



QUARTERLY STATEMENT

As of September 30, 2019
of the Condition and Affairs of the

Falls Lake National Insurance Company

NAIC Group Code.....3494, 3494 (Current Period) (Prior Period)	NAIC Company Code..... 31925	Employer's ID Number..... 42-1019055
Organized under the Laws of 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 (Street and Number) (City or Town, State, Country and Zip Code)	
Main Administrative Office	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 (Street and Number) (City or Town, State, Country and Zip Code)	919-882-3500 (Area Code) (Telephone Number)
Mail Address	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 (Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)	
Primary Location of Books and Records	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 (Street and Number) (City or Town, State, Country and Zip Code)	919-882-3500 (Area Code) (Telephone Number)
Internet Web Site Address	www.fallslakeins.com	
Statutory Statement Contact	Timothy Sean MacAleese (Name) accounting@fallslakeins.com (E-Mail Address)	(804) 281-2683 (Area Code) (Telephone Number) (Extension) 888-698-7290 (Fax Number)

OFFICERS

Name	Title	Name	Title
1. Terence Michael McCafferty	President/CEO	2. Eric Forest Liland	Secretary/Chief Actuary
3. Timothy Sean MacAleese	SVP/Chief Financial Officer	4. Michael Edward Crow	Treasurer

OTHER

Sarah Casey Doran	Chairman of the Board	Joseph Robert Raia	Assistant Secretary
David Bert Zoffer	Senior VP and General Counsel	Daniel Arthur Shultis	Controller
Thomas Richard Fauerbach	Assistant Secretary/Deputy Chief Actuary	Jennifer Ellen Kish	Group Chief Actuary
Courtney Gray Warren	Chief Claims Officer		

DIRECTORS OR TRUSTEES

Sarah Casey Doran	Terence Michael McCafferty	Michael Edward Crow	Courtenay Gray Warren
Jennifer Ellen Kish	Timothy Sean MacAleese	Thomas Edward Peach	

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

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

(Signature)	(Signature)	(Signature)
Terence Michael McCafferty	Eric Forest Liland	Timothy Sean MacAleese
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
President/CEO	Secretary/Chief Actuary	SVP/Chief Financial Officer
(Title)	(Title)	(Title)

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

ASSETS

	Current Statement Date			4
	1	2	3	December 31 Prior Year Net Admitted Assets
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	4,972,656	0	4,972,656	10,052,839
2. Stocks:				
2.1 Preferred stocks.....	596,589	0	596,589	1,526,637
2.2 Common stocks.....	81,933,250	0	81,933,250	79,292,288
3. Mortgage loans on real estate:				
3.1 First liens.....	0	0	0	0
3.2 Other than first liens.....	0	0	0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	0	0	0	0
4.2 Properties held for the production of income (less \$.....0 encumbrances).....	0	0	0	0
4.3 Properties held for sale (less \$.....0 encumbrances).....	0	0	0	0
5. Cash (\$.....14,208,188), cash equivalents (\$.....3,105,675) and short-term investments (\$.....0).....	17,313,863	0	17,313,863	8,464,805
6. Contract loans (including \$.....0 premium notes).....	0	0	0	0
7. Derivatives.....	0	0	0	0
8. Other invested assets.....	0	0	0	0
9. Receivables for securities.....	0	0	0	0
10. Securities lending reinvested collateral assets.....	0	0	0	0
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	104,816,358	0	104,816,358	99,336,569
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	54,262	0	54,262	74,395
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	60,896,420	467,751	60,428,669	39,111,532
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	14,221,061	6,849	14,214,212	9,305,755
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	29,300,117	0	29,300,117	22,586,272
16.2 Funds held by or deposited with reinsured companies.....	198,144,468	0	198,144,468	234,589,963
16.3 Other amounts receivable under reinsurance contracts.....	0	0	0	0
17. Amounts receivable relating to uninsured plans.....	0	0	0	0
18.1 Current federal and foreign income tax recoverable and interest thereon.....	70,141	0	70,141	224,067
18.2 Net deferred tax asset.....	1,173,972	417,056	756,916	728,488
19. Guaranty funds receivable or on deposit.....	0	0	0	0
20. Electronic data processing equipment and software.....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$.....0).....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates.....	0	0	0	0
23. Receivables from parent, subsidiaries and affiliates.....	0	0	0	0
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	1,123,051	10,000	1,113,051	0
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	409,799,850	901,656	408,898,194	405,957,041
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	409,799,850	901,656	408,898,194	405,957,041

