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PROPERTY AND CASUALTY COMPANIES—ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016
OF THE CONDITION AND AFFAIRS OF THE

BCS Insurance Company

NAIC Group Code	00023 (Current Period)	00023 (Prior Period)	NAIC Company Code	38245	Employer's ID Number		36-6033921
Organized under the Laws of	Ohio		State of Domicile or Port of Entry	Ohio			
Country of Domicile	United States						
Incorporated/Organized	12/05/1950		Commenced Business	11/30/1952			
Statutory Home Office	6740 North High Street (Street and Number)		Worthington, OH, US 43085 (City or Town, State, County and Zip Code)				
Main Administrative Office	2 Mid America Plaza, Suite 200 (Street and Number)		Oakbrook Terrace, IL, US 60181 (City or Town, State, County and Zip Code)				
Mail Address	2 Mid America Plaza, Suite 200 (Street and Number or P.O. Box)		Oakbrook Terrace, IL, US 60181 (City or Town, State, County and Zip Code)				
Primary Location of Books and Records	2 Mid America Plaza, Suite 200 (Street and Number)		Oakbrook Terrace, IL, US 60181 (City or Town, State, County and Zip Code)				
Internet Web Site Address	www.bcsins.com						
Statutory Statement Contact	Elias Georgopoulos (Name)		630-472-7749 (Area Code) (Telephone Number) (Extension)				
	Lgeorgo@bcscf.com (E-Mail Address)		630-472-7837 (Fax Number)				

OFFICERS

Name	Title	Name	Title
Howard Francis Beacham III	President & Chief Executive Officer	Terry Michael Hackett	General Counsel & Secretary
Susan Ann Pickar	Chief Financial Officer & Treasurer	Steven Scott Martin	Chairman of the Board

OTHER OFFICERS

Peter Lorin Costello	Chief Marketing Officer	David John Jacobs	Chief Actuary
Susan Chylla Lindquist	Chief Talent Officer		

DIRECTORS OR TRUSTEES

Howard Francis Beacham III	Peter Lorin Costello	Terry Michael Hackett	David John Jacobs
Susan Ann Pickar	Steven Scott Martin		

State of Illinois.....

County of DuPage.....ss

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.

Howard Francis Beacham III
President & Chief Executive OfficerTerry Michael Hackett
General Counsel & SecretarySusan Ann Pickar
Chief Financial Officer & Treasurera. Is this an original filing? Yes No

b. If no:

1. State the amendment number
2. Date filed

3. Number of pages attached

0

0

Subscribed and sworn to before me this
3rd day of November, 2016
Jennifer Mark, Notary Public
3/24/2018

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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	189,552,375		189,552,375	182,824,548
2. Stocks:				
2.1 Preferred stocks			0	0
2.2 Common stocks	24,122,123		24,122,123	23,355,644
3. Mortgage loans on real estate:				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ encumbrances)			0	0
4.2 Properties held for the production of income (less \$ encumbrances)			0	0
4.3 Properties held for sale (less \$ encumbrances)			0	0
5. Cash (\$ 2,085,202), cash equivalents (\$ 0) and short-term investments (\$ 6,988,408)	9,073,610		9,073,610	17,178,449
6. Contract loans (including \$ premium notes)			0	0
7. Derivatives	0		0	0
8. Other invested assets	12,508,138		12,508,138	12,146,695
9. Receivables for securities			0	0
10. Securities lending reinvested collateral assets			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	235,256,246	0	235,256,246	235,505,336
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	1,633,417		1,633,417	1,811,451
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	25,218,438	2,663,336	22,555,102	22,102,090
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums)			0	0
15.3 Accrued retrospective premiums (\$ 1,755,267) and contracts subject to redetermination (\$)	1,755,267		1,755,267	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	7,218,685		7,218,685	6,364,268
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans			0	0
18.1 Current federal and foreign income tax recoverable and interest thereon			0	0
18.2 Net deferred tax asset	2,047,182	121,829	1,925,353	1,982,634
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software			0	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	0
23. Receivables from parent, subsidiaries and affiliates			0	0
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	2,482,384	25,000	2,457,384	4,441,380
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	275,611,619	2,810,165	272,801,454	272,207,159
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	275,611,619	2,810,165	272,801,454	272,207,159
DETAILS OF WRITE-INS				
1101.			0	0
1102.			0	0
1103.			0	0
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)	0	0	0	0
2501. Unapplied Claim Payments	1,756,776		1,756,776	3,426,377
2502. Intercompany Reinsurance Asset	0		0	1,000,000
2503. Continuity Credit Receivable	14,583		14,583	3,388
2598. Summary of remaining write-ins for Line 25 from overflow page	711,025	25,000	686,025	11,615
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	2,482,384	25,000	2,457,384	4,441,380

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 23,386,732)	33,521,953	40,414,946
2. Reinsurance payable on paid losses and loss adjustment expenses	0	0
3. Loss adjustment expenses	6,204,028	9,422,427
4. Commissions payable, contingent commissions and other similar charges	398,778	188,909
5. Other expenses (excluding taxes, licenses and fees)	393,104	675,111
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	4,435,859	5,081,377
7.1 Current federal and foreign income taxes (including \$ on realized capital gains (losses))	4,611,657	4,926,086
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ and interest thereon \$	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 26,446,382 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)	9,629,334	9,808,511
10. Advance premium	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	29,380,849	23,583,082
13. Funds held by company under reinsurance treaties	6,715,784	1,086,178
14. Amounts withheld or retained by company for account of others	0	0
15. Remittances and items not allocated	2,791,721	6,751,018
16. Provision for reinsurance (including \$ certified)	277,000	277,000
17. Net adjustments in assets and liabilities due to foreign exchange rates	0	0
18. Drafts outstanding	0	0
19. Payable to parent, subsidiaries and affiliates	7,376,372	6,624,902
20. Derivatives	0	0
21. Payable for securities	1,592,366	0
22. Payable for securities lending	0	0
23. Liability for amounts held under uninsured plans	0	0
24. Capital notes \$ and interest thereon \$	0	0
25. Aggregate write-ins for liabilities	1,817,656	2,051,289
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	109,146,461	110,890,836
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	109,146,461	110,890,836
29. Aggregate write-ins for special surplus funds	0	1,088,264
30. Common capital stock	3,000,000	3,000,000
31. Preferred capital stock	0	0
32. Aggregate write-ins for other than special surplus funds	0	0
33. Surplus notes	0	0
34. Gross paid in and contributed surplus	36,484,581	36,484,581
35. Unassigned funds (surplus)	124,170,412	120,743,478
36. Less treasury stock, at cost:		
36.1 shares common (value included in Line 30 \$)	0	0
36.2 shares preferred (value included in Line 31 \$)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	163,654,993	161,316,323
38. Totals (Page 2, Line 28, Col. 3)	272,801,454	272,207,159
DETAILS OF WRITE-INS		
2501. Allowance for Doubtful Accounts	1,541,000	1,541,000
2502. Retroactive Reinsurance Reserve Assumed	263,434	312,934
2503. Escheat Liabilities	13,222	197,355
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	1,817,656	2,051,289
2901. Special Surplus for ACA Taxes	0	1,088,264
2902.	0	0
2903.	0	0
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)	0	1,088,264
3201.	0	0
3202.	0	0
3203.	0	0
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 271,520,627)	262,938,037	237,543,868	314,078,108
1.2 Assumed (written \$ 11,191,118)	11,189,864	8,520,355	11,430,454
1.3 Ceded (written \$ 207,376,173)	198,613,152	164,344,666	219,565,347
1.4 Net (written \$ 75,335,572)	75,514,749	81,719,557	105,943,215
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 53,228,911):			
2.1 Direct	200,122,599	116,355,346	151,496,575
2.2 Assumed	6,815,738	5,378,304	7,012,090
2.3 Ceded	159,660,680	73,926,275	100,828,535
2.4 Net	47,277,657	47,807,375	57,680,130
3. Loss adjustment expenses incurred	899,241	4,499,591	6,460,070
4. Other underwriting expenses incurred	18,614,638	20,945,788	29,473,854
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	66,791,536	73,252,754	93,614,054
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	8,723,212	8,466,802	12,329,161
INVESTMENT INCOME			
9. Net investment income earned	4,652,361	4,746,306	6,297,057
10. Net realized capital gains (losses) less capital gains tax of \$ 316,755	420,074	175,374	451,750
11. Net investment gain (loss) (Lines 9 + 10)	5,072,435	4,921,680	6,748,807
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ amount charged off \$)	0	0	0
13. Finance and service charges not included in premiums	0	0	0
14. Aggregate write-ins for miscellaneous income	(99,605)	2,712	40,722
15. Total other income (Lines 12 through 14)	(99,605)	2,712	40,722
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	13,696,042	13,391,194	19,118,690
17. Dividends to policyholders	0	0	0
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)	13,696,042	13,391,194	19,118,690
19. Federal and foreign income taxes incurred	4,266,012	3,851,393	5,795,066
20. Net income (Line 18 minus Line 19)(to Line 22)	9,430,030	9,539,801	13,323,624
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	161,316,323	157,189,684	157,189,684
22. Net income (from Line 20)	9,430,030	9,539,801	13,323,624
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 361,915	702,541	(591,639)	(867,547)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(123,075)	(922,814)	(909,260)
27. Change in nonadmitted assets	329,173	(91,879)	(313,177)
28. Change in provision for reinsurance	0	0	(107,000)
29. Change in surplus notes	0	0	0
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	(8,000,000)	0	(7,000,000)
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,338,669	7,933,469	4,126,640
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	163,654,993	165,123,153	161,316,323
DETAILS OF WRITE-INS			
0501.	0	0	0
0502.	0	0	0
0503.	0	0	0
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	0	0	0
1401. Allowance for Doubtful Accounts	0	0	(13,000)
1402. Miscellaneous (Expense) Income	(99,605)	2,712	65,883
1403. Retroactive Reinsurance Assumed	0	0	(12,161)
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	(99,605)	2,712	40,722
3701.	0	0	0
3702.	0	0	0
3703.	0	0	0
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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.....	78,851,524	85,631,057	103,304,746
2. Net investment income.....	5,750,155	5,686,937	7,525,459
3. Miscellaneous income.....	(99,605)	202,712	440,722
4. Total (Lines 1 to 3).....	84,502,074	91,520,706	111,270,927
5. Benefit and loss related payments.....	55,025,067	47,573,863	56,854,626
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions.....	23,443,539	27,434,570	37,532,770
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses).....	4,897,196	2,288,448	3,234,881
10. Total (Lines 5 through 9).....	83,365,802	77,296,881	97,622,277
11. Net cash from operations (Line 4 minus Line 10).....	1,136,271	14,223,824	13,648,649
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	37,113,509	18,965,937	26,183,522
12.2 Stocks.....	0	0	269,302
12.3 Mortgage loans.....	0	0	0
12.4 Real estate.....	0	0	0
12.5 Other invested assets.....	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	0	0	0
12.7 Miscellaneous proceeds.....	1,592,366	0	0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	38,705,875	18,965,937	26,452,824
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	44,046,659	18,513,543	33,239,142
13.2 Stocks.....	47,469	2,037,488	2,045,999
13.3 Mortgage loans.....	0	0	0
13.4 Real estate.....	0	0	0
13.5 Other invested assets.....	0	0	0
13.6 Miscellaneous applications.....	2	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	44,094,130	20,551,031	35,285,141
14. Net increase (or decrease) in contract loans and premium notes.....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(5,388,255)	(1,585,094)	(8,832,317)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	0	0	0
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds.....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....	0	0	0
16.5 Dividends to stockholders.....	8,000,000	0	7,000,000
16.6 Other cash provided (applied).....	4,147,144	5,097,116	4,989,007
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	(3,852,856)	5,097,116	(2,010,993)
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).....	(8,104,839)	17,735,846	2,805,339
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	17,178,449	14,373,110	14,373,110
19.2 End of period (Line 18 plus Line 19.1).....	9,073,609	32,108,956	17,178,449

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The accompanying financial statements of the Company have been prepared on the basis of accounting procedures prescribed or permitted by the Ohio Insurance Department. The state of Ohio requires insurance companies domiciled in the state of Ohio to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Ohio Insurance Department.

		<u>State of Domicile</u>	<u>2016</u>	<u>2015</u>
Net Income				
(1)	BCS Insurance Company State Basis (page 4 line 20, columns 1 & 3)	Ohio	\$ 9,430,030	\$ 13,323,624
(2)	State Prescribed practices that increase/(decrease) NAIC SAP: e.g., Depreciation of fixed assets		-	-
(3)	State Permitted practices that increase/(decrease) NAIC SAP: e.g., Depreciation, home office property		-	-
(4)	NAIC SAP (1-2-3=4)		\$ 9,430,030	\$ 13,323,624
Surplus				
(5)	BCS Insurance Company State Basis (page 3 line 37, columns 1 & 2)	Ohio	\$ 163,654,993	\$ 161,316,323
(6)	State Prescribed practices that increase/(decrease) NAIC SAP: e.g., Depreciation of fixed assets		-	-
(7)	State Permitted practices that increase/(decrease) NAIC SAP: e.g., Depreciation, home office property		-	-
(8)	NAIC SAP (5-6-7=8)		\$ 163,654,993	\$ 161,316,323

B. Use of Estimates in the Preparation of the Financial Statements

No Change

C. Accounting Policy

No Change

D. Going Concern

No Change

2. Accounting Changes and Corrections of Errors

No Change

3. Business Combinations and Goodwill

A. Statutory Purchase Method

None

B. Statutory Merger

None

C. Impairment Loss

None

4. Discontinued Operations

Not Applicable

5. Investments

A. Mortgage Loans

No Change

B. Debt Restructuring

No Change

C. Reverse Mortgages

No Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

D. Loan Backed Securities

1. Anticipated prepayments for loan-backed and structured securities are used to determine the effective yield of an issue at purchase. Changes in the estimated cash flows of the issue are incorporated when determining the statement value at the end of each quarter and year-end. Prepayments for loan-backed and structured securities were obtained from the broker dealer survey or Bloomberg Systems. These assumptions are consistent with the current interest rate and economic environment. The retrospective scientific method is used to value most loan-backed and structured securities. For structured securities deemed to be high-risk, meaning the Company might not recover substantially all of its recorded investment due to unanticipated prepayment events, changes in investment yields due to changes in estimated future cash flows are accounted for on a prospective basis.

