	131,296
41.	South Carolina.....	SC.....L...	185,105	60,238	1,531	885	107,408	53,680
42.	South Dakota.....	SD.....L...						
43.	Tennessee.....	TN.....L...	95,431	178,251	229,347	30,005	457,962	423,219
44.	Texas.....	TX.....L...	7,162,982	4,428,925	1,655,718	976,735	12,273,513	6,683,763
45.	Utah.....	UT.....L...	254,907	340,607	49,102	38,857	255,445	48,599
46.	Vermont.....	VT.....L...						
47.	Virginia.....	VA.....L...	312,672	87,463	139,888		176,975	12,304
48.	Washington.....	WA.....L...	36,366				2,072	
49.	West Virginia.....	WV.....L...	(1,575)	1,575			(1,199)	15
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	34,752,125	18,288,793	6,513,465	3,165,354	40,932,412	15,333,044

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.

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	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			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....	15,417	4,305	27.9	(9.6)
2. Allied lines.....	21,167	6,518	30.8	(13.1)
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....			0.0	
5. Commercial multiple peril.....	4,401,062	6,635,886	150.8	33.9
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....			0.0	
9. Inland marine.....	632,137	185,141	29.3	(15.5)
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.....	4,548,472	3,251,090	71.5	58.5
17.1 Other liability-occurrence.....	2,231,278	850,934	38.1	71.3
17.2 Other liability-claims made.....	12,554	6,893	54.9	43.3
17.3 Excess workers' compensation.....			0.0	
18.1 Products liability-occurrence.....	180,302	39,228	21.8	(15.5)
18.2 Products liability-claims made.....			0.0	
19.1, 19.2 Private passenger auto liability.....		(5,638)	0.0	
19.3, 19.4 Commercial auto liability.....	16,321,331	9,929,953	60.8	92.1
21. Auto physical damage.....	1,618,274	1,833,199	113.3	146.6
22. Aircraft (all perils).....			0.0	
23. Fidelity.....	166	34	20.5	(14.4)
24. Surety.....			0.0	
26. Burglary and theft.....	1,081	357	33.0	(13.3)
27. Boiler and machinery.....	15,050	13,573	90.2	69.2
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.....	29,998,291	22,751,473	75.8	70.4

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.....	4,206	16,394	11,139
2. Allied lines.....	5,234	16,570	20,721
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....	4,394,610	7,666,346	4,145,549
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	371,884	687,990	411,327
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.....	615,821	2,470,081	4,953,526
17.1 Other liability-occurrence.....	2,235,552	3,428,687	1,223,701
17.2 Other liability-claims made.....	303,315	304,991	1,029
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....	121,249	217,098	124,857
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....			
19.3 19.4 Commercial auto liability.....	7,717,105	17,870,142	6,509,504
21. Auto physical damage.....	1,096,958	2,034,186	845,162
22. Aircraft (all perils).....			
23. Fidelity.....			(16)
24. Surety.....			
26. Burglary and theft.....	2,302	3,761	(1)
27. Boiler and machinery.....	2,267	35,879	42,295
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.....	16,870,503	34,752,125	18,288,793

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

	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.....	2,886	6,256	9,143	1,466	127	1,593	2,410	45	5,196	7,651	990	(889)	102
2. 2014.....	820	3,697	4,518	325	61	387	725	46	3,265	4,036	230	(325)	(95)
3. Subtotals 2014 + Prior.....	3,706	9,954	13,660	1,791	189	1,980	3,135	90	8,461	11,686	1,220	(1,213)	6
4. 2015.....	1,255	6,211	7,466	548	254	802	1,261	126	5,095	6,482	554	(736)	(182)
5. Subtotals 2015 + Prior.....	4,961	16,165	21,126	2,339	443	2,782	4,396	217	13,556	18,169	1,774	(1,950)	(175)
6. 2016.....	XXX	XXX	XXX	XXX	737	737	XXX	790	3,611	4,402	XXX	XXX	XXX
7. Totals.....	4,961	16,165	21,126	2,339	1,180	3,519	4,396	1,007	17,167	22,571	1,774	(1,950)	(175)
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. ....35.8 %	2. ....(12.1)%	3. ....(0.8)%
													Col. 13, Line 7
													Line 8
													4. ....(0.3)%

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.