DETAILS OF WRITE-INS

1101.	0	0	0	0
1102.	0	0	0	0
1103.	0	0	0	0
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Claim Funds on Deposit.....	20,000	10,000	10,000	0
2502. Miscellaenous Receivable.....	3,051	0	3,051	0
2503. Receivable for Policy Surcharges.....	1,100,000	0	1,100,000	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).....	1,123,051	10,000	1,113,051	0

LIABILITIES, SURPLUS AND OTHER FUNDS

		1	2
		Current Statement Date	December 31 Prior Year
1.	Losses (current accident year \$.....3,647,779).....	13,859,920	12,722,505
2.	Reinsurance payable on paid losses and loss adjustment expenses.....	21,874,642	16,684,616
3.	Loss adjustment expenses.....	8,533,005	7,639,418
4.	Commissions payable, contingent commissions and other similar charges.....	10,038,312	4,936,421
5.	Other expenses (excluding taxes, licenses and fees).....	1,832,732	1,156,912
6.	Taxes, licenses and fees (excluding federal and foreign income taxes).....	6,124,647	4,138,516
7.1	Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	0	0
7.2	Net deferred tax liability.....	0	0
8.	Borrowed money \$.....0 and interest thereon \$.....0.....	0	0
9.	Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....109,039,293 and including warranty reserves of \$.....0 and accrued accident and health experience rating refunds including \$.....0 for medical loss ratio rebate per the Public Health Service Act).....	5,819,392	3,802,754
10.	Advance premium.....	2,796,569	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).....	61,630,121	42,462,958
13.	Funds held by company under reinsurance treaties.....	177,157,824	217,515,354
14.	Amounts withheld or retained by company for account of others.....	0	(3,284)
15.	Remittances and items not allocated.....	0	667,162
16.	Provision for reinsurance (including \$.....0 certified).....	0	0
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.....	193,569	160,557
20.	Derivatives.....	0	0
21.	Payable for securities.....	0	0
22.	Payable for securities lending.....	0	0
23.	Liability for amounts held under uninsured plans.....	0	0
24.	Capital notes \$.....0 and interest thereon \$.....0.....	0	0
25.	Aggregate write-ins for liabilities.....	1,686,295	41,668
26.	Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	311,547,028	311,925,557
27.	Protected cell liabilities.....	0	0
28.	Total liabilities (Lines 26 and 27).....	311,547,028	311,925,557
29.	Aggregate write-ins for special surplus funds.....	0	0
30.	Common capital stock.....	4,200,000	4,200,000
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.....	78,558,551	78,558,551
35.	Unassigned funds (surplus).....	14,592,615	11,272,933
36.	Less treasury stock, at cost:		
36.1	.....0.000 shares common (value included in Line 30 \$.....0).....	0	0
36.2	.....0.000 shares preferred (value included in Line 31 \$.....0).....	0	0
37.	Surplus as regards policyholders (Lines 29 to 35, less 36).....	97,351,166	94,031,484
38.	Totals (Page 2, Line 28, Col. 3).....	408,898,194	405,957,041

DETAILS OF WRITE-INS

2501.	Funds Held Deposit.....	1,466,233	0
2502.	Deferred Fronting Fees.....	142,062	0
2503.	Deferred Ceding Commission.....	78,000	41,668
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).....	1,686,295	41,668
2901.	.....	0	0
2902.	.....	0	0
2903.	.....	0	0
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.	.....	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 thru 3203 plus 3298) (Line 32 above).....	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year to Date	Prior Year to Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$109,493,238).....	89,368,211	58,731,917	84,423,262
1.2 Assumed..... (written \$95,474,717).....	75,839,167	66,397,981	89,766,600
1.3 Ceded..... (written \$195,172,163).....	157,428,223	120,355,123	165,019,370
1.4 Net..... (written \$9,795,792).....	7,779,155	4,774,775	9,170,492
DEDUCTIONS:			
2. Losses incurred (current accident year \$3,803,374):			
2.1 Direct.....	50,095,222	47,889,325	68,370,484
2.2 Assumed.....	34,277,867	29,300,486	42,933,960
2.3 Ceded.....	80,895,929	75,005,722	107,067,305
2.4 Net.....	3,477,160	2,184,089	4,237,139
3. Loss adjustment expenses incurred.....	2,614,964	1,377,695	2,575,196
4. Other underwriting expenses incurred.....	1,443,517	1,200,754	1,861,960
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	7,535,641	4,762,538	8,674,295
7. Net income of protected cells.....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	243,514	12,237	496,197
INVESTMENT INCOME			
9. Net investment income earned.....	281,693	252,359	428,618
10. Net realized capital gains (losses) less capital gains tax of \$28,788.....	108,298	(4)	(46,564)
11. Net investment gain (loss) (Lines 9 + 10).....	389,991	252,355	382,054
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$0 amount charged off \$7,703).....	(7,703)	0	(12,620)
13. Finance and service charges not included in premiums.....	1,375,570	155,877	459,826
14. Aggregate write-ins for miscellaneous income.....	(1,126,495)	0	(401,418)
15. Total other income (Lines 12 through 14).....	241,372	155,877	45,788
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	874,877	420,469	924,039
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).....	874,877	420,469	924,039
19. Federal and foreign income taxes incurred.....	238,861	113,853	203,409
20. Net income (Line 18 minus Line 19) (to Line 22).....	636,016	306,616	720,630
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	94,031,484	58,078,371	58,078,371
22. Net income (from Line 20).....	636,016	306,616	720,630
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 \$14,470.....	2,695,396	3,934,169	(236,440)
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
26. Change in net deferred income tax.....	105,346	44,716	35,096
27. Change in nonadmitted assets.....	(117,076)	43,551	394,657
28. Change in provision for reinsurance.....	0	(0)	39,170
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	24,000,000	35,000,000
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.....	0	0	0
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).....	3,319,682	28,329,052	35,953,113
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	97,351,166	86,407,423	94,031,484

