



QUARTERLY STATEMENT

As of March 31, 2018
of the Condition and Affairs of the

Falls Lake National Insurance Company

NAIC Group Code.....3494, 3494	NAIC Company Code..... 31925	Employer's ID Number..... 42-1019055
(Current Period) (Prior Period)		
Organized under the Laws of OH	State of Domicile or Port of Entry OH	Country of Domicile US
Incorporated/Organized..... February 6, 1974	Commenced Business..... February 21, 1974	
Statutory Home Office	52 East Gay Street .. Columbus .. OH .. US .. 43215 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	919-882-3500 <i>(Area Code) (Telephone Number)</i>
Mail Address	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	919-882-3500 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address		
Statutory Statement Contact	Aileen K. Celentano <i>(Name)</i> accounting@fallslakeins.com <i>(E-Mail Address)</i>	919-882-3536 <i>(Area Code) (Telephone Number) (Extension)</i> 888-698-7290 <i>(Fax Number)</i>

OFFICERS

Name	Title	Name	Title
1. Steven J. Hartman	President/CEO	2. Thomas R. Fauerbach	Secretary
3. Patricia A. Sells #	Treasurer and Controller	4. Sarah C. Doran	Chairman

OTHER

Michael E. Crow #	Acting Chief Financial Officer	Joseph R. Raia #	Assistant Secretary
David B. Zoffer #	Senior VP and General Counsel		

DIRECTORS OR TRUSTEES

Sarah C. Doran	Steven J. Hartman	Michael E. Crow	Thomas R. Fauerbach
Joseph R. Raia			

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

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC *Annual Statement Instructions and Accounting Practices and Procedures* manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

_____ (Signature) Steven J. Hartman 1. (Printed Name) President/CEO _____ (Title)	_____ (Signature) Thomas R. Fauerbach 2. (Printed Name) Secretary _____ (Title)	_____ (Signature) Patricia A. Sells 3. (Printed Name) Treasurer and Controller _____ (Title)
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Subscribed and sworn to before me This _____ day of _____	a. Is this an original filing? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No []	
	b. If no: 1. State the amendment number _____	
	2. Date filed _____	
	3. Number of pages attached _____	

ASSETS

	Current Statement Date			4
	1	2	3	December 31 Prior Year Net Admitted Assets
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	8,943,769		8,943,769	8,832,829
2. Stocks:				
2.1 Preferred stocks.....	1,616,633		1,616,633	1,621,639
2.2 Common stocks.....	71,811,186		71,811,186	45,765,324
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....9,180,408), cash equivalents (\$.....2,676,301) and short-term investments (\$.....373,166).....	12,229,875		12,229,875	7,736,862
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	395,000		395,000	2,500,000
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	10,000	10,000	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	95,006,463	10,000	94,996,463	66,456,654
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	83,800		83,800	81,028
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	22,284,792	112,736	22,172,056	24,900,797
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	9,372,577		9,372,577	7,394,880
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	23,033,883		23,033,883	15,657,528
16.2 Funds held by or deposited with reinsured companies.....	218,320,342		218,320,342	207,128,400
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	
18.2 Net deferred tax asset.....	859,375	712,838	146,537	89,431
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	19,000,000		19,000,000	202,492
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	0	0	0	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	387,961,232	835,574	387,125,658	321,911,210
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	387,961,232	835,574	387,125,658	321,911,210

DETAILS OF WRITE-INS

1101. Other investment receivable.....	10,000	10,000	0	
1102.			0	
1103.			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	10,000	10,000	0	0
2501. Claim Funds on Deposit.....			0	
2502.			0	
2503.			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0	0	0

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....710,092).....	8,001,484	7,791,290
2. Reinsurance payable on paid losses and loss adjustment expenses.....	15,591,991	13,810,223
3. Loss adjustment expenses.....	4,888,588	4,775,544
4. Commissions payable, contingent commissions and other similar charges.....	2,301,705	1,881,892
5. Other expenses (excluding taxes, licenses and fees).....	619,585	554,401
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,954,736	2,123,478
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	224,883	167,777
7.2 Net deferred tax liability.....		
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....63,760,671 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	2,832,715	2,392,131
10. Advance premium.....		
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	31,952,559	30,820,635
13. Funds held by company under reinsurance treaties.....	209,363,873	199,215,945
14. Amounts withheld or retained by company for account of others.....	85,566	85,566
15. Remittances and items not allocated.....	399,839	68,392
16. Provision for reinsurance (including \$.....0 certified).....	39,170	39,170
17. Net adjustments in assets and liabilities due to foreign exchange rates.....		
18. Drafts outstanding.....		
19. Payable to parent, subsidiaries and affiliates.....	24,155,930	
20. Derivatives.....		
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	128,548	106,395
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	302,541,172	263,832,839
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	302,541,172	263,832,839
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	4,200,000	4,200,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	67,558,551	43,558,551
35. Unassigned funds (surplus).....	12,825,935	10,319,820
36. Less treasury stock, at cost:		
36.10.000 shares common (value included in Line 30 \$.....0).....		
36.20.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	84,584,486	58,078,371
38. Totals (Page 2, Line 28, Col. 3).....	387,125,658	321,911,210