2. The Company has the following recognized other-than-temporary impairments on loan-backed and structured securities:

None

3. Securities, by CUSIP, with a recognized other-than-temporary impairment, currently held by the reporting entity, as the present value of cash flows expected to be collected is less than the amortized cost basis of the securities:

None

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	\$76,552
2. 12 Months or Longer	\$61,245

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

1. Less than 12 months	\$4,833,360
2. 12 Months or Longer	\$2,942,746

5. No Change

E. Repurchase Agreements and/or Securities Lending Transactions

No Change

F. Real Estate

No Change

G. Investments in Low-Income Housing Tax Credits (LIHTC)

No Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

H. Restricted Assets

1. Restricted Assets (Including Pledged)

Restricted Asset Category	Gross Restricted							8	Percentage		
	Current Year					6	7		9	10	
	1	2	3	4	5						
	Total General Account (G/A)	G/A Supporting S/A Activity (a)	Total Separate Account (S/A) Restricted Assets	S/A Assets Supporting G/A Activity (b)	Total (1plus 3)	Total From Prior Year	Increase / (Decrease) (5 minus 6)	Total Current Year Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets	
a. Subject to contractual obligation for which liability is not shown	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
b. Collateral held under security lending arrangements	-	-	-	-	-	-	-	-	-	-	
c. Subject to repurchase agreements	-	-	-	-	-	-	-	-	-	-	
d. Subject to reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	
e. Subject to dollar repurchase agreements	-	-	-	-	-	-	-	-	-	-	
f. Subject to dollar reverse repurchase agreements	-	-	-	-	-	-	-	-	-	-	
g. Placed under option contracts	-	-	-	-	-	-	-	-	-	-	
h. Letter stock or securities restricted as to sale - excluding FHLB capital stock	-	-	-	-	-	-	-	-	-	-	
i. FHLB capital stock	581800	-	-	-	581800	581800	-	581800	0.2%	0.2%	
j. On deposit with states	4,975,198	-	-	-	4,975,198	5,037,634	(62,436)	4,975,198	18%	18%	
k. On deposit with other regulatory bodies	-	-	-	-	-	-	-	-	-	-	
l. Pledged as collateral to FHLB (including assets backing funding agreements)	8,019,029	-	-	-	8,019,029	8,600,392	(581363)	8,019,029	2.9%	2.9%	
m. Pledged as collateral not captured in other categories	-	-	-	-	-	-	-	-	-	-	
n. Other restricted assets	-	-	-	-	-	-	-	-	-	-	
o. Total restricted assets	\$ 13,576,027	\$ -	\$ -	\$ -	\$ 13,576,027	\$ 14,219,826	\$ (643,799)	\$ 13,576,027	4.9%	4.9%	

(a) Subset of column 1

(b) Subset of column 2

2. Detail of Assets Pledged as Collateral Not Captured in Other Categories

None

3. Detail of Other Restricted Assets

None

I. Working Capital Finance Investments

None

J. Offsetting and Netting of Assets and Liabilities

None

K. Structured Notes

CUSIP Identification	Actual Cost	Fair Value	Book/Adjusted Carrying Value	Mortgage-Referenced Security (YES/NO)
1248MGAP9	\$ 181,767	\$ 202,148	\$ 183,828	NO
361856DD6	49,986	51,790	50,649	NO
73316PCK4	404,598	386,764	404,175	NO
76110VMH8	21,258	20,975	21,043	NO
Total	\$ 657,609	\$ 661,677	\$ 659,695	XXX

6. Joint Ventures, Partnerships and Limited Liability Companies

A. Detail for Those Greater than 10% of Admitted Assets

Not Applicable

B. Write-downs for Impairments

Not Applicable

7. Investment Income

A. Due and accrued income was excluded from surplus on the following bases:

The Company non-admits investment income due and accrued if amounts are over 90 days past due.

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

B. Amounts Non-admitted

None

8. Derivative Instruments

None

9. Income Taxes

A. The components of the net deferred tax asset (DTA) or deferred tax liability (DTL) recognized in the Company's Assets, Liabilities, Surplus and Other Funds are as follows:

1. The change between years by tax character (ordinary and capital) for the year 2016 and 2015:

	9/30/2016		
	(1) Ordinary	(2) Capital	(3) (Col 1+2) Total
(a) Gross Deferred Tax Assets	\$ 2,248,470	\$ 456,612	\$ 2,705,082
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	2,248,470	456,612	2,705,082
(d) Deferred Tax Assets Nonadmitted	121,829	-	121,829
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	2,126,641	456,612	2,583,253
(f) Deferred Tax Liabilities	76,421	581,479	657,900
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	<u>\$ 2,050,220</u>	<u>\$ (124,867)</u>	<u>\$ 1,925,353</u>

	12/31/2015		
	(4) Ordinary	(5) Capital	(6) (Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 2,305,311	\$ 645,735	\$ 2,951,046
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	2,305,311	645,735	2,951,046
(d) Deferred Tax Assets Nonadmitted	470,706	78,832	549,538
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	1,834,605	566,903	2,401,508
(f) Deferred Tax Liabilities	76,421	342,454	418,875
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	<u>\$ 1,758,184</u>	<u>\$ 224,449</u>	<u>\$ 1,982,633</u>

	Change		
	(7) (Col 1-4) Ordinary	(8) (Col 2-5) Capital	(9) (Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ (56,841)	\$ (189,123)	\$ (245,964)
(b) Statutory Valuation Allowance Adjustments	-	-	-
(c) Adjusted Gross Deferred Tax Assets (1a-1b)	(56,841)	(189,123)	(245,964)
(d) Deferred Tax Assets Nonadmitted	(348,877)	(78,832)	(427,709)
(e) Subtotal Net Admitted Deferred Tax Asset (1c-1d)	292,036	(110,291)	181,745
(f) Deferred Tax Liabilities	-	239,025	239,025
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e-1f)	<u>\$ 292,036</u>	<u>\$ (349,316)</u>	<u>\$ (57,280)</u>

9A2 – A4. No Material Change

9B – 9C. No Material Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company**NOTES TO FINANCIAL STATEMENTS**

D. Among the more significant book to tax adjustments were the following:

	Effective Tax September 30, 2016	Rate
Provision computed at statutory rate	\$ 4,764,351	34%
Nondeductible expense for meals, lobbying and penalties	6,586	0%
Nondeductible health insurance tax	268,212	2%
Tax exempt interest	(299,801)	-2%
Change in nonadmitted balances	(33,502)	0%
Total income tax reported	<u>\$ 4,705,846</u>	<u>34%</u>
Federal and foreign income taxes incurred	\$ 4,266,012	30%
Realized capital gains (losses) tax	316,755	2%
Change in net deferred income taxes	123,079	1%
Total income tax	<u>\$ 4,705,846</u>	<u>34%</u>

E. Operating Loss and Tax Credit Carry forwards and Protective Tax Deposits

1. As of September 30, 2016 and December 31, 2015, the Company did not have any unused operating loss carry forwards available to offset against future taxable income.
2. The income tax expense of \$4,582,767 from 2016 and \$5,862,765 from 2015 is available for recoupment in the event of future net losses.
3. The reporting entity has a total of \$0 protective deposits which are on deposit with the Internal Revenue Service under Section 6603 of the Internal Revenue Service Code.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with its parent, BCS Financial Corporation (BCSF).
2. The method of allocation between companies is subject to written agreement, approved by the Board of Directors. Intercompany tax balances are settled annually. Allocation is based upon separate return calculations, with credit for net losses being obtained when utilized.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

10. Information Concerning Parent, Subsidiaries, Affiliates, and Other Related Parties

A. B. & C. Nature of Relationships

No Change

D. Amounts Due to or from Related Parties

At September 30, 2016 the Company reported \$7,376,372 due to affiliates. This is comprised of \$4,849,547 and \$2,526,825, payable to BCS Financial Corporation and BCS Insurance Agency Inc., respectively.

E. Guarantees or Contingencies for Related Parties

No Change

F. Management or Service Contracts and Cost Sharing Arrangements

No Change

G. Nature of Control Relationship

No Change

H. Amount Deducted for Investment in Upstream Company

No Change

I. Investments in SCA Entities Disclosure

No Change

J. Investments in Impaired SCA Entities Disclosure

No Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

K. Foreign Insurance Subsidiary

No Change

L. Downstream Noninsurance Holding Company

No Change

M. Information on Subsidiary, Controlled, and Affiliated (SCA) Investments

Not Applicable

N. Investments in an Insurance SCA for which Equity Reflects a Departure from NAIC Statutory Accounting Practices and Procedures

Not Applicable

11. Debt

A. Debt and Holding Company Obligations

Not Applicable

B. Federal Home Loan Bank (FHLB)

1. The Company is a member of Federal Home Loan Bank (FHLB) of Cincinnati. Through its membership, the Company has conducted business activity (borrowings) with the FHLB. It is part of the Company's strategy to utilize these funds for general operations. The Company has determined the actual/estimated maximum borrowing capacity as \$8,168,671. The Company calculated this amount in accordance with its investment in FHLB capital stock and pledged collateral.
2. FHLB Capital Stock
 - a. Aggregate Totals

	1 Total 2+3	2 General Account	3 Separate Account
1. Current Year			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	326,648	326,648	-
(c) Activity Stock	-	-	-
(d) Excess Stock	255,152	255,152	-
(e) Aggregate Total (a+b+c)	581,800	581,800	-
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	8,168,671	XXX	XXX
2. Prior Year-end Year			
(a) Membership Stock - Class A	-	-	-
(b) Membership Stock - Class B	335,528	335,528	-
(c) Activity Stock	-	-	-
(d) Excess Stock	246,272	246,272	-
(e) Aggregate Total (a+b+c)	581,800	581,800	-
(f) Actual or estimated Borrowing Capacity as Determined by the Insurer	8,786,321	XXX	XXX

11B(2)a1(f) should be equal to or greater than 11B(4)a1(d)

11B(2)a2(f) should be equal to or greater than 11B(4)a2(d)

b. Membership Stock (Class A and B) Eligible and Not Eligible for Redemption

Membership Stock	1	2	Eligible for Redemption				
	Current Year Total (2+3+4+5+6)	Not Eligible for Redemption	3 Less than 6 Months	4 6 Months to Less than 1 Year	5 1 to Less than 3 Years	6 3 to 5 Years	
1. Class A	-	-	-	-	-	-	-
2. Class B	326,648	326,648	-	-	-	-	-

11B(2)b1 Current Year Total (Column 1) should equal 11B(2)a1(a) Total (Column 1)

11B(2)b2 Current Year Total (Column 1) should equal 11B(2)a1(b) Total (Column 1)

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

3. Collateral Pledged to FHLB

a. Amount Pledged as of Reporting Date

	1 Fair Value	2 Carrying Value	3 Aggregate Total Borrowing
1. Current Year Total General and Separate Accounts Total Collateral Pledged (Lines 2+3)	8,323,721	8,019,029	-
2. Current Year General Account Total Collateral Pledged	8,323,721	8,019,029	-
3. Current Year Protected Cell Accounts Total Collateral Pledged	-	-	-
4. Prior Year-end Total General and Separate Accounts Total Collateral Pledged	8,893,864	8,600,392	-

11B(3)a1 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b1 (Columns 1, 2 and 3 respectively)
 11B(3)a2 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b2 (Columns 1, 2 and 3 respectively)
 11B(3)a3 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b3 (Columns 1, 2 and 3 respectively)
 11B(3)a4 (Columns 1, 2 and 3) should be equal to or less than 11B(3)b4 (Columns 1, 2 and 3 respectively)

b. Maximum Amount Pledged During Reporting Period

	1 Fair Value	2 Carrying Value	3 Amount Borrowed at Time of Maximum Collateral
1. Current Year Total General and Separate Accounts Maximum Collateral Pledged (Lines 2+3)	8,924,791	8,559,875	-
2. Current Year General Account Maximum Collateral Pledged	8,924,791	8,559,875	-
3. Current Year Separate Accounts Maximum Collateral Pledged	-	-	-
4. Prior year-end Total General and Separate Accounts Maximum Collateral Pledged	9,991,092	9,404,271	-

4. Borrowing from FHLB

a. Amounts as of the Reporting Date

1. Current Year

None

2. Prior Year-end

None

b. Maximum Amount during Reporting Period (Current Year)

None

c. FHLB – Prepayments Obligations

None

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

A. Defined Benefit Plan

No Change

B. Investment Policies & Strategies

No Change

C. Fair Value of Each Class of Plan Assets

No Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

D. Basis Used to Determine the Overall Expected Long-Term Rate-of-Return-on Assets

No Change

E. Defined Contribution Plans

No Change

F. Multiemployer Plans

No Change

G. Consolidated/Holding Company Plans

No Change

H. Postemployment Benefits and Compensated Absences

No Change

I. Impact of Medicare Modernization Act on Postretirement Benefits

No Change

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

1. Outstanding Shares

No Change

2. Dividend Rate of Preferred Stock

Not Applicable

3., 4, & 5. Dividend Restrictions

All dividends require notification to the Director of the Ohio Department of Insurance. The amount of dividends that can be paid by insurance companies domiciled in Ohio without prior approval of the Director of the Ohio Department of Insurance is subject to restriction and cannot exceed the greatest of ten percent of the prior year end surplus or the prior year's net income. The amount of dividends that can be paid during 2016 without prior approval is \$16,131,632. The Company paid dividends totaling \$8,000,000 to its stockholders during 3rd quarter 2016.