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 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Miscellaneous fees.....	(1,192,440)	0	(401,418)
1402. Fronting Fees.....	65,945	0	0
1403.	0	0	0
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).....	(1,126,495)	0	(401,418)
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 thru 3703 plus 3798) (Line 37 above).....	0	0	0

Falls Lake National Insurance Company
CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	5,479,303	3,620,990	5,679,394
2. Net investment income.....	346,601	291,967	502,317
3. Miscellaneous income.....	241,372	155,877	45,788
4. Total (Lines 1 through 3).....	6,067,276	4,068,834	6,227,499
5. Benefit and loss related payments.....	(32,581,930)	28,979,080	34,594,705
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.....	(4,598,948)	(2,123,228)	(2,042,328)
8. Dividends paid to policyholders.....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$.....28,788 tax on capital gains (losses).....	113,723	257,477	655,764
10. Total (Lines 5 through 9).....	(37,067,155)	27,113,329	33,208,141
11. Net cash from operations (Line 4 minus Line 10).....	43,134,431	(23,044,495)	(26,980,642)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	8,339,260	1,433,422	7,598,936
12.2 Stocks.....	989,013	0	0
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	(5)	(18)
12.7 Miscellaneous proceeds.....	0	2,500,000	2,500,000
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	9,328,273	3,933,417	10,098,918
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	3,156,827	1,734,708	4,232,484
13.2 Stocks.....	0	24,000,000	39,000,000
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.....	0	0	0
13.7 Total investments acquired (Lines 13.1 to 13.6).....	3,156,827	25,734,708	43,232,484
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).....	6,171,446	(21,801,291)	(33,133,566)
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	24,000,000	35,000,000
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.....	0	0	0
16.6 Other cash provided (applied).....	(40,456,819)	21,114,745	25,517,845
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(40,456,819)	45,114,745	60,517,845
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).....	8,849,058	268,959	403,637
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	8,464,805	7,736,862	8,061,168
19.2 End of period (Line 18 plus Line 19.1).....	17,313,863	8,005,821	8,464,805

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

20.0001	0	0	0
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Falls Lake National Insurance Company

Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

The financial statements of Falls Lake National Insurance Company ("the Company") are presented on the basis of accounting practices prescribed or permitted by the Ohio Department of Insurance.

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the state of Ohio. The Insurance Commissioner has the right to permit other specific practices that deviate from prescribed practices.

The accompanying financial statements contain no differences as a result of practices prescribed or permitted by Ohio that differ from the NAIC's *Accounting Practices and Procedures Manual* as noted in the table below:

	SSAP #	F/S Page	F/S Line #	09/30/2019	12/31/2018
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 636,016	\$ 720,630
(2) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(3) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(4) NAIC SAP (1-2-3=4)	XXX	XXX	XXX	<u>\$ 636,016</u>	<u>\$ 720,630</u>
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 97,351,166	\$ 94,031,484
(6) State prescribed practices that are an increase / (decrease) from NAIC SAP:					
(7) State permitted practices that are an increase / (decrease) from NAIC SAP:					
(8) NAIC SAP (5-6-7=8)	XXX	XXX	XXX	<u>\$ 97,351,166</u>	<u>\$ 94,031,484</u>

C. Accounting Policy

(2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method

Investment grade non-loan-backed bonds are stated at amortized cost using the interest method. Non-investment grade non-loan-backed bonds are stated at the lower of amortized cost or fair value.