DETAILS OF WRITE-INS

2501. Policyholder deposits.....	59,305	75,093
2502. Excise Tax Payable.....	29,026	28,936
2503. Deferred Ceding Commission.....	40,217	2,366
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	128,548	106,395
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$....19,975,085).....	17,232,717	18,132,023	73,910,060
1.2 Assumed..... (written \$....27,258,898).....	20,979,544	32,819,719	85,579,578
1.3 Ceded..... (written \$....45,284,111).....	36,702,972	48,616,422	153,339,350
1.4 Net..... (written \$....1,949,872).....	1,509,289	2,335,320	6,150,288
DEDUCTIONS:			
2. Losses incurred (current accident year \$....718,264):			
2.1 Direct.....	9,777,008	9,509,531	51,386,171
2.2 Assumed.....	8,651,972	19,176,295	32,755,091
2.3 Ceded.....	17,797,294	27,328,255	81,698,632
2.4 Net.....	631,686	1,357,571	2,442,630
3. Loss adjustment expenses incurred.....	495,225	700,585	1,676,748
4. Other underwriting expenses incurred.....	246,978	337,447	1,525,091
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	1,373,889	2,395,603	5,644,469
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	135,400	(60,283)	505,819
INVESTMENT INCOME			
9. Net investment income earned.....	77,068	88,293	330,234
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....		(4,895)	(14,998)
11. Net investment gain (loss) (Lines 9 + 10).....	77,068	83,398	315,236
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....1 amount charged off \$.....0).....	1		9
13. Finance and service charges not included in premiums.....	3,006	2,210	8,305
14. Aggregate write-ins for miscellaneous income.....	0	0	0
15. Total other income (Lines 12 through 14).....	3,007	2,210	8,314
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	215,475	25,325	829,369
17. Dividends to policyholders.....			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17).....	215,475	25,325	829,369
19. Federal and foreign income taxes incurred.....	57,106	(12,047)	113,656
20. Net income (Line 18 minus Line 19) (to Line 22).....	158,369	37,372	715,713
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	58,078,371	56,705,930	56,705,930
22. Net income (from Line 20).....	158,369	37,372	715,713
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	2,040,856	874,828	800,874
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	(21,796)	48,395	(674,181)
27. Change in nonadmitted assets.....	328,686	(67,424)	(43,322)
28. Change in provision for reinsurance.....	(0)	0	573,357
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....	24,000,000		
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	26,506,115	893,171	1,372,441
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	84,584,486	57,599,101	58,078,371

DETAILS OF WRITE-INS

0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	0	0
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	4,082,625	958,332	4,692,108
2. Net investment income.....	90,812	102,730	382,589
3. Miscellaneous income.....	3,007	2,210	8,314
4. Total (Lines 1 through 3).....	4,176,444	1,063,272	5,083,011
5. Benefit and loss related payments.....	17,208,021	11,879,397	(23,686,738)
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	312,904	1,817,783	4,557,496
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....			5,835
10. Total (Lines 5 through 9).....	17,520,925	13,697,180	(19,123,407)
11. Net cash from operations (Line 4 minus Line 10).....	(13,344,481)	(12,633,908)	24,206,418
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,083,656	1,623,066	4,216,908
12.2 Stocks.....			387,500
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....			(39)
12.7 Miscellaneous proceeds.....	2,105,000		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	3,188,656	1,623,066	4,604,369
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,211,113	269,758	729,360
13.2 Stocks.....	24,000,000	1,000,000	1,000,000
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			2,510,000
13.7 Total investments acquired (Lines 13.1 to 13.6).....	25,211,113	1,269,758	4,239,360
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(22,022,457)	353,308	365,009
CASH FROM FINANCING AND MISCELLANEOUS SOURCES			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....	24,000,000		
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	15,859,950	10,722,707	(25,860,595)
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	39,859,950	10,722,707	(25,860,595)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	4,493,012	(1,557,893)	(1,289,168)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	7,736,862	9,026,029	9,026,029
19.2 End of period (Line 18 plus Line 19.1).....	12,229,874	7,468,137	7,736,862

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

20.0001			
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NOTES TO FINANCIAL STATEMENTS**Note 1 – Summary of Significant Accounting Policies and Going Concern**

A. Accounting Practices

	SSAP #	F/S Page	F/S Line #	2018	2017
NET INCOME					
(1) The Company state basis (Page 4, Line 20, Columns 1 & 2)	XXX	XXX	XXX	\$ 158,369	\$ 715,713
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 158,369	\$ 715,713
SURPLUS					
(5) The Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 84,584,486	\$ 58,078,371
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 84,584,486	\$ 58,078,371

On March 28, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$5,000,000 of additional Paid in Surplus to the Company.

Effective March 31, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$19,000,000 of additional Paid in Surplus to the Company in accordance with SSAP No. 72, Surplus and Quasi-Reorganizations, paragraph 8.

Also see Notes 10 and 22.

C. Accounting Policy

(6) Basis for Loan-Backed Securities and Adjustment Methodology

The Company does not have any loan-backed securities.

D. Going Concern

The Company does not have substantial doubt about the entity's ability to continue as a going concern.

Note 2 – Accounting Changes and Corrections of Errors

No significant changes

Note 3 – Business Combinations and Goodwill

Not applicable

Note 4 – Discontinued Operations

Not applicable

Note 5 – Investments

D. Loan-Backed Securities

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

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$	17,979
	2. 12 Months or Longer	\$	32,437
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	640,012
	2. 12 Months or Longer	\$	764,440

E. Dollar Repurchase Agreements and/or Securities Lending Transactions -- Not applicable

F. Repurchase Agreements Transactions Accounted for as Secured Borrowing -- Not applicable

G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing
Repurchase Transactions – Cash Provider – Overview of Secured Borrowing Transactions

Not applicable

H. Repurchase Agreements Transactions Accounted for as a Sale
Repurchase Transaction – Cash Taker – Overview of Sale Transactions

NOTES TO FINANCIAL STATEMENTS

Not applicable

- I. Reverse Repurchase Agreements Transactions Accounted for as a Sale
Repurchase Transaction – Cash Provider – Overview of Sale Transactions

Not applicable

- M. Working Capital Finance Investments -- Not applicable

- N. Offsetting and Netting of Assets and Liabilities -- Not applicable

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

No significant changes

Note 7 – Investment Income

No significant changes

Note 8 – Derivative Instruments

Not applicable

Note 9 – Income Taxes

The effective tax rate decreased for the three months ended March 31, 2018 from the rate in the prior year primarily as a result of the application of the Tax Cuts and Jobs Act of 2017 (the "Act"), which, among other things, reduced the Federal statutory tax rate to 21% (previously this rate was 35%).