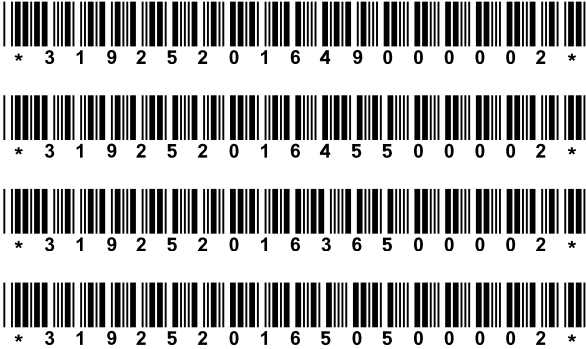
The data for this supplement is not required to be filed.
2.

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:



Falls Lake National Insurance Company
Overflow Page for Write-Ins

NONE

Falls Lake National Insurance Company
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.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		
5. Deduct amounts received on disposals.....		
6. Total foreign exchange change in book/adjusted carrying value.....		
7. Deduct current year's other-than-temporary impairment recognized.....		
8. Deduct current year's depreciation.....		
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

SCHEDULE B - VERIFICATION
Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and mortgage interest points and commitment fees.....		
9. Total foreign exchange change in book value/recorded investment excluding accrued interest.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book value/recorded investment excluding accrued interest at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Total valuation allowance.....		
13. Subtotal (Line 11 plus Line 12).....	0	0
14. Deduct total nonadmitted amounts.....		
15. Statement value at end of current period (Line 13 minus Line 14).....	0	0

SCHEDULE BA - VERIFICATION
Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		
3. Capitalized deferred interest and other.....		
4. Accrual of discount.....		
5. Unrealized valuation increase (decrease).....		
6. Total gain (loss) on disposals.....		
7. Deduct amounts received on disposals.....		
8. Deduct amortization of premium and depreciation.....		
9. Total foreign exchange change in book/adjusted carrying value.....		
10. Deduct current year's other-than-temporary impairment recognized.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION
Bonds and Stocks

	1	2
	Year to Date	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.....	3,369,549	30,385,695
3. Accrual of discount.....	4,029	10,717
4. Unrealized valuation increase (decrease).....	853,538	1,329,750
5. Total gain (loss) on disposals.....	6,102	(16,087)
6. Deduct consideration for bonds and stocks disposed of.....	1,748,625	21,971,944
7. Deduct amortization of premium.....	21,941	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).....	59,280,561	56,817,909
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	59,280,561	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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	12,331,688	1,052,865	950,869	(10,383)	12,331,688	12,423,301		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.....	12,331,688	1,052,865	950,869	(10,383)	12,331,688	12,423,301	.0	12,260,120
PREFERRED STOCK								
8. NAIC 1.....	206,000			8,880	206,000	214,880		207,600
9. NAIC 2.....	1,433,568			40,622	1,433,568	1,474,190		1,433,648
10. NAIC 3.....	396,075			4,200	396,075	400,275		399,809
11. NAIC 4.....						.0		
12. NAIC 5.....						.0		
13. NAIC 6.....						.0		
14. Total Preferred Stock.....	2,035,643	.0	.0	53,702	2,035,643	2,089,345	.0	2,041,057
15. Total Bonds and Preferred Stock.....	14,367,331	1,052,865	950,869	43,319	14,367,331	14,512,646	.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.

Q3102

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.....	150,898	XXX.....	150,898	.....	.....