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

The Company does not have any loan-backed securities.

D. Going Concern

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

2. Accounting Changes and Corrections of Errors - Not Applicable

3. Business Combinations and Goodwill - Not Applicable

4. Discontinued Operations - Not Applicable

5. Investments

D. Loan-Backed Securities - None

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 - Not Applicable

H. Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

I. Reverse Repurchase Agreements Transactions Accounted for as a Sale - Not Applicable

M. Working Capital Finance Investments - Not Applicable

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

6. Joint Ventures, Partnerships and Limited Liability Companies - Not Applicable

7. Investment Income - No Significant Changes

8. Derivative Instruments - Not Applicable

9. Income Taxes - No Significant Changes

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties - No Significant Changes

11. Debt - Not Applicable

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans - Not Applicable

Falls Lake National Insurance Company

Notes to the Financial Statements

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations - No Significant Changes
14. Liabilities, Contingencies and Assessments - No Significant Changes
15. Leases - Not Applicable
16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable
17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable
18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable
19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - No Significant Changes
20. Fair Value Measurements

A. Fair Value Measurement

For statutory accounting, certain investments are carried at fair value, while others may periodically be carried at fair value based on certain factors such as the NAIC's lower of cost or market rule or an impairment. Assets recorded at fair value are categorized based on an evaluation of the various inputs used to measure the fair value.

Three levels of inputs are used to measure fair value:

- Level 1: Quoted prices in active markets for identical assets,
- Level 2: Indirect observable inputs, including prices for similar assets and market corroborated inputs, and
- Level 3: Unobservable inputs reflecting assumptions that market participants would use, including assumptions about risk.

Supporting documentation received from pricing vendors detailing the inputs, models and processes used in the vendor's evaluation process is used to determine the appropriate fair value hierarchy. Documentation from each pricing vendor is reviewed and monitored periodically to ensure they are consistent with pricing policy procedures. Market information obtained from brokers with respect to security valuations is also considered in the pricing hierarchy.

(1) Fair value measurements at reporting date

Description for each class of asset or liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
a. Assets at fair value					
Preferred stock - industrial and misc.....	\$ –	\$ 396,864	\$ –	\$ –	\$ 396,864
Cash equivalents.....	3,105,672	–	–	–	3,105,672
Total assets measured at fair value	<u>\$ 3,105,672</u>	<u>\$ 396,864</u>	<u>\$ –</u>	<u>\$ –</u>	<u>\$ 3,502,536</u>
b. Liabilities at fair value					
Not applicable.....	\$	\$	\$	\$	\$
Total liabilities measured at fair value	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

The Company held no liabilities measured at fair value as of September 30, 2019. There were no transfers between Level 1 and Level 2 for assets held at September 30, 2019.

(2) Fair value measurements in Level 3 of the fair value hierarchy - Not Applicable

(3) Policies when Transfers Between Levels are Recognized

Transfers in and out of Level 3 are recognized based on the beginning of the reporting period.

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

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

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

Investments for which external sources are not available or are determined by the investment manager not to be representative of fair value are recorded at fair value as determined by the investment manager. In determining the fair value of such investments, the investment manager considers one or more of the following factors: type of security held, convertibility or exchangeability of the security, redeemability of the security (including timing of such redemptions), application of industry accepted valuation models, recent trading activity, liquidity, estimates of liquidation value, purchase cost, and prices received for securities with similar terms of the same issuer or similar issuers. At September 30, 2019, there were no investments for which external sources were unavailable to determine fair value.

The Company does not have any Level 3 assets.

(5) Derivatives - Not Applicable

B. Other Fair Value Disclosures - Not Applicable

C. Fair Values for All Financial Instruments by Level 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20A.

Falls Lake National Insurance Company

Notes to the Financial Statements

20. Fair Value Measurements (Continued)

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 5,186,579	\$ 4,972,656	\$ 2,446,130	\$ 2,740,449	\$ –	\$ –	\$
Preferred stock .....	..... 606,414	..... 596,589	..... –	..... 606,414	..... –	..... –	.....
Cash equivalents and short-term investments .....	..... 3,105,672	..... 3,105,672	..... 3,105,672	..... –	..... –	..... –	.....