No other significant changes

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

On March 28, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$5,000,000 of additional Paid in Surplus to the Company. Approval for this transaction was both made to and approved by the Ohio Department of Insurance.

Effective March 31, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$19,000,000 of additional Paid in Surplus to the Company in accordance with **SSAP No. 72, Surplus and Quasi-Reorganizations**, paragraph 8. Approval for the transaction was both made to and approved by the Ohio Department of Insurance. The funds were transferred from the Company's immediate parent on April 18, 2018, May 2, 2018 and May 3, 2018 in the amounts of \$4,000,000, \$10,000,000, and \$5,000,000 respectively.

Concurrently with the request noted in the preceding paragraph, effective March 31, 2018, the Company contributed \$24,000,000 of additional Paid in Surplus to its wholly owned subsidiary, Falls Lake Fire and Casualty, a California company, in accordance with **SSAP No. 72, Surplus and Quasi-Reorganizations**, paragraph 8. Approval for this transaction was both made to and approved by the Ohio and California Departments of Insurance. Transfer of funds from the Company to Falls Lake Fire and Casualty was completed on May 8, 2018..

Also see Note 22 - Subsequent Events

Note 11 – Debt

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

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

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

(4) Not applicable

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

On March 31, 2017, the Company contributed additional Paid in Surplus of \$1,000,000 to its wholly-owned subsidiary, Falls Lake General Insurance Company, an Ohio Corporation.

Note 14 – Liabilities, Contingencies and Assessments

No significant changes

Note 15 – Leases

Not applicable

Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk

Not applicable

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

- B. Transfer and Servicing of Financial Assets

(2) Servicing Assets and Servicing Liabilities
Not applicable

(4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales
Not applicable

NOTES TO FINANCIAL STATEMENTS

C. Wash Sales

- (1) Description of the Objectives Regarding These Transactions
The Company did not enter into any wash sale transactions during 2018.
- (2) The details by NAIC designation 3 or below, or unrated of securities sold during the year ended December 31, 2018 and reacquired within 30 days of the sale date are:
Not applicable

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

Not applicable

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

No significant changes

Note 20 – Fair Value Measurements

A. Fair Value Measurements

- (1) Fair Value Measurements at Reporting Date

The Company does not have any liabilities reported at fair value at March 31, 2018

	Level 1	Level 2	Level 3	Total	Net Asset Value (NAV) Included in Level 2
Assets at Fair Value					
Bonds are reported at amortized cost	\$	\$	\$	\$	\$
Preferred Stock	\$	\$ 1,416,908	\$	\$ 1,416,908	\$ 1,416,908
Short-term investments are carried at amortized cost	\$	\$	\$	\$	\$
Cash Equivalents are carried at amortized cost	\$	\$	\$	\$	\$
Total	\$	\$ 1,416,908	\$	\$ 1,416,908	\$ 1,416,908
Liabilities at Fair Value					
Not applicable	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

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

Not applicable

- (3) Policies when Transfers Between Levels are Recognized

Not applicable

- (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

Not applicable

- (5) Fair Value Disclosures

Not applicable

B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

Not applicable

C. Fair Value Level

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)	Net Asset Value (NAV) Included in Level 2
Bonds are reported at amortized cost	\$ 8,904,689	\$ 8,943,769	\$ 2,751,630	\$ 6,153,059	\$	\$	\$
Preferred Stock	\$ 1,620,308	\$ 1,616,633	\$	\$ 1,620,308	\$	\$	\$
Short-term investments are carried at amortized cost	\$ 373,166	\$ 373,166	\$	\$ 373,166	\$	\$	\$
Cash Equivalents are carried at amortized cost	\$ 2,676,300	\$ 2,676,300	\$ 2,676,300	\$	\$	\$	\$

D. Not Practicable to Estimate Fair Value

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

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

NOTES TO FINANCIAL STATEMENTS

On March 28, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$5,000,000 of additional Paid in Surplus to the Company. Approval for this transaction was both made to and approved by the Ohio Department of Insurance.

Effective March 31, 2018 the Company's immediate parent, James River Group, Inc., a Delaware Corporation, contributed \$19,000,000 of additional Paid in Surplus to the Company in accordance with **SSAP No. 72, Surplus and Quasi-Reorganizations**, paragraph 8. Approval for the transaction was both made to and approved by the Ohio Department of Insurance. The funds were transferred from the Company's immediate parent on April 18, 2018, May 2, 2018 and May 3, 2018 in the amounts of \$4,000,000, \$10,000,000, and \$5,000,000 respectively.

Concurrently with the request noted in the preceding paragraph, effective March 31, 2018, the Company contributed \$24,000,000 of additional Paid in Surplus to its wholly owned subsidiary, Falls Lake Fire and Casualty, a California company, in accordance with **SSAP No. 72, Surplus and Quasi-Reorganizations**, paragraph 8. Approval for this transaction was both made to and approved by the Ohio and California Departments of Insurance. Transfer of funds from the Company to Falls Lake Fire and Casualty was completed on May 8, 2018.

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

Note 23 – Reinsurance

No significant changes

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

F. Risk Sharing Provisions of the Affordable Care Act

Not applicable

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

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

	<u>03/31/2018</u>	<u>12/31/2017</u>
Reserves, Net of Reinsurance Recoverables at		
Beginning of Year	\$ 12,566,832	\$ 13,991,871
Add: Provision of Claims Occurring During:		
Current Year	1,189,559	4,748,342
Prior Years	(62,647)	(628,967)
Incurred Losses/Expenses	<u>1,126,912</u>	<u>4,119,375</u>
Deduct: Payments for Claims Occurring During:		
Current Year	31,613	423,393
Prior Years	772,060	5,121,021
	<u>803,673</u>	<u>5,544,414</u>
Reserves, net of Reins Recoverables at End of Period	<u>\$ 12,890,071</u>	<u>\$ 12,566,832</u>

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by approximately \$63,000 in 2018, resulting primarily from the other liability line of business. This change is the result of an ongoing analysis of recent development trends and additional information regarding individual claims. These results are attributable to the business retained from the intercompany reinsurance pooling agreement.