6. Surplus Restriction

None

7. Mutual Surplus Advances

Not Applicable

8. Company Stock Held for Special Purposes

Not Applicable

9. Changes in Special Surplus Funds

Not Applicable

10. Changes in Unassigned Funds

The portion of unassigned funds represented or reduced by each item below is as follows:

Description	Cumulative Increase (Decrease) in Surplus
1. Unrealized gain on Affiliated stock	\$ 374,678
2. Unrealized gain on Bonds & Stocks	413,118
Total	<u><u>\$ 787,796</u></u>

11. Surplus Notes

Not Applicable

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

12.& 13. Quasi Reorganizations

Not Applicable

14. Contingencies

A. Contingent Commitments

No Change

B. Assessments

No Change

C. Gain Contingencies

No Change

D. Claims Related to Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

No Change

E. Product Warranties

No Change

F. Joint and Several Liabilities

No Change

G. All Other Contingencies

No Change

15. Leases

No Change

16. Information About Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

No Change

17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

A. Transfer of Receivables Reported as Sales

No Change

B. Transfer and Servicing of Financial Assets

No Change

C. Wash Sales

No Change

18. Gain or Loss to the Reporting Entity from Uninsured A & H Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only (ASO) Plans

No Change

B. Administrative Services Contract (ASC) Plans

No Change

C. Medicare or Similarly Structured Cost Based Reimbursement Contracts

No Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

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

Name and Address of Managing General Agent or Third Party Administration	FEIN Number	Exclusive Contract	Types of Business Written	Types of Authority Granted	Total Direct Premium Written/Produced
AGA Service Company 2805 North Parham Road Richmond, VA 23294	54-1545622	N	Group Travel	C, CA, P, U, B	61,613,596
MGA Financial Services, Inc. 9024 Town Center Parkway Lakewood Ranch, FL 34202	65-0917796	N	Other Liability	P, U, B	6,525,082
Planned Administrators, Inc. 8906 Two Notch Road, Suite 200 Columbia, SC 29223	57-0718839	N	Accident & Health Dental, AD & D Disability	C, CA, P	51,258,359
Risk Placement Services, Inc. 2 Pierce Place, 25th Floor Itasca, IL 60143	36-3110841	N	Other Liability	P, U, B	11,631,048
Worldwide Insurance Services, Inc. dba HTH Worldwide 1 Radnor Corporate Center, Suite 100 Radnor, PA 19087	54-1867679	N	Group Accident & Health	C, CA, P, U, B	26,884,348
All Other TPA Premium					6,857,216

20. Fair Value Measurements

A. Input used for assets measured and reported at Fair Value

1. Items measured and reported at Fair Value by Levels 1, 2, and 3

Statutory accounting principles define the fair value of a financial instrument as the amount at which that asset could be bought or sold in a current transaction between willing parties that is other than in a forced or liquidation sale. The fair value of a liability is the amount at which that liability could be incurred or settled in a current transaction between willing parties. Certain financial instruments and all nonfinancial instruments are excluded from statutory disclosure requirements. Therefore, the aggregate fair value amounts presented below do not represent the underlying fair value of the Company.

Fair values are based on quoted market prices when available. When market prices are not available, fair value is generally estimated using discounted cash flow analyses, incorporation of current market inputs for similar financial instruments with comparable terms and credit quality (matrix pricing). In instances where there is little or no market activity for the same or similar instruments, the Company estimates fair value using methods, models, and assumptions that management believes market participants would use to determine a current transaction price. These valuation techniques involve some level of management estimation and judgment, which becomes significant with increasingly complex instruments or pricing models. Where appropriate, adjustments are included to reflect the risk inherent in a particular methodology model or input used.

The Company's financial assets and liabilities carried at fair value have been classified, for disclosure purposes, based on a hierarchy as defined by SSAP No. 100. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Levels 1 and 2) and unobservable (Level 3).

The levels of the fair value hierarchy are as follows:

Level 1 – Management's valuations are unadjusted quoted prices for identical, unrestricted assets and liabilities in active markets accessible at the measurement date. Since valuations are based on quoted prices that are readily available in an active market, valuation of these assets does not involve any meaningful degree of judgment. An active market is defined as a market where transactions for the financial instrument occur with sufficient frequency and volume to provide pricing information on an ongoing basis. Level 1 financial assets and liabilities generally include common stocks and U.S. government debt securities, where management's valuations are based on quoted market prices.

Level 2 – Management's valuations are based on quoted prices where such markets are not deemed to be sufficiently "active." In such circumstances, additional valuations metrics will be used, which involve direct or indirect observable market inputs. Level 2 financial assets and liabilities generally include debt securities other than debt issued by the U.S. government. Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. Such inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3 – Management's valuations are based on inputs that are unobservable (supported by little or no market activity) and significant to the fair value measurement. Valuations under Level 3 generally involve a significant degree of judgment on the part of management.

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

Assets Measured at Fair Value

Certain financial assets are measured and recorded at fair value, including bonds designated as NAIC 3 – 6 at September 30, 2016, which are carried at the lower of cost or fair value. The following table summarizes assets measured at fair value:

Description of each class of assets	(Level 1)	(Level 2)	(Level 3)	(Total)
Assets at fair value				
Bonds				
U.S. Treasury	\$ -	\$ -	\$ -	\$ -
U.S. Government agency	-	-	-	-
Mortgage-backed	-	106,627	-	106,627
States, territories, and possessions	-	-	-	-
Asset-backed	-	176,152	-	176,152
Corporate	-	1,135,318	-	1,135,318
Total bonds	-	1,418,097	-	1,418,097
Common stock				
Vanguard	7,872,982	-	-	7,872,982
Artisan	5,398,204	-	-	5,398,204
Plan Ultrashort Duration	8,074,004	-	-	8,074,004
Federal Home Loan Bank	-	581,800	-	581,800
Plans' Liability Insurance Company	-	-	2,195,133	2,195,133
Total common stock	21,345,190	581,800	2,195,133	24,122,123
Other invested assets				
Babson	-	-	5,985,987	5,985,987
Eaton Vance	-	-	6,522,151	6,522,151
Total other invested assets	-	-	12,508,138	12,508,138
Total bonds, stocks, and other invested assets	<u>\$ 21,345,190</u>	<u>\$ 1,999,897</u>	<u>\$ 14,703,271</u>	<u>\$ 38,048,358</u>

The Company does not have any investment commitments at September 30, 2016.

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

Description	Beginning Balance at 1/1/2016	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	Settlem-ents	Ending Balance at 9/30/2016
Bonds										
U.S. Treasury	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
U.S. Government agency	-	-	-	-	-	-	-	-	-	-
Mortgage-backed	-	-	-	-	-	-	-	-	-	-
States, territories, and possessions	-	-	-	-	-	-	-	-	-	-
Asset-backed	-	-	-	-	-	-	-	-	-	-
Corporate	-	-	-	-	-	-	-	-	-	-
Total bonds	-	-	-	-	-	-	-	-	-	-
Common stock										
Vanguard	-	-	-	-	-	-	-	-	-	-
Artisan	-	-	-	-	-	-	-	-	-	-
Federal Home Loan Bank	-	-	-	-	-	-	-	-	-	-
Plans' Liability Insurance Company	2,228,447	-	-	-	(33,314)	-	-	-	-	2,195,133
Total common stock	2,228,447	-	-	-	(33,314)	-	-	-	-	2,195,133
Other invested assets										
Babson	5,887,770	-	-	-	98,217	-	-	-	-	5,985,987
Eaton Vance	6,258,925	-	-	-	263,226	-	-	-	-	6,522,151
Total other invested assets	12,146,695	-	-	-	361,443	-	-	-	-	12,508,138
Total assets	<u>\$ 14,375,142</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 328,129</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 14,703,271</u>

3. Policy on Transfers into and out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. During the current year, no transfers into or out of Level 3 were required.

4. Inputs and techniques used for level 2 and level 3 Fair Values

Bonds carried at fair value categorized as Level 2 were valued using a market approach. These valuations were determined to be Level 2 valuations as quoted markets prices for similar instruments in an active market were utilized. This was accomplished by the use of matrix pricing. Matrix pricing takes quoted prices of bonds with similar features and applies analytic methods to determine the fair value of bonds held. Features that are inputs into the analysis include duration, credit quality, tax status and call and sinking fund features.

Investments categorized as Level 3 had key unobservable inputs. Also, the investments are less liquid, and there is limited trading activity. The use of independent non-binding broker quotations to value investments generally indicates there is a lack of liquidity or the general lack of transparency in the process to develop the valuation estimates generally causing these investments to be classified in Level 3.

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

5. Derivative Fair Values

Not Applicable

B. Other Fair Value Disclosures

Not Applicable

C. Fair Value for all financial instruments by levels 1, 2, and 3

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Not Practicable (Carrying Value)
Bonds						
U.S. Treasury	\$ 16,478,789	\$ 15,491,587	\$ -	\$ 15,491,587	\$ -	\$ -
U.S. Government agency	320,370	301,138	-	301,138	-	-
Mortgage-backed	43,110,930	41,495,583	-	41,495,583	-	-
States, territories, and possessions	76,426,310	71,183,753	-	71,183,753	-	-
Asset-backed	13,340,490	12,903,941	-	12,903,941	-	-
Corporate	51,295,895	48,176,373	-	48,176,373	-	-
Total bonds	200,972,783	189,552,375	-	189,552,375	-	-
Common stock						
Vanguard	7,872,982	7,872,982	7,872,982	-	-	-
Artisan	5,398,204	5,398,204	5,398,204	-	-	-
Plan Ultrashort Duration	8,074,004	8,074,004	8,074,004	-	-	-
Federal Home Loan Bank	581,800	581,800	-	581,800	-	-
Plans' Liability Insurance Company	2,195,133	2,195,133	-	-	2,195,133	-
Total common stock	24,122,123	24,122,123	21,345,190	581,800	2,195,133	-
Other invested assets						
Babson	5,985,987	5,985,987	-	-	5,985,987	-
Eaton Vance	6,522,151	6,522,151	-	-	6,522,151	-
Total other invested assets	12,508,138	12,508,138	-	-	12,508,138	-
Cash and short-term investments	9,073,610	9,073,610	9,073,610	-	-	-
Total assets	\$ 246,676,655	\$ 235,256,247	\$ 30,418,800	\$ 190,134,175	\$ 14,703,271	\$ -

D. Financial instruments for which not practicable to estimate Fair Value

Not Applicable

21. Other Items

A. Unusual or Infrequent Items

None

B. Troubled Debt Restructuring Debtors

None

C. Other Disclosures

None

D. Business Interruption Insurance Recoveries

None

E. State Transferable and Non-transferable Tax Credits

None

F. Subprime Mortgage Related Risk Exposure

1. The Company has identified securities with the following characteristics as having subprime mortgage risk:

- a. First lien mortgages where borrowers have a FICO scores less than 650
- b. First lien mortgages with loan-to-value ratios greater than 95%
- c. Second lien mortgages where borrowers have FICO scores less than 675
- d. Borrowers with less than conventional documentation of their income and/or net assets and FICO scores less than 650

2. Direct Exposure through investments in subprime mortgage loans

None

3. The following summarizes the Company's investments in securities with underlying subprime exposure at September 30, 2016:

No Material Change

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

4. Underwriting exposure to subprime mortgage risk through Mortgage Guaranty or Financial Guaranty insurance coverage

None

G. Information Related to Insurance-Linked Securities

Not Applicable

22. Events Subsequent

Subsequent events have been considered through November 3, 2016 for the statutory statement issued on November 14, 2016. The Company does not have any subsequent events to report.

23. Reinsurance

A. Unsecured Reinsurance Recoverable

Calculated Annually

B. Reinsurance Recoverable in Dispute

None

C. Reinsurance Assumed and Ceded

Calculated Annually

D. Uncollectible Reinsurance

None

E. Commutation of Ceded Reinsurance

None

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

F. Retroactive Reinsurance

1. Reported Company

As: September 30, 2016

	<u>Assumed</u>	<u>Ceded</u>
a. Reserves Transferred:		
1. Initial Reserves	\$ (316,695)	\$ -
2. Adjustments - Prior Year(s)	3,761	-
3. Adjustments - Current Year	49,500	-
4. Current Total	<u>(263,434)</u>	<u>-</u>
b. Consideration (Paid) or Received:		
1. Initial Consideration	316,695	-
2. Adjustments - Prior Year(s)	10,219	-
3. Adjustments - Current Year	-	-
4. Current Total	<u>326,914</u>	<u>-</u>
c. Paid Losses (Reimbursed) or Recovered:		
1. Prior Year(s)	(851,500)	-
2. Current Year	(49,500)	-
3. Current Total	<u>(901,000)</u>	<u>-</u>
d. Special Surplus from Retroactive Reinsurance:		
1. Initial Surplus Gain or Loss	-	-
2. Adjustments - Prior Year(s)	(186,520)	-
3. Adjustments - Current Year	-	-
4. Current Year Restricted Surplus	<u>(186,520)</u>	<u>-</u>
5. Cumulative Total Transferred to Unassigned Funds	<u>\$ (837,520)</u>	<u>\$ -</u>

e. All cedents and reinsurers involved in all transactions included in summary totals above:

Company	Assumed Amount	Ceded Amount
Allianz Life Insurance Company of North America	\$ (263,434)	\$ -
Total	<u>\$ (263,434)</u>	<u>\$ -</u>

f. Total Paid Loss/LAE amounts recoverable (for authorized, unauthorized and certified reinsurers), any amounts more than 90 days overdue (for authorized, unauthorized and certified reinsurers), and for amounts recoverable the collateral held (for authorized, unauthorized and certified reinsurers) as respects amounts recoverable from unauthorized reinsurers:

1. Authorized Reinsurers:

Calculated Annually

2. Unauthorized Reinsurers:

Calculated Annually

3. Certified Reinsurers:

Calculated Annually

G. Reinsurance Accounted for as a Deposit

Not Applicable

H. Disclosures for the Transfer of Property & Casualty Run-off Agreements

Not Applicable

I. Certified Reinsurer Rating Downgraded or Status Subject to Revocation

Not Applicable

J. Reinsurance Agreements Qualifying for Reinsurer Aggregation

Not Applicable

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

A. Methods Used to Estimate

The Company estimates accrued retrospective premium adjustments through the review of each individual retrospectively rated risk, comparing case basis loss development with that anticipated in the policy contract to arrive at the best estimate of return or additional retrospective premium.