- D. Not Practicable to Estimate Fair Value - Not Applicable
- E. Nature and Risk of Investments Reported at NAV - Not Applicable

21. Other Items - Not Applicable

22. Events Subsequent

The Company has considered subsequent events through November 13, 2019, the date that the statutory-basis financial statements were available to be issued. There were no events occurring subsequent to the end of the quarter that merited recognition or disclosure in these statements.

23. Reinsurance - No Significant Changes

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination - Not Applicable

25. Changes in Incurred Losses and Loss Adjustment Expenses

- A. Reasons for Changes in the Provision for Incurred Loss and Loss Adjustment Expenses Attributable to Insured Events of Prior Years

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

	September 30, 2019	Dec. 31, 2018
Reserves, Net of Reinsurance Recoverables at Beginning of Period	\$ 20,361,913	\$ 17,952,615
Loss and loss adjustment expense incurred:		
Current accident year	7,040,079	7,401,361
Prior accident years	(947,954)	(589,031)
	6,092,124	6,812,330
Loss and loss adjustment expense payments made for:		
Current accident year	631,393	430,925
Prior accident years	3,429,719	3,972,107
	4,061,112	4,403,032
Reserves, Net of Reinsurance Recoverables at End of Period	\$ 22,392,925	\$ 20,361,913

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by approximately \$948,000 in 2019, 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.

- B. Significant Changes in Methodologies and Assumptions Used in Calculating the Liability for Unpaid Losses and Loss Adjustment Expenses - Not Applicable

26. Intercompany Pooling Arrangements - No Significant Changes

27. Structured Settlements - Not Applicable

28. Health Care Receivables - Not Applicable

29. Participating Policies - Not Applicable

30. Premium Deficiency Reserves - No Significant Changes

31. High Deductibles - Not Applicable

32. Discounting of Liabilities by Withdrawal Characteristics For Unpaid Losses or Unpaid Loss Adjustment Expenses - Not Applicable

33. Asbestos/Environmental Reserves - No Significant Changes

34. Subscriber Savings Accounts - Not Applicable

35. Multiple Peril Crop Insurance - Not Applicable

36. Financial Guaranty Insurance - Not Applicable

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

1.1

Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act?

Yes [☐] No [☒ 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?
If yes, complete Schedule Y, Parts 1 and 1A.

Yes [☒ X] No [☐]

3.2

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

Yes [☐] No [☒ X]

3.3

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

3.4

Is the reporting entity publicly traded or a member of a publicly traded group?

Yes [☒ X] 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?
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.

Yes [☐] No [☒ X]

4.2

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

1	2	3
Name of Entity	NAIC Company Code	State of Domicile
Not applicable	0	

5.

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

Yes [☐] No [☒ X] N/A [☐]

6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2014

6.2

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

12/31/2014

6.3

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

11/09/2015

6.4

By what department or departments?
Ohio Department of Insurance

6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes [☐] No [☐] N/A [☒ X]

6.6

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

Yes [☐] No [☐] N/A [☒ X]

7.1

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

Yes [☐] No [☒ X]

7.2

If yes, give full information:

8.1

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

Yes [☐] No [☒ X]

8.2

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

8.3

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

Yes [☐] No [☒ X]

8.4

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

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	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?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [☒ X] No [☐]

9.11

If the response to 9.1 is No, please explain:

9.2

Has the code of ethics for senior managers been amended?

Yes [☐] No [☒ X]

9.21

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

9.3

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

Yes [☐] No [☒ X]

9.31

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

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:

\$0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.)

Yes ☐ No ☒

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	79,292,288	81,933,250
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)	\$79,292,288	\$81,933,250
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	PO 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:

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

19.

By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

a.

Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.

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 5GI securities?

Yes [☐] No [☒]

20.

By self-designating PLGI securities, the reporting entity is certifying the following elements for each self-designated PLGI security:

a.

The security was purchased prior to January 1, 2018.

b.

The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.

c.

The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.

d.