Note 26 – Intercompany Pooling Arrangements

A.-D.

Falls Lake National Insurance Company is the lead company in an intercompany reinsurance pooling arrangement (the pooling) with its United States affiliated insurance carriers, which was effective January 1, 2013. Prior to January 1, 2017, all lines of business were subject to the pooling net of any outside reinsurance coverage carried by the participants. Net business included business in force on January 1, 2013 and all business written subsequent to that date. The pooling provides for proportionate sharing of premiums earned, losses and loss adjustment expenses incurred, and underwriting expenses incurred.

The participation percentages are as follows:

Falls Lake National Insurance Company (Lead Company)	NAIC #31925	7%
James River Insurance Company	NAIC #12203	61%
Stonewood Insurance Company	NAIC #11828	14%
James River Casualty Company	NAIC #13685	9%
Falls Lake General Insurance Company	NAIC #35211	3%
Falls Lake Fire and Casualty Company	NAIC #15884	6%

Effective January 1, 2017, the intercompany reinsurance pooling agreement was revised to exclude the James River Insurance Company's commercial auto line of business. The current participating companies have received approval of the revised agreement with their States of domicile (NC, OH, VA, and CA). This agreement supercedes the previous pooling agreement effective January 1, 2016. There were no other changes made to the pooling agreement, all participation percentages remain as reported as of December 31, 2016.

E.-G.

No significant changes

Note 27 – Structured Settlements

Not applicable

NOTES TO FINANCIAL STATEMENTS

Note 28 – Health Care Receivables

Not applicable

Note 29 – Participating policies

Not applicable

Note 30 – Premium Deficiency Reserves

No significant changes

Note 31 – High Deductibles

Not applicable

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

Not applicable

Note 33 – Asbestos/Environmental Reserves

No significant changes

Note 34 – Subscriber Savings Accounts

Not applicable

Note 35 – Multiple Peril Crop Insurance

Not applicable

Note 36 – Financial Guaranty Insurance

B. Schedule of Insured Financial Obligations at the End of the Period:

The Company does not write financial guaranty insurance contracts.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

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

2.2 If yes, date of change:

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes 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

3.3 If the response to 3.2 is yes, provide a brief description of those changes.
Carolina Re Ltd., a Bermuda based U.S. taxpaying reinsurer was incorporated January 2018.

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes No

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group. 1620459

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

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

1 Name of Entity	2 NAIC Company Code	3 State of Domicile
Not applicable		

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes No N/A
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. 12/31/2014

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

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

6.4 By what department or departments?
Ohio Department of Insurance

6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes No N/A

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

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

7.2 If yes, give full information:

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

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

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

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

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC
Not applicable					

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

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

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

FINANCIAL

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 19,000,000

INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes No
- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes No

14.2 If yes, please complete the following:

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	45,765,324	71,811,186
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 45,765,324	\$ 71,811,186
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

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

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 0

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

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

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

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

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

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

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

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

17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such ["...that have access to the investment accounts", "handle securities"].

1 Name of Firm or Individual	2 Affiliation
New England Asset Management, Inc.	U

17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") manage more than 10% of the reporting entity's assets? Yes No

17.5098 For firms/individuals unaffiliated with the reporting entity (i.e., designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's assets? Yes No

17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105900	New England Asset Management, Inc.	KUR85E5PS4GQFZTFC130	SEC	NO

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

18.2 If no, list exceptions:

19. By self-designating 5*GI securities, the reporting entity is certifying the following elements for each self-designated 5*GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

- b. Issuer or obligor is current on all contracted interest and principal payments.
 - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5*GI securities?

Yes [] No [X]

GENERAL INTERROGATORIES (continued)

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [X] N/A []
 If yes, attach an explanation.

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

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

3.2 If yes, give full and complete information thereto:

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

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
	0.000	0.000	0	0	0	0	0	0	0	0
Total	XXX	XXX	0	0	0	0	0	0	0	0

5.1 Operating Percentages:

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

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No []

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [] No []

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating
Affiliates						
00000.....	98-1412720.....	Carolina Re, Ltd.....	BMU.....	Unauthorized...
U.S. Insurers						
20699.....	06-0237820.....	Chubb Tempest Re US.....	PA.....	Authorized.....