B. Method used to Record

The Company records accrued retrospective premium as an adjustment to written premium.

C. Amount and Percent of Net Retrospective Premiums

None

D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act

None

E. Calculation of Non-Admitted Retrospective Premiums

None

F. Risk-Sharing Provisions of the Affordable Care Act (ACA)

Not Applicable

25. Changes in Incurred Losses and Loss Adjustment Expenses

The estimated savings of loss and loss adjustment expenses attributable to insured events of prior years is \$8,364,000 for the nine months ending September 30, 2016.

26. Intercompany Pooling Arrangements

No Change

27. Structured Settlements

No Change

28. Health Care Receivables

None

29. Participating Policies

None

30. Premium Deficiency Reserves

No Change

31. High Deductibles

No Change

32. Discounting of Liabilities for Unpaid Losses and Loss Adjustment Expenses

A. Tabular Basis

Not Applicable

B. Non-Tabular Basis

Not Applicable

C. Changes in Discounting Assumptions

Not Applicable

33. Asbestos/ Environmental Reserves

Not Applicable

34. Subscriber Savings Account

Not Applicable

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

NOTES TO FINANCIAL STATEMENTS

35. Multiple Peril Crop Insurance

Not Applicable

36. Financial Guaranty Insurance

Not Applicable

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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 [X]

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 [X]

2.2 If yes, date of change:

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []

If yes, complete Schedule Y, Parts 1 and 1A.

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

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 [X]

4.2 If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

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? Yes [] No [X] NA []

If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013

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. 12/31/2013

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). 10/31/2014

6.4 By what department or departments?

Ohio.....

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 [] NA [X]

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

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

7.2 If yes, give full information:

.....

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

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

.....

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

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
.....

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company**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? Yes [X] No []

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

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

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

9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
The BCS Financial Corporation Code of Business Conduct was updated as part of a review to ensure consistency with current best practices. All BCS Insurance Company senior officers are bound by the Code of Business Conduct

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 [] No [X]

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

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 [X] No []

11.2 If yes, give full and complete information relating thereto:
The carrying value of bonds on deposit with FHLB to secure line of credit is \$8,019,029

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 [X] No []

14.2 If yes, please complete the following:

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$	\$
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? Yes [] No []

If no, attach a description with this statement.

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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
State Street Bank & Trust Company Boston.....	1 Lincoln Street Boston, MA 02111..... 221 East Fourth Street, Suite 600 Cincinnati, OH 45202.....
Federal Home Loan Bank of Cincinnati.....	

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 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
109875.....	Asset Allocation & Management Company, LLC..... Wellington Management Company, LLP.....	30 North LaSalle Street, Suite 3500 Chicago, IL 60602..... 280 Congress Street, Boston, MA 02210.....
106595.....		

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:

.....

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

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? Yes [] No [] NA [X]
If yes, attach an explanation.

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?

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?

4.2 If yes, complete the following schedule:

5. Operating Percentages:

5.1 A&H loss percent.....	65.0	%
5.2 A&H cost containment percent	0.1	%
5.3 A&H expense percent excluding cost containment expenses.....	28.1	%
 6.1 Do you act as a custodian for health savings accounts?.....		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
6.2 If yes, please provide the amount of custodial funds held as of the reporting date.....	\$	0.0
 6.3 Do you act as an administrator for health savings accounts?.....		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
6.4 If yes, please provide the balance of the funds administered as of the reporting date.....	\$	0.0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, etc.	1 Active Status	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
1. Alabama	AL	19,897,525	18,536,521	14,324,683	9,781,575	26,861,741	14,968,029
2. Alaska	AK	81,264	59,698	32,690	20,108	14,812	9,166
3. Arizona	AZ	2,587,413	2,301,882	716,723	788,066	611,870	874,847
4. Arkansas	AR	2,529,152	2,119,981	480,254	560,713	1,676,440	1,332,786
5. California	CA	15,069,214	12,412,721	9,843,064	6,158,582	15,519,861	21,629,905
6. Colorado	CO	4,209,836	4,212,441	1,448,053	1,354,567	1,435,375	1,829,358
7. Connecticut	CT	5,935,183	5,803,362	1,780,180	2,011,740	1,282,926	1,114,145
8. Delaware	DE	544,957	563,702	202,627	387,848	.84,895	.197,432
9. Dist. Columbia	DC	2,927,991	2,411,964	1,293,644	1,771,026	348,115	.345,148
10. Florida	FL	6,071,747	4,539,959	2,318,986	2,223,457	1,928,165	.855,788
11. Georgia	GA	6,389,235	5,554,871	3,160,114	3,365,772	2,115,128	1,898,052
12. Hawaii	HI	444,139	92,990	22,027	27,423	114,917	.14,975
13. Idaho	ID	841,937	499,898	80,522	302,029	396,987	.334,276
14. Illinois	IL	13,699,424	8,520,917	11,221,570	11,350,901	29,986,832	.35,509,060
15. Indiana	IN	8,123,114	7,611,907	2,722,345	2,523,580	2,023,810	1,715,582
16. Iowa	IA	2,326,858	2,250,472	1,417,805	1,230,534	1,045,296	.890,856
17. Kansas	KS	1,580,737	1,571,218	484,056	630,884	453,284	.337,878
18. Kentucky	KY	850,544	1,251,427	.297,116	466,380	150,586	.189,058
19. Louisiana	LA	14,832,821	6,748,136	11,310,522	2,854,255	5,768,429	5,588,951
20. Maine	ME	393,971	368,034	147,670	175,853	.80,006	.59,775
21. Maryland	MD	1,057,615	920,505	.300,024	4,372,599	786,756	.354,470
22. Massachusetts	MA	2,765,719	2,258,963	1,333,919	607,718	1,109,996	.766,092
23. Michigan	MI	6,196,083	3,839,293	5,273,612	1,933,080	24,724,212	8,963,106
24. Minnesota	MN	3,331,032	3,520,978	3,063,584	973,249	2,751,029	2,256,220
25. Mississippi	MS	2,637,686	2,154,995	1,158,499	720,743	1,909,270	1,343,604
26. Missouri	MO	3,344,067	3,537,075	2,742,457	835,502	11,909,684	4,073,754
27. Montana	MT	353,903	236,303	95,427	161,291	124,928	.37,468
28. Nebraska	NE	2,101,227	1,556,506	1,919,480	175,861	10,515,125	5,636,267
29. Nevada	NV	752,044	831,529	.390,996	381,314	.167,396	.176,650
30. New Hampshire	NH	1,710,687	1,495,129	.685,722	592,737	384,708	.281,293
31. New Jersey	NJ	5,750,966	4,388,043	4,410,314	1,583,884	2,679,470	2,065,200
32. New Mexico	NM	1,600,215	.660,507	.646,413	.67,918	.357,602	.132,636
33. New York	NY	44,236,533	49,420,435	24,446,545	28,449,055	11,794,652	.12,355,241
34. No. Carolina	NC	8,367,522	7,580,537	3,513,557	2,989,363	3,504,574	3,230,973
35. No. Dakota	ND	144,429	169,733	.43,697	.11,327	1,058,667	.930,252
36. Ohio	OH	5,386,953	4,162,969	1,997,910	2,716,835	.916,983	.862,993
37. Oklahoma	OK	3,749,077	2,578,472	2,734,105	1,116,887	1,552,480	.973,495
38. Oregon	OR	859,685	1,132,988	.316,290	318,736	1,613,187	1,339,430
39. Pennsylvania	PA	11,984,444	9,161,229	3,116,258	4,018,007	4,938,050	4,654,494
40. Rhode Island	RI	1,996,333	6,379,124	.629,431	2,205,976	2,277,400	2,201,126
41. So. Carolina	SC	5,830,533	4,754,471	3,936,883	3,361,347	2,707,603	2,116,885
42. So. Dakota	SD	523,898	339,881	.57,832	.92,685	184,413	.123,596
43. Tennessee	TN	5,215,344	4,193,474	1,170,878	1,514,758	.3,198,675	.2,581,027
44. Texas	TX	27,803,326	15,407,018	17,044,029	.7,750,522	11,346,957	6,636,866
45. Utah	UT	1,422,282	1,463,349	.555,854	.660,313	.413,064	.395,280
46. Vermont	VT	1,586,615	1,420,453	.482,018	.560,508	4,976,151	4,859,819
47. Virginia	VA	3,094,214	3,372,829	1,563,062	1,731,920	.949,417	.865,060
48. Washington	WA	3,281,932	6,094,555	.980,768	1,769,692	3,146,088	3,618,510
49. West Virginia	WV	189,044	249,877	.117,893	.151,696	.31,002	.82,550
50. Wisconsin	WI	1,616,875	1,369,411	.528,200	.515,289	.274,802	.238,288
51. Wyoming	WY	2,718,528	4,048,928	.5,449,060	.5,332,311	1,360,362	2,662,276
52. American Samoa	AS	N	0		0		0
53. Guam	GU	N	0		0		0
54. Puerto Rico	PR	L	574,754	0	144,783	0	458,795
55. U.S. Virgin Islands	VI	N	0		0		0
56. Northern Mariana Islands	MP	N	0		0		0
57. Canada	CAN	N	0		0		0
58. Aggregate Other Alien	OT	XXX	0	0	0	0	0
59. Totals	(a)	52	271,520,627	236,131,661	154,154,153	125,658,415	206,022,973
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
58999. TOTALS (Lines 58001 through 58003 plus 58998) (Line 58 above)		XXX	0	0	0	0	0

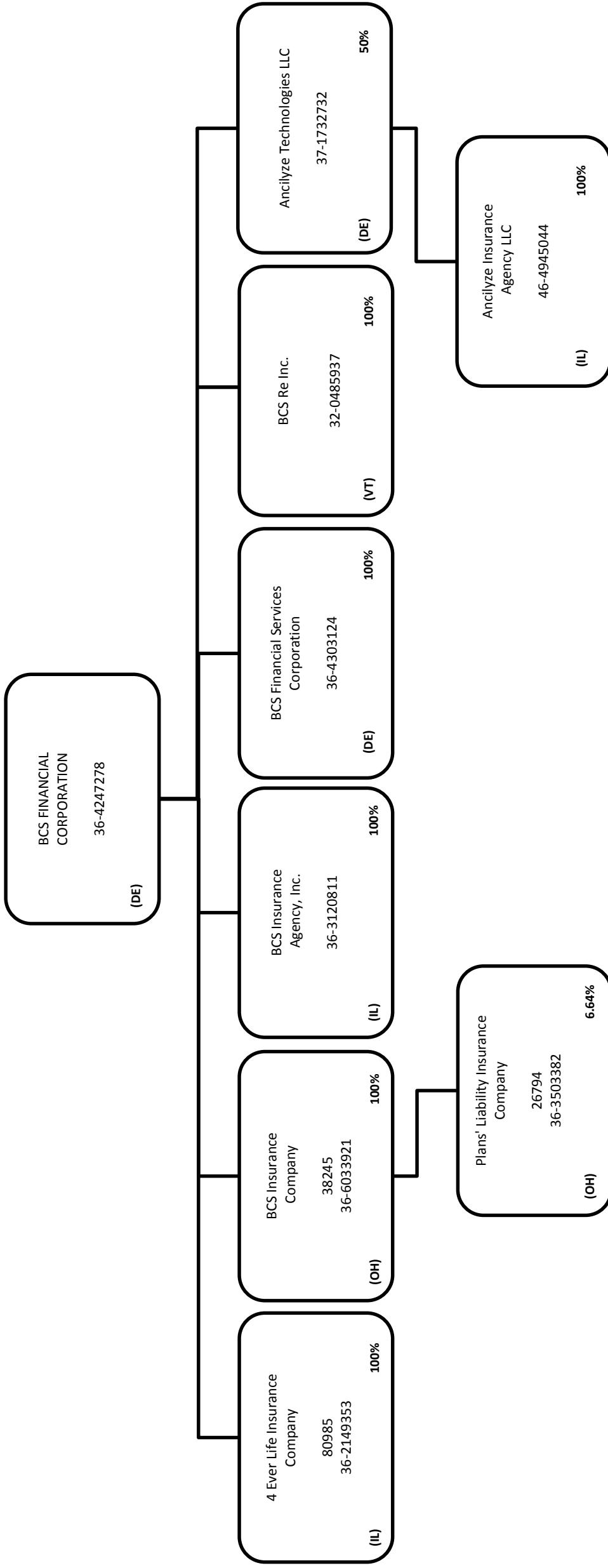
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

For group accident and health business BCS Insurance Company allocates premium by either the group situs state or by the insured member state depending upon the specific type of accident and health business. The group is the entity, usually an employer that the policy is issued to and the insured member is the participant, usually an employee, to whom a certificate is issued to. For travel accident business the premium is allocated by state based upon the insured state of residence. The insured is the individual that purchases the travel accident coverage through a particular entity. For professional liability business the premium is allocated by the group situs state. The group is a corporate entity that purchases the policy.