The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [☐] No [☒]

Q07.2

Falls Lake National Insurance Company
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
All Other Insurers						
23779.....	31-4177110.....	Nationwide Mutual Fire Insurance Co.....	OH.....	Authorized.....	.....0.....	.....
10357.....	52-1952955.....	Renaissance Reinsurance U.S. Inc.....	NY.....	Authorized.....	.....0.....	.....
22012.....	38-0855585.....	Motors Insurance Corporation.....	MI.....	Authorized.....	.....0.....	.....
00000.....	AA-5320039.....	Peak Reinsurance Company Limited.....	Hong Kong	Unauthorized....	.....0.....	.....
00000.....	AA-5340660.....	New India Assurance Company.....	India.....	Unauthorized....	.....0.....	.....
00000.....	AA-1120191.....	Convex Insurance UK Limited.....	GBR.....	Unauthorized....	.....0.....	.....
00000.....	AA-1120156.....	Syndicate 1686 (Axis).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1126510.....	Syndicate 0510 (Kiln Combined).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1126727.....	Syndicate 0727 (Meacock).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1127861.....	Syndicate 1861 (Amtrust).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1128791.....	Syndicate 2791 (MAP).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1126005.....	Syndicate 4000 (Pembroke).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1126067.....	Syndicate 4242 (Beat) part of Chord Consortium.....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1126097.....	Syndicate 2468 (Neon) part of Chord Consortium.....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1120106.....	Lloyd's Syndicate 1969 (Apollo).....	GBR.....	Authorized.....	.....0.....	.....
00000.....	AA-1120171.....	Lloyd's Syndicate 1856 (Acrus).....	GBR.....	Authorized.....	.....0.....	.....