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....AL.....L.....		147,751	37,691	16,375	7,595	113,335	(129,409)
2. Alaska.....AK.....L.....							
3. Arizona.....AZ.....L.....		413,025	246,320	205,986	82,782	1,264,666	1,292,276
4. Arkansas.....AR.....L.....		11,598	96,945	34,715	(1,452)	390,258	291,702
5. California.....CA.....N.....							
6. Colorado.....CO.....L.....		10,405	259,894	75,657	118,317	332,410	381,244
7. Connecticut.....CT.....L.....							
8. Delaware.....DE.....L.....		53,689	81,405	15,762		3,554	2,838
9. District of Columbia.....DC.....L.....			35,518		5,808	30,703	34,113
10. Florida.....FL.....L.....		2,686,506	(39,480)	1,284,772	168,913	4,338,463	3,867,306
11. Georgia.....GA.....L.....		390,674	248,141	147,221	52,022	495,607	482,615
12. Hawaii.....HI.....L.....							
13. Idaho.....ID.....L.....		17,888	99,078	91,587	228,718	1,193,941	437,548
14. Illinois.....IL.....L.....		154,223	294,500	127,205	117,546	1,946,791	1,749,283
15. Indiana.....IN.....L.....		64,006	(18,162)	66,205	284,288	497,886	1,421,627
16. Iowa.....IA.....L.....		(1,576)	5,354	67,638	8,615	3,861	128,194
17. Kansas.....KS.....L.....		1,338			362	9,932	37,894
18. Kentucky.....KY.....L.....		105,587	179,218	312,664	127,461	1,576,915	1,126,048
19. Louisiana.....LA.....L.....		52,331	1,961	245,965	70,417	1,019,658	788,971
20. Maine.....ME.....N.....							
21. Maryland.....MD.....L.....		358,481	166,080	138,755	36,778	470,960	491,262
22. Massachusetts.....MA.....L.....		357,856	299,977	65,077	4,050	483,142	220,794
23. Michigan.....MI.....L.....		118,339	235,478	14,521		446,486	21,112
24. Minnesota.....MN.....L.....		17,967	(16,412)			22,424	26,361
25. Mississippi.....MS.....L.....		135,418	65,070	4,196	123,284	261,819	35,168
26. Missouri.....MO.....L.....		47,526	2,695	944	23,887	104,775	128,367
27. Montana.....MT.....L.....		2,480	(755)			6,018	25,897
28. Nebraska.....NE.....L.....		(518)	(1,659)	3,344	12,809	187,967	215,066
29. Nevada.....NV.....L.....		266,801	260,852	141,780	108,054	2,553,773	1,147,191
30. New Hampshire.....NH.....L.....		9,569	44,494	60,166		(13,587)	30,196
31. New Jersey.....NJ.....L.....		2,536,956	1,711,714	1,030,861	302,010	7,208,987	4,651,432
32. New Mexico.....NM.....L.....		138,423	2,541,201	430,621	942,071	7,935,010	9,295,214
33. New York.....NY.....L.....		9,204,443	5,754,532	1,269,919	861,478	21,586,671	11,016,504
34. North Carolina.....NC.....L.....		256,890	125,735	261,124	6,858	246,582	49,785
35. North Dakota.....ND.....L.....		(2,934)	17,460	691	204,042	61,696	76,736
36. Ohio.....OH.....L.....		10,412	71,815	51,411	151,213	497,904	340,046
37. Oklahoma.....OK.....L.....		2,102		(329)	11,552	72,048	109,173
38. Oregon.....OR.....L.....		2,045	(104,782)	208,042	45,311	169,183	324,330
39. Pennsylvania.....PA.....L.....		615,910	594,874	985,783	77,855	3,062,589	1,637,736
40. Rhode Island.....RI.....L.....		380,782	285,087	447,995		474,620	347,956
41. South Carolina.....SC.....L.....		139,983	28,858		6,167	209,675	159,740
42. South Dakota.....SD.....L.....		18,615				19,066	
43. Tennessee.....TN.....L.....		149,775	82,839	707,463	20,497	457,631	845,364
44. Texas.....TX.....L.....		918,060	3,633,912	927,299	5,686,504	13,072,482	10,626,380
45. Utah.....UT.....L.....		47,808	277,014	22,756	9,681	259,934	88,656
46. Vermont.....VT.....L.....						78,907	911
47. Virginia.....VA.....L.....		98,708	118,657	54,132	24,023	213,425	299,216
48. Washington.....WA.....L.....		6,727	(57,408)	49,510	7,560	111,876	58,245
49. West Virginia.....WV.....L.....		3,792	474			(44,010)	(819)
50. Wisconsin.....WI.....L.....		23,974	6,429	21,084		(18,168)	1,117
51. Wyoming.....WY.....L.....		1,250				77	
52. American Samoa.....AS.....N.....							
53. Guam.....GU.....N.....							
54. Puerto Rico.....PR.....N.....							
55. US Virgin Islands.....VI.....N.....							
56. Northern Mariana Islands.....MP.....N.....							
57. Canada.....CAN.....N.....							
58. Aggregate Other Alien.....OT.....XXX.....		0	0	0	0	0	0
59. Totals.....	XXX	19,975,085	17,672,614	9,588,897	9,937,076	73,417,942	54,181,386

DETAILS OF WRITE-INS

58001.....	XXX						
58002.....	XXX						
58003.....	XXX						
58998. Summary of remaining write-ins for Line 58 from overflow page....	XXX	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ Line 58998) (Line 58 above).....	XXX	0	0	0	0	0	0