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

PART 1 – ORGANIZATIONAL CHART



STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE Y
PART 1A – DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterisk	Explanation
1	Ancilzye Insurance Agency LLC is owned by Ancilzye Technologies LLC.....

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

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			0.0	0.0
2. Allied lines			0.0	0.0
3. Farmowners multiple peril			0.0	0.0
4. Homeowners multiple peril			0.0	0.0
5. Commercial multiple peril	14,502,502	4,893,344	33.7	0.0
6. Mortgage guaranty			0.0	0.0
8. Ocean marine			0.0	0.0
9. Inland marine	56,054,971	24,906,209	44.4	42.4
10. Financial guaranty			0.0	0.0
11.1 Medical professional liability -occurrence			0.0	0.0
11.2 Medical professional liability -claims made	.76,071	.0	0.0	151.5
12. Earthquake			0.0	0.0
13. Group accident and health	156,299,290	106,839,866	68.4	52.5
14. Credit accident and health			0.0	0.0
15. Other accident and health			0.0	0.0
16. Workers' compensation			0.0	0.0
17.1 Other liability occurrence	15,686,426	12,575,908	80.2	70.5
17.2 Other liability-claims made	20,265,744	50,922,049	251.3	35.2
17.3 Excess Workers' Compensation			0.0	0.0
18.1 Products liability-occurrence			0.0	0.0
18.2 Products liability-claims made			0.0	0.0
19.1,19.2 Private passenger auto liability			0.0	0.0
19.3,19.4 Commercial auto liability			0.0	0.0
21. Auto physical damage			0.0	0.0
22. Aircraft (all perils)			0.0	0.0
23. Fidelity	.53,033	(14,777)	(27.9)	(23.9)
24. Surety			0.0	0.0
26. Burglary and theft			0.0	0.0
27. Boiler and machinery			0.0	0.0
28. Credit			0.0	0.0
29. International			0.0	0.0
30. Warranty			0.0	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	0.0
TOTALS	262,938,037	200,122,599	76.1	49.0
DETAILS OF WRITE-INS				
3401.			0.0	0.0
3402.			0.0	0.0
3403.			0.0	0.0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	.0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
				1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	.0		0			0
2. Allied lines	.0		0			0
3. Farmowners multiple peril	.0		0			0
4. Homeowners multiple peril	.0		0			0
5. Commercial multiple peril	4,491,470	22,898,293	2,128,363			
6. Mortgage guaranty	.0		0			0
8. Ocean marine	.0		0			0
9. Inland marine	17,518,343	.55,854,357	55,021,073			
10. Financial guaranty	.0		0			0
11.1 Medical professional liability-occurrence	.0		0			0
11.2 Medical professional liability-claims made	.0	101,618	101,618			
12. Earthquake	.0		0			0
13. Group accident and health	.51,534,127	152,902,795	.146,538,289			
14. Credit accident and health	.0		0			0
15. Other accident and health	.0		0			0
16. Workers' compensation	.0		0			0
17.1 Other liability occurrence	.5,101,189	.15,686,426	.6,821,637			
17.2 Other liability-claims made	3,075,494	.24,003,769	.25,453,312			
17.3 Excess Workers' Compensation	.0		0			0
18.1 Products liability-occurrence	.0		0			0
18.2 Products liability-claims made	.0		0			0
19.1,19.2 Private passenger auto liability	.0		0			0
19.3,19.4 Commercial auto liability	.0		0			0
21. Auto physical damage	.0		0			0
22. Aircraft (all perils)	.0		0			0
23. Fidelity	.0	.73,369	.67,369			
24. Surety	.0		0			0
26. Burglary and theft	.0		0			0
27. Boiler and machinery	.0		0			0
28. Credit	.0		0			0
29. International	.0		0			0
30. Warranty	.0		0			0
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			
TOTALS	81,720,623	271,520,627	236,131,661			
DETAILS OF WRITE-INS						
3401.	.0		0			0
3402.	.0		0			0
3403.	.0		0			0
3498. Sum. of remaining write-ins for Line 34 from overflow page	0	.0	0			0
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0			0

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	4 2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	6 Total 2016 Loss and LAE Payments (Cols. 4 + 5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2013 + Prior	3,349	.856	4,205	1,070		1,070	1,737		351	2,088	(542)	(505)	(1,047)
2. 2014	5,973	5,397	11,370	3,021		3,021	2,418		1,958	4,376	(534)	(3,439)	(3,973)
3. Subtotals 2014 + prior	9,322	6,253	15,575	4,091	0	4,091	4,155	0	2,309	6,464	(1,076)	(3,944)	(5,020)
4. 2015	1,786	32,476	34,262	23,091		23,091	2,022		5,805	7,827	23,327	(26,671)	(3,344)
5. Subtotals 2015 + prior	11,108	38,729	49,837	27,182	0	27,182	6,177	0	8,114	14,291	22,251	(30,615)	(8,364)
6. 2016	XXX	XXX	XXX	XXX	31,106	31,106	XXX	491	24,944	25,435	XXX	XXX	XXX
7. Totals	11,108	38,729	49,837	27,182	31,106	58,288	6,177	491	33,058	39,726	22,251	(30,615)	(8,364)
Prior Year-End 8. Surplus As Regards Policy- holders	161,316										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. 200.3	2. (79.0)	3. (16.8)
											Col. 13, Line 7 Line 8		
											4. (5.2)		

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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?YES.....
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.....

Explanation:

1.

3.

Bar Code:

1. 
3 8 2 4 5 2 0 1 6 4 9 0 0 0 0 3

3. 
3 8 2 4 5 2 0 1 6 3 6 5 0 0 0 0 3

OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.
 *ASSETS

	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	4 December 31 Prior Year Net Admitted Assets
2504. State Income Tax & Premium Tax Recoverable.....	145,915		145,915	2,593
2505. Miscellaneous Accounts Receivable.....	40,110		40,110	9,022
2506. Loan Receivable.....	500,000		500,000	0
2507. Prepaid Commission Expense.....	25,000	25,000	0	
2597. Summary of remaining write-ins for Line 25 from Page 02	711,025	25,000	686,025	11,615

SCHEDULE A – VERIFICATION

Real Estate

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

NONE**SCHEDULE B – VERIFICATION**

Mortgage Loans

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

NONE**SCHEDULE BA – VERIFICATION**

Other Long-Term Invested Assets

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	12,146,695	12,719,367
2. Cost of acquired:		
2.1 Actual cost at time of acquisition	0	0
2.2 Additional investment made after acquisition	0	0
3. Capitalized deferred interest and other	0	0
4. Accrual of discount	0	0
5. Unrealized valuation increase (decrease)	361,443	(572,672)
6. Total gain (loss) on disposals	0	0
7. Deduct amounts received on disposals	0	0
8. Deduct amortization of premium and depreciation	0	0
9. Total foreign exchange change in book/adjusted carrying value	0	0
10. Deduct current year's other-than-temporary impairment recognized	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10)	12,508,138	12,146,695
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	12,508,138	12,146,695

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	206,180,197	198,888,761
2. Cost of bonds and stocks acquired	44,094,127	35,285,141
3. Accrual of discount	116,777	207,843
4. Unrealized valuation increase (decrease)	703,015	(741,795)
5. Total gain (loss) on disposals	736,829	500,311
6. Deduct consideration for bonds and stocks disposed of	37,113,508	26,452,824
7. Deduct amortization of premium	1,042,932	1,507,239
8. Total foreign exchange change in book/adjusted carrying value	0	0
9. Deduct current year's other-than-temporary impairment recognized	0	0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9)	213,674,505	206,180,197
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	213,674,505	206,180,197

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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).....	167,611,171	22,304,274	.21,920,102	-(726,820)	164,898,526	167,611,171	167,268,522	162,885,327
2. NAIC 2 (a).....	24,988,051	2,702,311	.779,890	105,170	24,215,640	24,988,051	27,015,641	24,851,384
3. NAIC 3 (a).....	1,189,385		8,509	363,032	1,565,512	1,189,385	1,543,908	980,265
4. NAIC 4 (a).....	0				125,533	0	0	134,774
5. NAIC 5 (a).....	247,791			1,980	252,140	247,791	249,771	0
6. NAIC 6 (a).....	465,035		2,320	226	464,963	465,035	462,940	434,999
7. Total Bonds	194,501,432	25,006,585	22,710,821	(256,413)	191,522,314	194,501,432	196,540,783	189,286,749
PREFERRED STOCK								
8. NAIC 1.....	0				0	0	0	0
9. NAIC 2.....	0				0	0	0	0
10. NAIC 3.....	0				0	0	0	0
11. NAIC 4.....	0				0	0	0	0
12. NAIC 5.....	0				0	0	0	0
13. NAIC 6.....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	194,501,432	25,006,585	22,710,821	(256,413)	191,522,314	194,501,432	196,540,783	189,286,749

(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 \$; NAIC 2 \$;

NAIC 3 \$; NAIC 4 \$; NAIC 5 \$; NAIC 6 \$

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

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	6,988,408	XXX	6,988,408	8,996	

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.....	6,462,203	6,493,991
2. Cost of short-term investments acquired	40,406,161	27,986,262
3. Accrual of discount		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals		0
6. Deduct consideration received on disposals	39,879,954	28,018,050
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	6,988,410	6,462,203
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	6,988,410	6,462,203

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

Schedule E - Verification

NONE

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

Schedule BA - Part 2

NONE

Schedule BA - Part 3

NONE

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE D - PART 3

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments									
912810-RT-7.....	UNITED STATES TREASURY.....		.08/31/2016.....	FED BUY.....		.201,070	.200,000	.269	1.....
912828-R8-5.....	UNITED STATES TREASURY.....		.07/25/2016.....	FED BUY.....	1,000,416	.1,000,000	.980	1.....	
0599999 - Bonds - U.S. Governments						1,201,486	1,200,000	1,249	XXX
Bonds - U.S. States, Territories and Possessions									
.010411-BP-0.....	ALABAMA ST.....		.09/23/2016.....	CITIGROUP GLOBAL MARKETS INC.....		.1,284,290	.1,000,000		.1FE.....
880541-WZ-6.....	TENNESSEE ST.....		.08/01/2016.....	Adjustment.....	.427,902	.335,000			.1FE.....
1799999 - Bonds - U.S. States, Territories and Possessions						1,712,192	1,335,000	0	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions									
.735422-NU-7.....	PORT TACOMA WASH.....		.08/17/2016.....	BARCLAYS CAPITAL INC.....		.662,784	.515,000		.1FE.....
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						662,784	515,000	0	XXX
Bonds - U.S. Special Revenue									
.3138LD-3U-5.....	RMBS - FN AN1710		.07/01/2016.....	Adjustment.....	.4				1.....
.407287-MD-0.....	HAMILTON CNTY OHIO SALES TAX		.08/04/2016.....	RBC CAPITAL MARKETS.....	.344,916	.275,000			.1FE.....
.45470R-CX-2.....	INDIANA FIN AUTH HWY REV		.08/01/2016.....	Adjustment.....	.508,778	.385,000			.1FE.....
.57584X-UL-3.....	MASSACHUSETTS ST DEV FIN AGY REV		.08/03/2016.....	CITIGROUP GLOBAL MARKETS INC.....	.250,574	.200,000			.1FE.....
.594612-DJ-9.....	MICHIGAN ST		.07/15/2016.....	LOOP CAPITAL MARKETS LLC.....	.70,332	.55,000			.1FE.....
.709224-RR-2.....	PENNSYLVANIA ST TPK COMMN TPK REV		.09/23/2016.....	GOLDMAN, SACHS & CO/ALGO.....	.233,076	.185,000			.1FE.....
.796237-4D-4.....	SAN ANTONIO TEX		.08/03/2016.....	SAMUEL A . RAMIREZ & CO. INC.....	.773,022	.600,000			.1FE.....
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						2,180,701	1,700,000	0	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)									
.00817Y-AW-8.....	AETNA INC.....		.07/06/2016.....	JP MORGAN SECURITIES INC.....		.577,294	.555,000	.1,579	2FE.....
.00842V-AC-7.....	ABMT 163 A3 - CMO/RMBS		.08/08/2016.....	WELLS FARGO SECURITIES LLC.....	.580,538	.565,000		.1,593	.1FE.....
.081437-AJ-4.....	BEMIS COMPANY INC		.09/08/2016.....	BNP PARIBAS SECURITIES BOND.....	.129,778	.130,000			2FE.....
.14314E-AE-1.....	ABS - CARMX 163 B		.07/14/2016.....	CREDIT SUISSE SECURITIES (USA)	.64,981	.65,000			.1FE.....
.14314E-AB-8.....	ABS - CARMX 163 C		.07/14/2016.....	CREDIT SUISSE SECURITIES (USA)	.49,991	.50,000			.1FE.....
.25272K-AK-9.....	DIAMOND 1 FINANCE CORP		.09/01/2016.....	RBC CAPITAL MARKETS.....	.700,541	.650,000		.8,378	2FE.....
.29717P-AN-7.....	ESSEX PORTFOLIO LP		.07/08/2016.....	WELLS FARGO SECURITIES LLC.....	.182,454	.170,000		.1,318	2FE.....
.349553-AL-1.....	FORTIS INC		.09/29/2016.....	GOLDMAN, SACHS & CO/ALGO.....	.80,000	.80,000			2FE.....
.46625H-RV-4.....	JPMORGAN CHASE & CO		.07/14/2016.....	JP MORGAN SECURITIES INC	.508,898	.510,000			.1FE.....
.46647E-AA-9.....	JPMINT 163 1A1 - CMO/RMBS		.09/26/2016.....	JP MORGAN SECURITIES INC	.518,828	.500,000		.1,410	.1FE.....
.61691B-AA-9.....	MSCBB 16MART A - CMBS		.09/15/2016.....	MORGAN STANLEY CO	.509,998	.510,000		.810	1FE.....
.67087M-AA-4.....	CMBS - OBP 100BP CTF		.07/06/2016.....	DEUTSCHE BANK SECURITIES, INC	.137,935	.125,000		.161	1FM.....
.86765B-AS-8.....	SUNOCO LOGISTICS PARTNERS OPERATIONS LP		.07/27/2016.....	LiquiNet, INC	.17,117	.15,000		.149	2FE.....
.86765B-AT-6.....	SUNOCO LOGISTICS PARTNERS OPERATIONS LP		.07/28/2016.....	VARIOUS	.84,557	.85,000		.130	2FE.....
.88167A-AD-3.....	TEVA PHARMACEUTICAL FINANCE NETHERLANDS	R	.07/18/2016.....	BARCLAYS CAPITAL INC	.84,716	.85,000			2FE.....
.89172Y-AA-8.....	CMIO/RMBS - TPMT 163 A1		.07/22/2016.....	WELLS FARGO SECURITIES LLC	.99,856	.100,000		.175	.1FE.....
.89400P-AG-8.....	TRANSURBAN FINANCE COMPANY PTY LTD	R	.09/15/2016.....	JP MORGAN SECURITIES INC	.138,984	.140,000			2FE.....
.92347Y-AA-4.....	ABS - VZOT 161 A		.07/12/2016.....	BANK OF AMERICA SEC LLC FIXED	.249,958	.250,000			.1FE.....
.98161F-AF-2.....	ABS - WOLS 16A B		.07/12/2016.....	BANK OF AMERICA SEC LLC FIXED	.189,954	.190,000			.1FE.....
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						4,906,378	4,775,000	15,702	XXX
Bonds - Hybrid Securities									
.88167A-AE-1.....	TEVA PHARMACEUTICAL FINANCE NETHERLANDS	R	.09/01/2016.....	Adjustment.....		.706,870	.700,000	.1,785	2FE.....
4899999 - Bonds - Hybrid Securities						706,870	700,000	.1,785	XXX
8399997 - Subtotals - Bonds - Part 3						11,370,412	10,225,000	.18,736	XXX
8399999 - Subtotals - Bonds						11,370,412	10,225,000	.18,736	XXX
Common Stocks - Mutual Funds									
.72701U-40-1.....	PLAN INVESTMENT ULTRASHORT DURATI MF		.09/30/2016.....	Unknown	.1,804,016	.17,938			U.....
9299999 - Common Stocks - Mutual Funds						17,938	XXX	0	XXX
9799997 - Subtotals - Common Stocks - Part 3						17,938	XXX	0	XXX
9799999 - Subtotals - Common Stocks						17,938	XXX	0	XXX
9899999 - Subtotals- Preferred and Common Stocks						17,938	XXX	0	XXX
9999999 Totals						11,388,350	XXX	.18,736	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues1