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.		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..	.....876,205	.....1,086,653	.....511,191	.....117,864	.....1,439,139	.....522,884
2.	Alaska.....AK	..L..	.....0	.....0	.....0	.....0	.....0	.....0
3.	Arizona.....AZ	..L..	.....1,554,086	.....1,329,781	.....638,904	.....812,206	.....950,369	.....1,288,000
4.	Arkansas.....AR	..L..	.....(117)	.....26,291	.....32,549	.....42,542	.....309,033	.....700,130
5.	California.....CA	..E..	.....7,495,171	.....2,301,001	.....1,082	.....0	.....4,022,415	.....159,189
6.	Colorado.....CO	..L..	.....228,528	.....96,193	.....48,881	.....87,207	.....504,291	.....572,165
7.	Connecticut.....CT	..L..	.....2,214,090	.....1,284,353	.....220,839	.....31,810	.....1,685,423	.....132,670
8.	Delaware.....DE	..L..	.....414,158	.....80,407	.....2,056	.....34,720	.....25,894	.....111,840
9.	District of Columbia.....DC	..L..	.....(6)	.....854	.....1,504	.....0	.....566	.....2,871
10.	Florida.....FL	..L..	.....2,363,263	.....5,661,682	.....3,386,576	.....2,922,085	.....7,958,950	.....9,005,805
11.	Georgia.....GA	..L..	.....6,724,245	.....1,920,225	.....2,285,421	.....358,594	.....3,388,488	.....1,056,580
12.	Hawaii.....HI	..L..	.....0	.....0	.....0	.....0	.....0	.....0
13.	Idaho.....ID	..L..	.....3,611	.....59,787	.....194,313	.....153,415	.....576,729	.....952,704
14.	Illinois.....IL	..L..	.....544,226	.....642,458	.....178,124	.....644,733	.....1,108,077	.....1,304,787
15.	Indiana.....IN	..L..	.....354,738	.....233,880	.....59,827	.....143,862	.....528,243	.....369,630
16.	Iowa.....IA	..L..	.....491,595	.....(738)	.....6,505	.....84,083	.....20,910	.....6,973
17.	Kansas.....KS	..L..	.....3,727	.....12,415	.....0	.....0	.....2,216	.....11,821
18.	Kentucky.....KY	..L..	.....16,221	.....183,768	.....111,564	.....1,244,219	.....551,370	.....960,516
19.	Louisiana.....LA	..L..	.....53,017	.....137,271	.....1,001,726	.....381,717	.....695,822	.....2,149,721
20.	Maine.....ME	..N...	.....0	.....0	.....0	.....0	.....0	.....0
21.	Maryland.....MD	..L..	.....1,366,206	.....1,091,009	.....153,742	.....374,385	.....950,647	.....503,124
22.	Massachusetts.....MA	..L..	.....1,431,502	.....1,106,062	.....367,560	.....118,918	.....1,520,260	.....629,921
23.	Michigan.....MI	..L..	.....37,925,605	.....14,598,310	.....1,474,280	.....35,618	.....17,672,261	.....3,098,511
24.	Minnesota.....MN	..L..	.....129,234	.....51,759	.....11,384	.....12,831	.....32,970	.....16,218
25.	Mississippi.....MS	..L..	.....23,635	.....279,932	.....244,587	.....77,454	.....78,355	.....297,847
26.	Missouri.....MO	..L..	.....1,492,371	.....148,568	.....42,039	.....72,655	.....154,415	.....49,220
27.	Montana.....MT	..L..	.....10,643	.....13,590	.....5,926	.....0	.....0	.....5,592
28.	Nebraska.....NE	..L..	.....0	.....(95)	.....12,293	.....6,955	.....191,470	.....183,683
29.	Nevada.....NV	..L..	.....875,321	.....897,397	.....444,610	.....1,103,186	.....933,936	.....1,484,072
30.	New Hampshire.....NH	..L..	.....44,700	.....49,002	.....8,397	.....74,719	.....710,469	.....48,255
31.	New Jersey.....NJ	..L..	.....7,256,445	.....6,948,829	.....3,155,239	.....2,925,035	.....11,151,878	.....10,175,708
32.	New Mexico.....NM	..L..	.....(14,316)	.....140,312	.....6,135,289	.....869,564	.....3,855,974	.....5,620,335
33.	New York.....NY	..L..	.....14,205,904	.....19,675,841	.....5,179,111	.....3,242,813	.....38,565,351	.....33,527,185
34.	North Carolina.....NC	..L..	.....990,794	.....708,388	.....296,047	.....381,081	.....496,859	.....508,189
35.	North Dakota.....ND	..L..	.....0	.....(14,176)	.....0	.....1,490	.....0	.....3,941
36.	Ohio.....OH	..L..	.....1,159,772	.....384,796	.....112,505	.....58,368	.....237,288	.....473,573
37.	Oklahoma.....OK	..L..	.....1,525,691	.....8,529	.....0	.....(328)	.....218,454	.....74,148
38.	Oregon.....OR	..L..	.....81	.....624,663	.....0	.....210,949	.....0	.....90,757
39.	Pennsylvania.....PA	..L..	.....5,979,367	.....2,503,860	.....1,815,531	.....1,624,967	.....5,285,345	.....4,079,056
40.	Rhode Island.....RI	..L..	.....1,596,556	.....1,388,205	.....326,667	.....759,920	.....1,419,012	.....632,094
41.	South Carolina.....SC	..L..	.....269,595	.....429,751	.....148,337	.....68,843	.....202,924	.....334,540
42.	South Dakota.....SD	..L..	.....38,744	.....60,877	.....0	.....0	.....0	.....33,976
43.	Tennessee.....TN	..L..	.....166,938	.....335,588	.....100,027	.....878,461	.....619,708	.....633,337
44.	Texas.....TX	..L..	.....5,335,952	.....2,731,378	.....6,517,726	.....2,485,155	.....10,764,792	.....15,600,588
45.	Utah.....UT	..L..	.....309,698	.....111,793	.....21,500	.....23,104	.....8,565	.....88,086
46.	Vermont.....VT	..L..	.....4,368	.....52,017	.....19,081	.....0	.....10,422	.....18,781
47.	Virginia.....VA	..L..	.....2,588,627	.....747,108	.....431,798	.....248,980	.....2,206,412	.....375,616
48.	Washington.....WA	..L..	.....688	.....405,018	.....32,007	.....100,208	.....1,234	.....255,900
49.	West Virginia.....WV	..L..	.....1,224,436	.....68,884	.....8,488	.....9,999	.....534,476	.....(26,604)
50.	Wisconsin.....WI	..L..	.....217,923	.....125,372	.....0	.....163,573	.....161,085	.....7,053
51.	Wyoming.....WY	..L..	.....0	.....1,542	.....0	.....0	.....0	.....205
52.	American Samoa.....AS	..N...	.....0	.....0	.....0	.....0	.....0	.....0
53.	Guam.....GU	..N...	.....0	.....0	.....0	.....0	.....0	.....0
54.	Puerto Rico.....PR	..N...	.....0	.....0	.....0	.....0	.....0	.....0
55.	US Virgin Islands.....VI	..N...	.....0	.....0	.....0	.....0	.....0	.....0
56.	Northern Mariana Islands.....MP	..N...	.....0	.....0	.....0	.....0	.....0	.....0
57.	Canada.....CAN	..N...	.....0	.....0	.....0	.....0	.....0	.....0
58.	Aggregate Other Alien.....OT	..XXX...	.....0	.....0	.....0	.....0	.....0	.....0
59.	Totals.....	..XXX...	.....109,493,238	.....70,730,390	.....35,745,233	.....22,987,960	.....121,752,497	.....98,131,193

DETAILS OF WRITE-INS

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

(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....49

E - Eligible - Reporting entities eligible or approved to write surplus lines in the state
(other than their state of domicile - See DSLI).....1

D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write
surplus lines in the state of domicile.....0