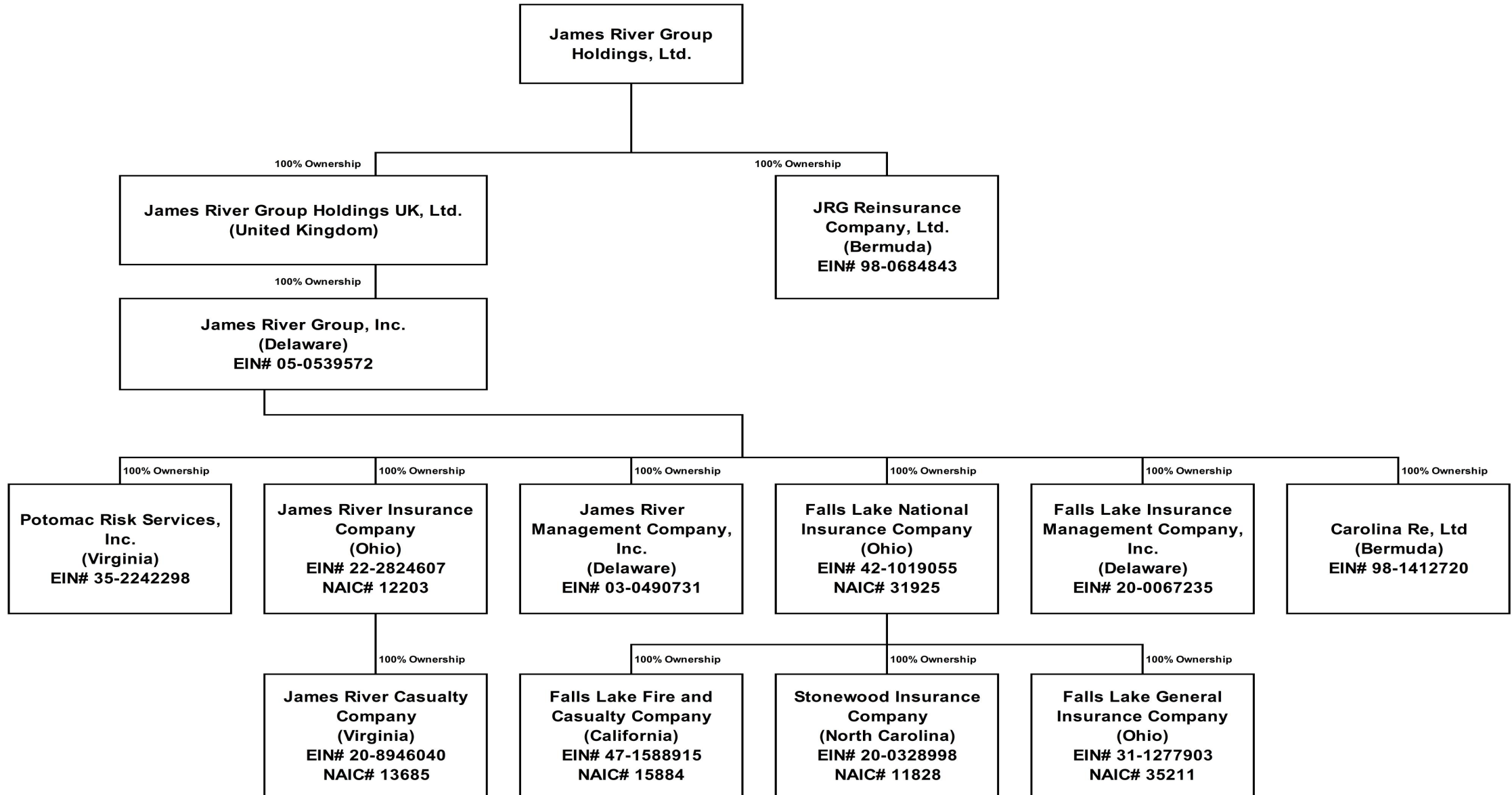
(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	49	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0	Q - Qualified - Qualified or accredited reinsurer.....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0	N - None of the above - Not allowed to write business in the state.....	8

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

PART 1 – ORGANIZATIONAL CHART

Q11



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

PART 1 – ORGANIZATIONAL CHART

Q11.1

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Required? (Y/N)	*
Members															
			98-0585280		1620459	OQ	James River Group Holdings, Ltd.	BMU	UIP					N	
							James River Group Holdings UK, Ltd.	GBR	UIP	James River Group Holdings, Ltd.	Ownership	100.000	James River Group Holdings, Ltd.	N	
			05-0539572				James River Group, Inc.	DE	UDP	James River Group Holdings UK, Ltd.	Ownership	100.000	James River Group Holdings, Ltd.	N	
			98-0684843				JRG Reinsurance Company, Ltd.	BMU	IA	James River Group Holdings, Ltd.	Ownership	100.000	James River Group Holdings, Ltd.	N	
			35-2242298				Potomac Risk Services Inc.	VA	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	12203	22-2824607				James River Insurance Company	OH	IA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
			03-0490731				James River Management Company, Inc.	DE	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	13685	20-8946040				James River Casualty Company	VA	IA	James River Insurance Company	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	31925	42-1019055				Falls Lake National Insurance Company	OH	RE	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
			20-0067235				Falls Lake Insurance Management Company, Inc.	DE	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	00000	98-1412720				Carolina Re, Ltd.	BMU	IA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	15884	47-1588915				Falls Lake Fire and Casualty Company	CA	DS	Falls Lake National Insurance Company	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	11828	20-0328998				Stonewood Insurance Company	NC	DS	Falls Lake National Insurance Company	Ownership	100.000	James River Group Holdings, Ltd.	N	
3494	James River Insurance Group	35211	31-1277903				Falls Lake General Insurance Company	OH	DS	Falls Lake National Insurance Company	Ownership	100.000	James River Group Holdings, Ltd.	N	

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PART 1 - LOSS EXPERIENCE

Lines 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.....	4,467	2,620	58.652	165,567
2. Allied lines.....	5,888	3,923	66.627	(84,247)
3. Farmowners multiple peril.....			0.000	
4. Homeowners multiple peril.....			0.000	
5. Commercial multiple peril.....	3,242,620	2,188,065	67.478	3,582
6. Mortgage guaranty.....			0.000	
8. Ocean marine.....			0.000	
9. Inland marine.....	327,595	80,395	24.541	(64,297)
10. Financial guaranty.....			0.000	
11.1. Medical professional liability - occurrence.....			0.000	
11.2. Medical professional liability - claims-made.....			0.000	
12. Earthquake.....			0.000	
13. Group accident and health.....			0.000	
14. Credit accident and health.....			0.000	
15. Other accident and health.....			0.000	
16. Workers' compensation.....	1,983,866	1,352,870	68.194	113,515
17.1. Other liability-occurrence.....	3,426,777	47,526	1.387	63,786
17.2. Other liability-claims made.....	444,409	209,953	47.243	95,205
17.3. Excess workers' compensation.....			0.000	
18.1. Products liability-occurrence.....	62,478	(11,925)	(19.087)	(96,131)
18.2. Products liability-claims made.....			0.000	
19.1, 19.2. Private passenger auto liability.....			0.000	
19.3, 19.4. Commercial auto liability.....	6,033,265	4,904,068	81.284	74,477
21. Auto physical damage.....	1,667,779	992,077	59.485	27,172
22. Aircraft (all perils).....			0.000	
23. Fidelity.....			0.000	
24. Surety.....			0.000	
26. Burglary and theft.....	336	804	239.286	(3,587)
27. Boiler and machinery.....	33,237	6,632	19.954	(9,838)
28. Credit.....			0.000	
29. International.....			0.000	
30. Warranty.....			0.000	
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	0.000	
35. Totals.....	17,232,717	9,777,008	56.735	52,446