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS 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	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	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
CUSIP Identification	Description	Disposal Date	Foreign	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 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. Governments																						
36200K-W8-6	RMBS - GN 603771	09/15/2016	Direct			.268	.268	.279	.278	(10)		(10)		.268				0	10	.05/15/2033	.1	
36201X-KK-3	RMBS - GN 606098	09/15/2016	Direct			.222	.222	.231	.230	(.8)		(.8)		.222				0	9	.06/15/2033	.1	
36209K-2T-9	RMBS - GN 479686	09/15/2016	Direct			.29	.29	.30	.30	(1)		(1)		.29				0	2	.09/15/2030	.1	
36211U-HD-7	RMBS - GN 523228	09/15/2016	Direct			.11	.11	.12	.12	0		0		.11				0	1	.10/15/2030	.1	
36213F-MD-2	RMBS - GN 553056	09/15/2016	Direct			4,840	4,840	4,953	4,936	(96)		(96)		4,840				0	172	.02/15/2033	.1	
36241K-J6-6	RMBS - GN 782085	09/15/2016	Direct			900	900	932	927	(27)		(27)		900				0	42	.11/15/2033	.1	
36241K-J7-4	RMBS - GN 782086	09/15/2016	Direct			.539	.539	.558	.556	(16)		(16)		.539				0	25	.11/15/2031	.1	
36241K-JG-4	RMBS - GN 782083	09/15/2016	Direct			.115	.115	.120	.119	(4)		(4)		.115				0	5	.03/15/2032	.1	
36241K-JL-3	RMBS - GN 782067	09/15/2016	Direct			1,641	1,641	1,701	1,701	(60)		(60)		1,641				0	75	.11/15/2032	.1	
36241K-JP-4	RMBS - GN 782070	09/15/2016	Direct			1,058	1,058	1,104	1,096	(38)		(38)		1,058				0	51	.06/15/2032	.1	
36241K-JO-2	RMBS - GN 782071	09/15/2016	Direct			.320	.320	.334	.332	(12)		(12)		.320				0	15	.05/15/2033	.1	
36241K-JR-0	RMBS - GN 782072	09/15/2016	Direct			1,203	1,203	1,255	1,248	(45)		(45)		1,203				0	57	.07/15/2033	.1	
36241K-JS-8	RMBS - GN 782073	09/15/2016	Direct			.217	.217	.227	.225	(8)		(8)		.217				0	10	.03/15/2032	.1	
362950-BH-2	RMBS - GN 676940	09/15/2016	Direct			4,010	4,010	4,091	4,091	(81)		(81)		4,010				0	138	.04/15/2038	.1	
36296T-UY-7	RMBS - GN 700899	09/15/2016	Direct			2,570	2,570	2,661	2,658	(88)		(88)		2,570				0	103	.11/15/2038	.1	
38374G-CF-7	CMBS - GNR 0423 E	08/16/2016	Direct			42,704	42,704	44,412	42,781	(77)		(77)		42,704				0	1,435	.11/16/2032	.1	
38374L-5Y-3	CMO/RMBS - GNR 0574D HB	09/16/2016	Direct			.113	.113	.120	.118	(5)		(5)		.113				0	6	.09/16/2035	.1	
38374L-5Z-0	CMO/RMBS - GNR 0574E HC	09/16/2016	Direct			.752	.752	.801	.787	(36)		(36)		.752				0	38	.09/16/2035	.1	
38376G-6E-5	CMBS - GNR 11152 A	09/16/2016	Direct			3,460	3,460	3,474	3,466	(6)		(6)		3,460				0	37	.07/16/2033	.1	
38376G-RY-8	GNA 1083 D - CMBS	09/16/2016	Direct			246,042	246,042	242,658	244,215	1,827		1,827		246,042				0	7,935	.06/16/2044	.1	
62888W-AC-0	CMO/RMBS - NGN 10R3 3A	09/07/2016	Direct			1,745	1,745	1,741	1,743	(2)		(2)		1,745				0	28	.12/08/2020	.1	
912810-RS-9	UNITED STATES TREASURY	08/05/2016	FED SELL			182,718	175,000	170,379	170,379	(19)		(19)		170,398				12,320	1,011	.05/15/2046	.1	
912828-P3-8	UNITED STATES TREASURY	08/31/2016	FED SELL			102,180	100,000	101,559	101,559	(110)		(110)		101,449				731	1,051	.01/31/2023	.1	
0599999 - Bonds - U.S. Governments					597,654	587,756	583,648	581,547	0	1,119	0	1,119	0	584,603	0	13,051	13,051	12,254	XXX	XXX	XXX	
Bonds - U.S. States, Territories and Possessions																						
745145-Y0-9	PUERTO RICO COMMITT.	09/01/2016	Maturity			1,000,000	1,000,000	1,086,320	1,007,970	(7,970)		(7,970)		1,000,000				0	55,000	.07/01/2016	.1FE	
1799999 - Bonds - U.S. States, Territories and Possessions						1,000,000	1,000,000	1,086,320	1,007,970	0	(7,970)	0	(7,970)	0	1,000,000	0	0	0	55,000	XXX	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																						
047856-EX-3	ATLANTA GA URBN	09/29/2016	Redemption			.5,000	.5,000	.5,245	.5,154	(12)		(12)		.5,142				(142)	209	.03/01/2041	.1FE	
3128K5-WP-3	RMBS - FH A45154	09/15/2016	Direct			8,863	8,863	9,099	9,066	(204)		(204)		8,863				0	312	.05/01/2035	.1	
3128K0-D7-8	RMBS - FH A60126	09/15/2016	Direct			1,780	1,780	1,865	1,863	(63)		(63)		1,780				0	71	.05/01/2037	.1	
3128K9-JB-6	RMBS - FH A67458	09/15/2016	Direct			.91	.91	.92	.92	(1)		(1)		.91				0	4	.11/01/2037	.1	
3128BL-08-8	RMBS - FH A68579	09/15/2016	Direct			.260	.260	.266	.266	(6)		(6)		.260				0	10	.11/01/2037	.1	
3128BL-V6-6	RMBS - FH A68737	09/15/2016	Direct			3,212	3,212	3,278	3,275	(64)		(64)		3,212				0	127	.11/01/2037	.1	
3128MA-HY-2	RMBS - FH G02647	09/15/2016	Direct			2,405	2,405	2,378	2,379	25		25		2,405				0	87	.02/01/2037	.1	
3128M5-4E-7	RMBS - FH G04121	09/15/2016	Direct			12,836	12,836	13,935	13,906	(1,070)		(1,070)		12,836				0	470	.04/01/2038	.1	
3128M5-GR-5	RMBS - FH G03508	09/15/2016	Direct			5,339	5,339	5,385	5,383	(44)		(44)		5,339				0	219	.07/01/2037	.1	
3128MG-EP-9	RMBS - FH G04342	09/15/2016	Direct			4,541	4,541	4,544	4,544	(2)		(2)		4,541				0	183	.04/01/2038	.1	
3128M7-YV-2	RMBS - FH G05824	09/15/2016	Direct			11,152	11,152	11,816	11,779	(627)		(627)		11,152				0	416	.01/01/2040	.1	
3128MB-G3-2	RMBS - FH G06218	09/15/2016	Direct			11,530	11,530	11,656	11,647	(118)		(118)		11,530				0	266	.12/01/2040	.1	
3128MB-VC-8	RMBS - FH G13111	09/15/2016	Direct			3,385	3,385	3,508	3,469	(84)		(84)		3,385				0	146	.03/01/2023	.1	
3128MU-DT-4	RMBS - FH G08113	09/15/2016	Direct			2,952	2,952	3,013	3,008	(56)		(56)		2,952				0	124	.02/01/2036	.1	
3128MU-PS-3	RMBS - FH G08432	09/15/2016	Direct			8,254	8,254	8,417	8,409	(155)		(155)		8,254				0	253	.01/01/2041	.1	
3128MJ-S6-8	RMBS - FH G08540	09/15/2016	Direct			15,708	15,708	14,906	14,934	774		774		15,708				0	314	.08/01/2043	.1	
3128MJ-SK-7	RMBS - FH G08521	09/15/2016	Direct			11,521	11,521	12,009	11,984	(463)		(463)		11,521				0	232	.01/01/2043	.1	
3128MJ-X0-8	RMBS - FH G08686	09/15/2016	Direct			10,217	10,217	10,410	10,410	(192)		(192)		10,217				0	159	.01/01/2046	.1	
3128PR-TM-1	RMBS - FH J12356	09/15/2016	Direct			6,750	6,750	6,971	6,918	(168)		(168)		6,750				0	184	.06/01/2025	.1	
31292H-VU-5	RMBS - FH C01527	09/15/2016	Direct			4,433	4,433	4,550	4,536	(103)		(103)		4,433				0	159	.04/01/2033	.1	
31292L-N7-6	RMBS - FH C04014	09/15/2016	Direct			2,547	2,547	2,743	2,735	(188)		(188)		2,547				0	56	.06/01/2042	.1	
31292W-DY-6	RMBS - FH C04619	09/15/2016	Direct			30,690	30,690	30,903	30,892	(203)		(203)		30,690		0		0	611	.03/01/2043	.1	
312940-EU-9	RMBS - FH A91947	09/15/2016	Direct			19,651	19,651	20,342	20,312	(661)		(661)		19,651		0		0	656	.04/01/2040	.1	
312941-3E-5	RMBS - FH A93497	09/15/2016	Direct			7,591	7,591	7,833	7,820	(229)		(229)		7,591		0		0	225	.08/01/2040	.1	
312942-4G-7	RMBS - FH A94423	09/15/2016	Direct			5,563	5,563	5,766	5,752	(189)		(189)		5,563		0		0	135	.10/01/2040	.1	
312942-CQ-6	RMBS - FH A93679	09/15/2016	Direct			34,625	34,625	35,480	35,432	(807)		(807)		34,625		0		0	1,031	.09/01/2040	.1	
312942-V2-5	RMBS - FH A94329	09/15/2																				