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.....	1,972,288	16,566,643
3. Accrual of discount.....	140	102
4. Unrealized valuation increase (decrease).....	.....	.....
5. Total gain (loss) on disposals.....	(340)	5,036
6. Deduct consideration received on disposals.....	3,418,018	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).....	150,898	1,596,828
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	150,898	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	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)
Bonds - U.S. Special Revenue and Special Assessment									
3132WE F2 3	FEDERAL HOME LN MTG CORP #Q41084.....		06/07/2016....	WELLS FARGO FINANCIAL.....		263,438	250,000	292	1FE.....
31999999.	Total Bonds - U.S. Special Revenue and Special Assessment.....					263,438	250,000	292	XXX
Bonds - Industrial and Miscellaneous									
254683 BQ 7	DISCOVER CARD EXECUTION NOTE 15 A3 A.....		06/28/2016....	JP MORGAN SECURITIES INC.....		151,611	150,000	91	1FE.....
38999999.	Total Bonds - Industrial and Miscellaneous.....					151,611	150,000	91	XXX
83999997.	Total Bonds - Part 3.....					415,049	400,000	383	XXX
83999999.	Total Bonds.....					415,049	400,000	383	XXX
99999999.	Total Bonds, Preferred and Common Stocks.....					415,049	XXX	383	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			F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's 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 Designation or Market Indicator (a)
Bonds - U.S. Special Revenue and Special Assessment																							
3132L6	YH	8	FEDERAL HOME LN MTG CORP #V81612.....	06/01/2016.	PAYDOWN.....		28,793	28,793	29,648	28,735			58		58		28,793			0	430	04/01/2045....	1FE.....
3138EP	UV	4	FEDERAL NATIONAL MTG ASSOC #AL6895.....	06/01/2016.	PAYDOWN.....		9,444	9,444	9,884	9,462			(18)		(18)		9,444			0	141	05/01/2045....	1FE.....
3138Y4	WA	3	FEDERAL NATIONAL MTG ASSOC #AX3340.....	06/01/2016.	PAYDOWN.....		1,902	1,902	1,995	1,904			(2)		(2)		1,902			0	28	02/01/2045....	1FE.....
3138YR	QX	9	FEDERAL NATIONAL MTG ASSOC #AZ0469.....	06/01/2016.	PAYDOWN.....		2,029	2,029	2,128	2,036			(7)		(7)		2,029			0	30	05/01/2045....	1FE.....
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....							42,168	42,168	43,655	42,137		0	31	0	31	0	42,168	0	0	0	629	XXX	XXX
Bonds - Industrial and Miscellaneous																							
44930U	AE	6	HYUNDAI AUTO RECEIVABLES TRUST 16 A A4.....	06/08/2016.	FTN FINANCIAL SECURITIES CORP		251,250	250,000	249,969				2		2		249,970		1,280	1,280	877	05/16/2022....	1FE.....
3899999. Total Bonds - Industrial and Miscellaneous.....							251,250	250,000	249,969	0	0	2	0	2	0	249,970	0	1,280	1,280	877	XXX	XXX	
8399997. Total Bonds - Part 4.....							293,418	292,168	293,624	42,137	0	33	0	33	0	292,138	0	1,280	1,280	1,506	XXX	XXX	
8399999. Total Bonds.....							293,418	292,168	293,624	42,137	0	33	0	33	0	292,138	0	1,280	1,280	1,506	XXX	XXX	
9999999. Total Bonds, Preferred and Common Stocks.....							293,418	XXX	293,624	42,137	0	33	0	33	0	292,138	0	1,280	1,280	1,506	XXX	XXX	

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

QE05

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..... Cleveland, OH.....					6,780,862	4,989,112	5,936,920	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	6,100	6,731	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	6,785,587	4,995,212	5,943,651	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	6,785,587	4,995,212	5,943,651	XXX
0599999. Total Cash.....	XXX	XXX	0	0	6,785,587	4,995,212	5,943,651	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

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

NONE