DETAILS OF WRITE-INS

3401.....			0.000	
3402.....			0.000	
3403.....			0.000	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.000	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.000	

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			11,557
2. Allied lines.....			13,304
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....	3,456,736	3,456,736	4,032,302
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....	156,211	156,211	463,813
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	1,976,431	1,976,431	765,408
17.1. Other liability-occurrence.....	3,461,839	3,461,839	3,409,627
17.2. Other liability-claims made.....	299,717	299,717	312,843
17.3. Excess workers' compensation.....			
18.1. Products liability-occurrence.....	21,629	21,629	93,909
18.2. Products liability-claims made.....			
19.1, 19.2. Private passenger auto liability.....			
19.3, 19.4. Commercial auto liability.....	8,660,923	8,660,923	6,789,588
21. Auto physical damage.....	1,897,967	1,897,967	1,734,322
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			2,413
27. Boiler and machinery.....	43,632	43,632	43,527
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	0	0	0
35. Totals.....	19,975,085	19,975,085	17,672,613

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2018 Loss and LAE Payments on Claims Reported as of Prior Year-End	2018 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2018 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2015 + Prior.....	1,760	3,502	5,262	433	30	463	1,419	28	3,395	4,843	93	(49)	44
2. 2016.....	755	2,225	2,980	133	16	149	707	45	2,012	2,764	85	(152)	(67)
3. Subtotals 2016 + Prior.....	2,515	5,727	8,242	566	46	612	2,127	73	5,407	7,607	178	(201)	(23)
4. 2017.....	796	3,529	4,325	129	32	160	758	76	3,291	4,125	91	(130)	(40)
5. Subtotals 2017 + Prior.....	3,311	9,256	12,567	695	77	772	2,884	150	8,698	11,732	268	(331)	(63)
6. 2018.....	XXX	XXX	XXX	XXX	32	32	XXX	123	1,035	1,158	XXX	XXX	XXX
7. Totals.....	3,311	9,256	12,567	695	109	804	2,884	273	9,733	12,890	268	(331)	(63)
8. Prior Year-End's Surplus As Regards Policyholders	58,078												
											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
											1.8.1%	2.(3.6)%	3.(0.5)%
													Col. 13, Line 7 Line 8
													4.(0.1)%

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SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

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

Bar Code:



NONE

Falls Lake National Insurance Company
SCHEDULE A - VERIFICATION

Real Estate

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

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	56,219,787	58,337,762
2. Cost of bonds and stocks acquired.....	25,211,113	1,729,360
3. Accrual of discount.....	1,144	9,217
4. Unrealized valuation increase (decrease).....	2,040,856	830,323
5. Total gain (loss) on disposals.....		(23,035)
6. Deduct consideration for bonds and stocks disposed of.....	1,083,656	4,604,408
7. Deduct amortization of premium.....	17,660	59,432
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....		
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9-10).....	82,371,584	56,219,787
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	82,371,584	56,219,787

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).....	8,833,105	1,584,224	1,333,656	233,260	9,316,933			8,833,105
2. NAIC 2 (a).....	249,653			(249,653)	0			249,653
3. NAIC 3 (a).....					0			
4. NAIC 4 (a).....					0			
5. NAIC 5 (a).....					0			
6. NAIC 6 (a).....					0			
7. Total Bonds.....	9,082,758	1,584,224	1,333,656	(16,393)	9,316,933	0	0	9,082,758
PREFERRED STOCK								
8. NAIC 1.....					0			
9. NAIC 2.....	1,222,714			(2,756)	1,219,958			1,222,714
10. NAIC 3.....	398,925			(2,250)	396,675			398,925
11. NAIC 4.....					0			
12. NAIC 5.....					0			
13. NAIC 6.....					0			
14. Total Preferred Stock.....	1,621,639	0	0	(5,006)	1,616,633	0	0	1,621,639
15. Total Bonds and Preferred Stock.....	10,704,397	1,584,224	1,333,656	(21,399)	10,933,566	0	0	10,704,397

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:

NAIC 1 \$.....373,166; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	373,166	XXX	373,112		

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.....	249,931	214,781
2. Cost of short-term investments acquired.....	373,112	3,965,082
3. Accrual of discount.....	123	991
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		(35)
6. Deduct consideration received on disposals.....	250,000	3,930,888
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	373,166	249,931
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	373,166	249,931

**Sch. DB - Pt. A - Verification
NONE**

**Sch. DB - Pt. B - Verification
NONE**

**Sch. DB - Pt. C - Sn. 1
NONE**

**Sch. DB - Pt. C - Sn. 2
NONE**

**Sch. DB - Verification
NONE**

SCHEDULE E - PART 2 - VERIFICATION

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	232,216	
2. Cost of cash equivalents acquired.....	2,676,301	728,257
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	232,216	496,041
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	2,676,301	232,216
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	2,676,301	232,216