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)		
									11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amortization/ Accretion)	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B.A.C.V.									
31326D-5T-5...	RMBS - FH 000858...		09/15/2016...	Direct...					4,116	4,116	4,161	4,161					0	0	0	120	05/01/2041...	1
31326G-CG-8...	RMBS - FH 02771...		09/15/2016...	Direct...					29,195	29,195	30,340	30,277					0	0	0	802	08/01/2041...	1
31326J-EL-9...	RMBS - FH 003139...		09/15/2016...	Direct...					28,461	28,461	29,781	29,718					0	0	0	735	09/01/2041...	1
3132H1-3K-7...	RMBS - FH 010802...		09/15/2016...	Direct...					13,517	13,517	13,967	13,943					0	0	0	265	08/01/2042...	1
3132H2M-AZ-4...	RMBS - FH 010924...		09/15/2016...	Direct...					5,573	5,573	6,018	5,997					0	0	0	130	09/01/2042...	1
3132H2N-HV-4...	RMBS - FH 012044...		09/15/2016...	Direct...					11,314	11,314	11,793	11,769					0	0	0	230	10/01/2042...	1
3132JA-B4-6...	RMBS - FH 018658...		09/15/2016...	Direct...					5,540	5,540	5,806	5,799					0	0	0	122	06/01/2043...	1
31371K-22-3...	RMBS - FN 254692...		09/26/2016...	Direct...					6,458	6,458	6,543	6,531					0	0	0	239	03/01/2033...	1
31371L-CD-9...	RMBS - FN 254368...		09/26/2016...	Direct...					4,330	4,330	4,435	4,425					0	0	0	144	09/01/2033...	1
31371L-CE-7...	RMBS - FN 254869...		09/26/2016...	Direct...					2,658	2,658	2,665	2,663					0	0	0	95	09/01/2033...	1
31371M-UK-1...	RMBS - FN 256286...		09/26/2016...	Direct...					4,472	4,472	4,397	4,399					0	0	0	173	06/01/2036...	1
313746-VK-5...	CMO/RMBS - FHN 3808E LA...		09/15/2016...	Direct...					38,883	38,883	41,489	41,015					0	0	0	1,036	08/15/2038...	1
31378L-MZ-8...	RMBS - FHN K049 A2 - CMBS...		08/25/2016...	JEFFERIES & COMPANY, INC.					1,077,813	1,000,000	1,017,500	(1,093)				1,016,407	61,406	61,406	18,812	07/25/2025...	1	
313810-BU-9...	RMBS - FN 467987...		09/26/2016...	Direct...					500	500	506	501					0	0	0	13	04/01/2018...	1
31384P-S6-3...	RMBS - FN 529841...		09/26/2016...	Direct...					177	177	180	179					0	0	0	9	02/01/2030...	1
31385H-5J-7...	RMBS - FN 545449...		09/26/2016...	Direct...					481	481	504	485					0	0	0	20	02/01/2017...	1
31385W-WZ-8...	RMBS - FN 555164...		09/26/2016...	Direct...					259	259	272	263					0	0	0	11	11/01/2017...	1
31385R-U6-9...	RMBS - FN 633383...		09/26/2016...	Direct...					2,653	2,653	2,635	2,641					0	0	0	97	05/01/2017...	1
3138A2-BV-7...	RMBS - FN AH0951...		09/26/2016...	Direct...					19,819	19,819	20,683	20,649					0	0	0	597	12/01/2040...	1
3138ME-BN-9...	RMBS - FN AP9944...		09/26/2016...	Direct...					941	941	1,015	1,010					0	0	0	24	09/01/2042...	1
3138MF-AE-7...	RMBS - FN AQ0004...		09/26/2016...	Direct...					2,106	2,106	2,271	2,260					0	0	0	49	10/01/2042...	1
3138MF-P2-7...	RMBS - FN AQ0440...		09/26/2016...	Direct...					7,807	7,807	8,396	8,369					0	0	0	174	10/01/2042...	1
3138NW-GG-8...	RMBS - FN AR0198...		09/26/2016...	Direct...					290	290	304	303					0	0	0	7	05/01/2043...	1
3138WQ-JN-3...	RMBS - FN AT2968...		09/26/2016...	Direct...					11,738	11,738	12,312	12,290					0	0	0	275	05/01/2043...	1
3138WT-AR-7...	RMBS - FN AT5415...		09/26/2016...	Direct...					5,684	5,684	5,962	5,954					0	0	0	137	06/01/2043...	1
3138WT-CE-4...	RMBS - FN AT5468...		09/26/2016...	Direct...					3,674	3,674	3,848	3,844					0	0	0	84	06/01/2043...	1
3138X0-Y3-6...	RMBS - FN AU1629...		09/26/2016...	Direct...					31,574	31,574	31,643	31,642					0	0	0	635	07/01/2043...	1
31390J-RR-4...	RMBS - FN 647696...		09/26/2016...	Direct...					2,912	2,912	3,078	2,949					0	0	0	125	05/01/2017...	1
31390K-H9-2...	RMBS - FN 648356...		09/26/2016...	Direct...					221	221	233	224					0	0	0	10	06/01/2017...	1
31390M-KB-9...	RMBS - FN 650190...		09/26/2016...	Direct...					428	428	449	442					0	0	0	19	09/01/2017...	1
31392C-T6-1...	CMO/RMBS - FNN 0293 A4...		09/26/2016...	Direct...					5,887	5,887	5,817	5,834					0	0	0	248	11/25/2041...	1
31393B-HF-3...	CMO/RMBS - FNR 0333F PT...		09/26/2016...	Direct...					386	386	390	389					0	0	0	386	05/25/2033...	1
31401J-B4-9...	RMBS - FN 70359...		09/26/2016...	Direct...					1,264	1,264	1,296	1,296					0	0	0	43	07/01/2018...	1
31402C-4F-6...	RMBS - FN 725422...		09/26/2016...	Direct...					7,868	7,868	8,055	8,039					0	0	0	266	04/01/2034...	1
31402H-H3-8...	RMBS - FN 729350...		09/26/2016...	Direct...					1,243	1,243	1,243	1,275					0	0	0	40	07/01/2018...	1
31402K-BX-1...	RMBS - FN 730954...		09/26/2016...	Direct...					5,865	5,865	5,587	5,607					0	0	0	185	08/01/2033...	1
31402R-W2-1...	RMBS - FN 736065...		09/26/2016...	Direct...					797	797	818	805					0	0	0	27	09/01/2018...	1
31403C-6L-0...	RMBS - FN 745275...		09/26/2016...	Direct...					7,347	7,347	7,726	7,707					0	0	0	246	02/01/2036...	1
31403J-TN-6...	RMBS - FN 750357...		09/26/2016...	Direct...					1,151	1,151	1,190	1,186					0	0	0	46	11/01/2033...	1
31404Q-QW-2...	RMBS - FN 775469...		09/26/2016...	Direct...					83	83	87	86					0	0	0	4	05/01/2034...	1
31404V-2P-2...	RMBS - FN 780282...		09/26/2016...	Direct...					133	133	133	139					0	0	0	6	07/01/2034...	1
31404W-MB-9...	RMBS - FN 780754...		09/26/2016...	Direct...					7,470	7,470	7,379	7,397					0	0	0	241	06/01/2034...	1
31405S-ET-7...	RMBS - FN 797646...		09/26/2016...	Direct...					105	105	105	105					0	0	0	6	09/01/2035...	1
31405S-KJ-2...	RMBS - FN 797797...		09/26/2016...	Direct...					10,103	10,103	10,418	10,401					0	0	0	452	04/01/2035...	1
31406Y-Y7-9...	RMBS - FN 824334...		09/26/2016...	Direct...					685	685	690	689					0	0	0	25	07/01/2035...	1
31407H-KS-4...	RMBS - FN 831105...		09/26/2016...	Direct...					6,051	6,051	6,088	6,085					0	0	0	221	11/01/2035...	1
31407J-KY-7...	RMBS - FN 832011...		09/26/2016...	Direct...					8,647	8,647	8,521	8,533					0	0	0	288	08/01/2035...	1
31407S-EE-8...	RMBS - FN 839033...		09/26/2016...	Direct...					1,814	1,814	1,736	1,72					0	0	0	62		

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)				
										11 Unrealized Valuation Increase/ Decrease)	12 Current Year's (Amortization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B.A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B.A.C.V.											
45528S-QX-7	INDIANAPOLIS IND LOC PUB		07/01/2016										0						0		2,875	01/01/2020	1FE		
647200-M9-2	IMPT BD BK		07/01/2016	Redemption		10,000	10,000	10,765	10,371				(48)					10,323		(323)	(323)	225	09/01/2028	1FE	
95648V-AT-6	NEW MEXICO MTG FIN AUTH																								
	WEST VIRGINIA ECONOMIC																								
	DEV AUTH SOLID WA		08/01/2016	Adjustment																					
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						1,860,381	1,782,568	1,822,653	792,123		0	(20,599)	0	(20,599)	0	1,799,434	0	60,947	60,947	44,627	XXX	XXX			
Bonds - Industrial and Miscellaneous (Unaffiliated)																									
00842A-AD-1	CMO/RMBS - ABMT 154 A4		09/26/2016	Direct		28,428	28,428	28,468	28,453				(25)					28,428	0	0	0	619	06/26/2045	1FM	
00842V-AC-7	ABMT 163 A3 - CMO/RMBS		09/26/2016	Direct		15,222	15,222	15,641					(419)					15,222	0	0	0	44	08/27/2046	1FE	
03064X-AE-4	ABS - AMCAR 125 C		09/08/2016	Direct		17,839	17,839	17,834	17,838				1					17,839	0	0	0	200	11/08/2018	1FE	
05522R-CQ-9	BACCT 141 A - ABS		08/15/2016	BARCLAYS CAPITAL INC		235,239	235,000	235,000					0					235,000	0	0	0	239	06/15/2021	1FE	
05568B-AA-6	BNSF RAILWAY CO		07/15/2016	Direct		27	27	27					0					27	0	0	0	2	01/15/2024	1FE	
05949A-5A-4	CMO/RMBS - BOAMS 054 1A1		09/26/2016	Direct		24,213	24,213	24,652	24,344				(131)					24,213	0	0	0	931	05/25/2035	3FM	
05949C-HQ-2	CMO/RMBS - BOAMS 051 2A1		09/26/2016	Direct		1,664	1,693	1,663	1,678				214					1,693	(229)	(229)	0	38	10/25/2035	1FM	
05949C-KU-8	CMO/RMBS - BOAMS 052 2A1		09/26/2016	Direct		990	1,133	978	990				142					1,133	(143)	(143)	0	21	11/25/2035	1FM	
07387A-AW-5	CMO/RMBS - BSAR 055 2A1		09/26/2016	Direct		4,532	4,579	3,927	3,983				596					4,579	(47)	(47)	0	89	06/25/2035	1FM	
07387M-AG-4	CMO/RMBS - BSCMA 06PR11 AM		09/12/2016	Direct		19,215	19,215	19,227	19,186				29					19,215	0	0	0	741	03/11/2039	1FM	
1248MG-AP-9	CMO/RMBS - CBASS 07CB1 A6		09/26/2016	Direct		4,667	4,667	2,139	2,197				2,470					4,667	0	0	0	72	01/25/2037	1FM	
12514A-AE-1	CMBS - CD 07CD5 A4		09/15/2016	Direct		1,549	1,536	1,797	1,630				(94)					1,536	0	0	0	14	11/15/2044	1FM	
12544L-AA-9	CMO/RMBS - CWHL 0711 A1		09/26/2016	Direct		9,256	10,814	9,549	9,725				125					10,814	(1,558)	(1,558)	0	409	08/25/2037	2FM	
12591B-AC-9	ABS - CNHI 14A A3		09/15/2016	Direct		24,004	24,004	24,004	24,004				0					24,004	0	0	0	0	133	05/15/2019	1FE
126659-AA-9	ABS - CVS 096 CTF		09/12/2016	Direct		3,754	3,754	3,754	3,754				0					3,754	0	0	0	209	07/10/2031	2FE	
12668X-AC-9	CMO/RMBS - CWL 0658 A3		09/26/2016	Direct		33,639	33,639	24,581	26,684				6,955					33,639	0	0	0	1,234	04/25/2036	1FM	
12669G-HY-0	CMO/RMBS - CWHL 0429 1A1		09/26/2016	Direct		221	221	221	221				0					221	0	0	0	0	1	02/25/2035	1FM
17307G-KG-9	1A1		09/26/2016	Direct		10,089	10,587	8,819					1,769					10,587	(498)	(498)	0	197	03/25/2036	1FM	
17310B-AY-0	CMO/RMBS - CMSI 063 3A1		09/26/2016	Direct		202	202	194	199				4					202	0	0	0	7	06/25/2036	1FM	
17313K-FA-8	CMBS - CGCMT 08C7 A4		09/12/2016	Direct		2,434	2,434	2,704	2,582				(148)					2,434	0	0	0	101	12/10/2049	1FM	
17319W-AA-7	CMBS - CGCMT 13SMP A		09/14/2016	Direct		5,113	5,113	5,174	5,137				(24)					5,113	0	0	0	72	01/14/2030	1FM	
201730-AE-1	CMBS - GCFCC 07G99 A4		09/12/2016	Direct		50,804	50,804	54,864	52,318				(1,514)					50,804	0	0	0	1,995	03/10/2039	1FM	
225458-EZ-7	CMO/RMBS - CSFB 052 1A8		09/26/2016	Direct		7,403	7,403	6,149	6,413				990					7,403	0	0	0	0	246	03/25/2035	1FM
247126-AH-8	DELPHI CORP (NEW)		09/30/2016	Redemption		130,000	130,000	135,886					(902)					134,984	(4,984)	(4,984)	0	17,277	02/15/2023	2FE	
DISCOVERY COMMUNICATIONS																									
25470D-AE-9	LLC		09/13/2016	US Bank		680,255	630,000	625,302	627,517				340					627,517	52,738	52,738	0	20,672	06/15/2021	2FE	
268648-AN-2	EMC CORP		08/17/2016	RBC CAPITAL MARKETS		616,775	650,000	638,554	640,778				765					640,778	(24,003)	(24,003)	0	15,702	06/01/2023	1FE	
28618W-AA-2	ABS - ERL 2014-1A A1		09/19/2016	Direct		19,824	19,824	19,502	19,824				322					19,824	0	0	0	305	04/19/2044	1FE	
CMO/RMBS - FHAMS 04F2																									
32051G-DG-0	1A1		09/26/2016	Direct		6,470	6,470	5,354	5,421				1,048					6,470	0	0	0	266	01/25/2035	1FM	
361856-DD-6	CMO/RMBS - GMACM 04HE2 M1		08/25/2016	Direct		13,590	13,590	13,077	13,227				363					13,590	0	0	0	403	03/25/2033	1FM	
36186Y-AF-2	CMBS - GMACN 07HCKM CTF		09/12/2016	Direct		1,817	1,817	1,806	1,808				9					1,817	0	0	0	5,106	08/10/2052	2	
361894-AG-3	GMALT 141 A4 - ABS		09/20/2016	Direct		445,226	445,226	445,134	445,191				35					445,226	0	0	0	4,151	05/21/2018	1FE	
362341-4F-3	CMO/RMBS - GSR 06AR1 3A1		09/26/2016	Direct		6,077	6,072	5,602	5,621				(451)					6,072	5	5	5	110	01/25/2036	1FM	
36242D-H5-5	CMO/RMBS - GSR 05AR2 1A2		09/26/2016	Direct		0	0	457	457				0					457	0	0	0	8	04/25/2035	1FM	
45254N-ML-8	CMO/RMBS - IIMP1 131 1A2		09/26/2016	Direct		1,011	1,011	1,010	1,025				(14)					1,011	0	0	0	6	04/25/2035	2FM	
458140-AM-2	INTEL CORP		07/06/2016	US Bank		579,436	550,000	547,652	5																