Sch. A - Pt. 2
NONE

Sch. A - Pt. 3
NONE

Sch. B - Pt. 2
NONE

Sch. B - Pt. 3
NONE

Sch. BA - Pt. 2
NONE

Sch. BA - Pt. 3
NONE

SCHEDULE D - PART 3

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2		3	4	5	6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government										
912828	A8	3		01/24/2018	JEFFERIES & COMPANY INC		854,386	850,000	1,394	1
912828	L2	4		02/15/2018	NOMURA SECURITIES INTL		48,395	50,000	438	1
912828	SF	8		02/15/2018	HSBC SECURITIES USA INC		308,332	315,000	17	1
0599999	Total - Bonds - U.S. Government						1,211,113	1,215,000	1,849	XXX
8399997	Total - Bonds - Part 3						1,211,113	1,215,000	1,849	XXX
8399999	Total - Bonds						1,211,113	1,215,000	1,849	XXX
Common Stocks - Parent, Subsidiaries and Affiliates										
000000	00	0		03/31/2018	Falls Lake National Insurance Company		24,000,000	XXX		
9199999	Total - Common Stocks - Parent, Subsidiaries and Affiliates						24,000,000	XXX	0	XXX
9799997	Total - Common Stocks - Part 3						24,000,000	XXX	0	XXX
9799999	Total - Common Stocks						24,000,000	XXX	0	XXX
9899999	Total - Preferred and Common Stocks						24,000,000	XXX	0	XXX
9999999	Total - Bonds, Preferred and Common Stocks						25,211,113	XXX	1,849	XXX

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

QE04

SCHEDULE D - PART 4

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During Current Quarter

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase (Decrease)	Current Year's (Amortization) / Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Government																					
912828	UE 8		01/02/2018	PRIOR PERIOD INCOME.....									0					0	9,375	12/31/2017	1.....
0599999	Total - Bonds - U.S. Government.....						0	0	0	0	0	0	0	0	0	0	0	0	9,375	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																					
3132WE	F2 3		03/01/2018	PAYDOWN.....		6,290	6,290	6,628	6,292		(2)		(2)		6,290			0	27	06/01/2046	1FE.....
3135GO	TG 8		02/08/2018	VARIOUS.....		995,000	995,000	977,228	994,586		414		414		995,000			0	4,353	02/08/2018	1FE.....
3138EP	UV 4		03/01/2018	PAYDOWN.....		9,652	9,652	10,101	9,657		(6)		(6)		9,652			0	53	05/01/2045	1FE.....
3138Y4	WA 3		03/01/2018	PAYDOWN.....		38,916	38,916	40,814	38,921		(5)		(5)		38,916			0	118	02/01/2045	1FE.....
3138YR	QX 9		03/01/2018	PAYDOWN.....		27,994	27,994	29,359	28,019		(25)		(25)		27,994			0	102	05/01/2045	1FE.....
3140GS	PD 8		03/01/2018	PAYDOWN.....		5,804	5,804	6,091	5,806		(2)		(2)		5,804			0	41	09/01/2047	1FE.....
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments.....					1,083,656	1,083,656	1,070,221	1,083,281	0	374	0	374	0	1,083,656	0	0	0	4,694	XXX	XXX
8399997	Total - Bonds - Part 4.....					1,083,656	1,083,656	1,070,221	1,083,281	0	374	0	374	0	1,083,656	0	0	0	14,069	XXX	XXX
8399999	Total - Bonds.....					1,083,656	1,083,656	1,070,221	1,083,281	0	374	0	374	0	1,083,656	0	0	0	14,069	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks.....					1,083,656	XXX	1,070,221	1,083,281	0	374	0	374	0	1,083,656	0	0	0	14,069	XXX	XXX

QE05

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

**Sch. DB - Pt. A - Sn. 1
NONE**

**Sch. DB - Pt. B - Sn. 1
NONE**

**Sch. DB - Pt. D - Sn. 1
NONE**

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

**Sch. DL - Pt. 1
NONE**

**Sch. DL - Pt. 2
NONE**

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Key Bank..... Cleveland, OH.....					7,006,086	5,228,073	9,180,408	XXX
0199999. Total Open Depositories.....	XXX	XXX	0	0	7,006,086	5,228,073	9,180,408	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	0	0	7,006,086	5,228,073	9,180,408	XXX
0599999. Total Cash.....	XXX	XXX	0	0	7,006,086	5,228,073	9,180,408	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned December 31 of Current Year

1			2	3	4	5	6	7	8	9
CUSIP Identification			Description	Code	Date Acquired	Rate of Interest	Maturity Date	Book/Adjusted Carrying Value	Amount of Interest Due & Accrued	Amount Received During Year
Exempt Money Market Mutual Funds as Identified by the SVO										
31846V	20	3	FIRST AMERICAN GOV OBLIG - Y.....		02/15/2018.....					
31846V	20	3	FIRST AMERICAN GOV OBLIG - Y.....	SD.....	02/15/2018.....					
31846V	41	9	FIRST AM TREAS OBLI-INS INV.....		01/17/2018.....					
31846V	41	9	FIRST AM TREAS OBLI-INS INV.....	SD.....	01/17/2018.....			315,000		.549
31846V	80	7	FIRST AMER TREASURY OBLIG-Y.....		03/15/2018.....					
31846V	80	7	FIRST AMER TREASURY OBLIG-Y.....	SD.....	03/15/2018.....			1,685,957		
60934N	50	0	FEDERATED TREASURY OBLIGA-IS.....		03/15/2018.....			34,664		
94975H	29	6	WELLS FARGO ADV TR PL MM-INS.....		03/15/2018.....					
94975H	29	6	WELLS FARGO ADV TR PL MM-INS.....	SD.....	03/15/2018.....			90,330		
8599999. Total - Exempt Money Market Mutual Funds as Identified by the SVO.....								2,125,951	.0	.549
All Other Money Market Mutual Funds										
177366	20	0	CITIZENS SELECT PRIME MMK-B.....		03/15/2018.....					
177366	20	0	CITIZENS SELECT PRIME MMK-B.....	SD.....	03/15/2018.....			550,350		
8699999. Total - All Other Money Market Mutual Funds.....								550,350	.0	.0
8899999. Total - Cash Equivalents.....								2,676,301	.0	.549

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