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE D - PART 4

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

1 CUSIP Identifi- cation	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value (Decrease)	Change in Book/Adjusted Carrying Value				16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Design- ation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's Other Than Temporary Impairment Recognized	13 Current Year's Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
76110W-0R-0...	CMO/RMBS - RASC 03KS2 A16		.09/26/2016.	Direct.		.4,505	.4,505	.4,322	.4,419	.85		.85			.4,505		.0	.120	.04/25/2033.	.1FM	
771196-AS-1...	ROCHE HOLDINGS INC.	R.	.08/25/2016.	Redemption.		.121,000	.121,000	.128,621	.123,877		(.543)				.123,334		(.2,334)	.28,377	.03/01/2019.	.1FE	
78473W-AC-7...	CMO/RMBS - STARM 074 2A1		.09/26/2016.	Direct.		.6,510	.6,510	.5,789	.5,870	.641		.641			.6,510		.0	.0	.140	.10/25/2037.	.1FM
81744F-FJ-1...	CMO/RMBS - SEMT 0411 A1		.09/20/2016.	Direct.		.493	.493	.493	.493			.0		.493		.0	.0	.3	.12/20/2034.	.1FM	
81744F-FY-8...	CMO/RMBS - SEMT 0412 A1		.09/20/2016.	Direct.		.425	.425	.425	.425			.0		.425		.0	.0	.3	.01/20/2035.	.1FM	
81745L-AA-1...	CMO/RMBS - SEMT 144 A1		.09/26/2016.	Direct.		.64,025	.64,025	.64,945	.64,887	.863		.863			.64,025		.0	.1,285	.11/25/2044.	.1FM	
85172H-AA-3...	CMO/RMBS - SLMFT 133 A...		.09/26/2016.	Direct.		.23,664	.23,664	.23,661	.23,649	.15		.15		.23,664		.0	.0	.296	.09/25/2057.	.1FM	
86359B-AB-3...	CMO/RMBS - SASC 0415 4A1		.09/26/2016.	Direct.		.3,306	.3,306	.3,306	.3,398	.17		.17		.3,306		.0	.0	.116	.09/25/2019.	.1FM	
88713U-AA-4...	CMBs - TSTAR 061 A...		.07/15/2016.	VARIOUS.		.600,000	.600,000	.583,160	.598,285	.1,715		.1,715			.600,000		.0	.19,838	.10/15/2036.	.1FE	
89114Q-AB-4...	TORONTO DOMINION BANK	I.	.07/14/2016.	Maturity.		.80,000	.80,000	.79,702	.79,966	.34		.34		.80,000		.0	.0	.2,000	.07/14/2016.	.1FE	
89172E-AU-8...	CMO/RMBS - TPMT 161 A1B...		.09/26/2016.	Direct.		.8,075	.8,075	.8,065	.8,065	.10		.10		.8,075		.0	.0	.94	.02/25/2055.	.1FE	
89172Y-AA-8...	TPMT 163 A1 - CMO/RMBS...		.09/26/2016.	Direct.		.4,225	.4,225	.4,219	.4,219	.6		.6		.4,225		.0	.0	.13	.04/25/2056.	.1FE	
89655V-AA-0...	ABS - TRL 031 A...		.09/12/2016.	Direct.		.3,670	.3,670	.3,670	.3,670	.0		.0		.3,670		.0	.0	.138	.10/12/2026.	.1FE	
94981Y-AB-7...	CMO/RMBS - WFMBS 048B A2		.09/26/2016.	Direct.		.4,076	.4,076	.4,090	.4,086	.10		.10		.4,076		.0	.0	.78	.01/25/2035.	.1FM	
949834-AA-3...	CMO/RMBS - WFMBS 0714 1A1		.09/26/2016.	Direct.		.7,932	.8,509	.8,411	.8,398	.111		.111		.8,509		(.577)	(.577)	.340	.10/25/2037.	.3FM	
94983R-AD-6...	2A1...		.09/26/2016.	Direct.		.3,910	.3,958	.3,341	.3,409	.549		.549		.3,958		(.48)	(.48)	.77	.04/25/2036.	.1FM	
94984G-AD-9...	CMO/RMBS - WFMBS 06AR12		.09/26/2016.	Direct.		.5,261	.6,037	.5,424	.5,469	.568		.568		.6,037		(.777)	(.777)	.113	.09/25/2036.	.1FM	
94986F-AB-4...	CMO/RMBS - WFMBS 0712 A6		.09/26/2016.	Direct.		.19,565	.19,565	.18,510	.19,220	.344		.344		.19,565		.0	.0	.723	.09/25/2037.	.1FM	
97651L-AC-5...	CMO/RMBS - WIN 154 A3		.09/20/2016.	Direct.		.46,427	.46,427	.46,949	.46,944	.517		.517		.46,427		.0	.0	.1,106	.06/20/2045.	.1FM	
97652T-AH-6...	CMO/RMBS - WIN 151 A8		.09/20/2016.	Direct.		.48,602	.48,602	.49,498	.49,473	.871		.871		.48,602		.0	.0	.973	.01/20/2045.	.1FM	
98158Q-AD-8...	ABS - WQART 12B A4		.09/15/2016.	Direct.		.234,389	.234,389	.233,373	.234,213	.176		.176		.234,389		.0	.0	.1,378	.01/15/2019.	.1FE	
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						4,741,372	4,699,309	4,657,461	4,539,152	273	17,150	0	17,423	0	4,693,345	0	48,027	48,027	150,331	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						8,199,407	8,069,633	8,150,081	6,650,792	273	(10,301)	0	(10,028)	0	8,077,382	0	122,025	122,025	262,212	XXX	XXX
8399999 - Subtotals - Bonds						8,199,407	8,069,633	8,150,081	6,650,792	273	(10,301)	0	(10,028)	0	8,077,382	0	122,025	122,025	262,212	XXX	XXX
9999999 Totals						8,199,407	XXX	8,150,081	6,650,792	273	(10,301)	0	(10,028)	0	8,077,382	0	122,025	122,025	262,212	XXX	XXX

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

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

SCHEDULE E - PART 1 - CASH

Month End Depository Balances							9
1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter		
					6 First Month	7 Second Month	8 Third Month
Open Depositories							
JP Morgan Chase Bank, N.A., Chicago, IL					10,931,034	7,626,727	2,019,474
0199998 Deposits in .3 depositories that do not exceed the allowable limit in any one depository (See Instructions) - Open Depositories	XXX	XXX		17	58,577	59,950	65,728
0199999 Total Open Depositories	XXX	XXX	0	17	10,989,611	7,686,677	2,085,202
0399999 Total Cash on Deposit	XXX	XXX	0	17	10,989,611	7,686,677	2,085,202
0499999 Cash in Company's Office	XXX	XXX	XXX	XXX			XXX
0599999 Total	XXX	XXX	0	17	10,989,611	7,686,677	2,085,202

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE BCS Insurance Company

Schedule E - Part 2

NONE

Supp "A" to T - Physicians

NONE

Supp "A" to T - Hospitals

NONE



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE BCS Insurance Company

Designate the type of health care providers reported on this page.

Other Health Care Professionals

SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL							
2. Alaska	AK							
3. Arizona	AZ							
4. Arkansas	AR							
5. California	CA							
6. Colorado	CO							
7. Connecticut	CT							
8. Delaware	DE							
9. District of Columbia	DC							
10. Florida	FL							
11. Georgia	GA							
12. Hawaii	HI							
13. Idaho	ID							
14. Illinois	IL							
15. Indiana	IN							
16. Iowa	IA							
17. Kansas	KS							
18. Kentucky	KY							
19. Louisiana	LA							
20. Maine	ME							
21. Maryland	MD							
22. Massachusetts	MA							
23. Michigan	MI							
24. Minnesota	MN							
25. Mississippi	MS							
26. Missouri	MO							
27. Montana	MT							
28. Nebraska	NE							
29. Nevada	NV							
30. New Hampshire	NH							
31. New Jersey	NJ							
32. New Mexico	NM							
33. New York	NY							
34. North Carolina	NC							
35. North Dakota	ND							
36. Ohio	OH							
37. Oklahoma	OK							
38. Oregon	OR							
39. Pennsylvania	PA	101,618	76,071	0	0	0	0	175,000
40. Rhode Island	RI							
41. South Carolina	SC							
42. South Dakota	SD							
43. Tennessee	TN							
44. Texas	TX							
45. Utah	UT							
46. Vermont	VT							
47. Virginia	VA							
48. Washington	WA							
49. West Virginia	WV							
50. Wisconsin	WI							
51. Wyoming	WY							
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. U.S. Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate other alien	OT	0	0	0	0	0	0	0
59. Totals		101,618	76,071	0	0	0	0	175,000
DETAILS OF WRITE-INS								
58001.								
58002.								
58003.								
58998. Sum. of remaining write-ins for Line 58 from overflow page		0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)		0	0	0	0	0	0	0



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE BCS Insurance Company

Designate the type of health care providers reported on this page.

Other Health Care Facilities

SUPPLEMENT "A" TO SCHEDULE T
EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN
ALLOCATED BY STATES AND TERRITORIES

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL.							
2. Alaska	AK.							
3. Arizona	AZ.							
4. Arkansas	AR.							
5. California	CA.							
6. Colorado	CO.							
7. Connecticut	CT.							
8. Delaware	DE.							
9. District of Columbia	DC.							
10. Florida	FL.							
11. Georgia	GA.							
12. Hawaii	HI.							
13. Idaho	ID.							
14. Illinois	IL.							
15. Indiana	IN.							
16. Iowa	IA.							
17. Kansas	KS.							
18. Kentucky	KY.							
19. Louisiana	LA.							
20. Maine	ME.							
21. Maryland	MD.							
22. Massachusetts	MA.							
23. Michigan	MI.							
24. Minnesota	MN.							
25. Mississippi	MS.							
26. Missouri	MO.							
27. Montana	MT.							
28. Nebraska	NE.							
29. Nevada	NV.							
30. New Hampshire	NH.							
31. New Jersey	NJ.							
32. New Mexico	NM.							
33. New York	NY.							
34. North Carolina	NC.							
35. North Dakota	ND.							
36. Ohio	OH.							
37. Oklahoma	OK.							
38. Oregon	OR.							
39. Pennsylvania	PA.							
40. Rhode Island	RI.							
41. South Carolina	SC.							
42. South Dakota	SD.							
43. Tennessee	TN.							
44. Texas	TX.							
45. Utah	UT.							
46. Vermont	VT.							
47. Virginia	VA.							
48. Washington	WA.							
49. West Virginia	WV.							
50. Wisconsin	WI.							
51. Wyoming	WY.							
52. American Samoa	AS.							
53. Guam	GU.							
54. Puerto Rico	PR.							
55. U.S. Virgin Islands	VI.							
56. Northern Mariana Islands	MP.							
57. Canada	CAN.							
58. Aggregate other alien	OT.	0	0	0	0	0	0	0
59. Totals		0	0	0	0	0	0	0
DETAILS OF WRITE-INS								
58001.								
58002.								
58003.								
58998. Sum. of remaining write-ins for Line 58 from overflow page	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	0	0	0	0	0	0	0	0



SUPPLEMENT FOR THE QUARTER ENDING SEPTEMBER 30, 2016 OF THE BCS Insurance Company

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2016

NAIC Group Code 00023

NAIC Company Code 38245

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
\$ 14,106,944	\$ 10,466,843	\$ 51,029,196

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 [] No [X]

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 [] No [X]

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: \$ 0

2.32 Amount estimated using reasonable assumptions: \$ 0

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. \$ 0