R - Registered - Non-domiciled RRGs.....0

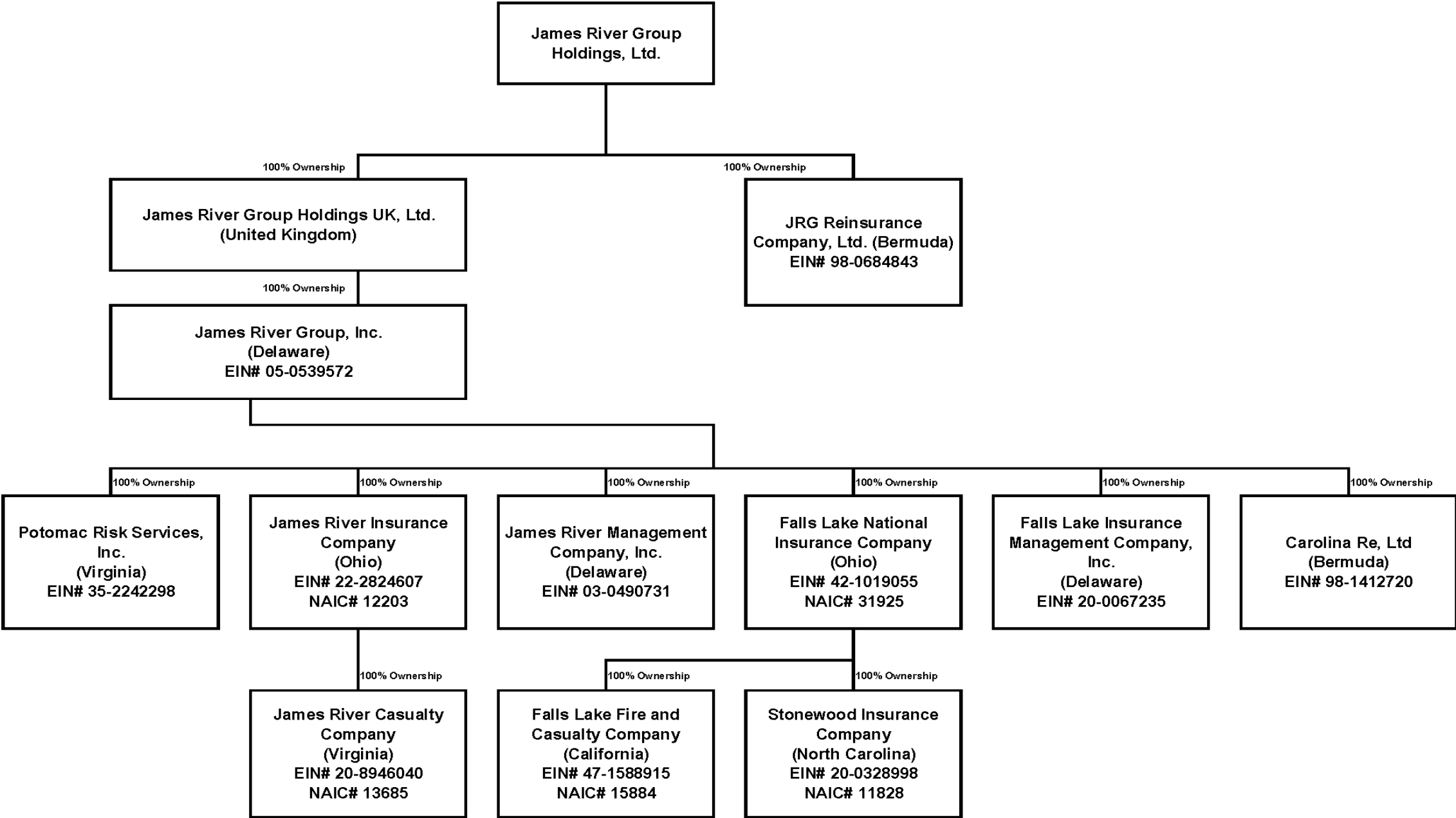
Q - Qualified - Qualified or accredited reinsurer.....0

N - None of the above - Not allowed to write business in the state.....7

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

PART 1 – ORGANIZATIONAL CHART

Q11



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															
0		0	98-0585280	0	1620459	OQ	James River Group Holdings, Ltd	BMU	UIP			0.000		N	0
0		0		0	0		James River Group Holdings UK, Ltd	GBR	UIP	James River Group Holdings, Ltd	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	05-0539572	0	0		James River Group, Inc.	DE	UIP	James River Group Holdings UK, Ltd	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	98-0684843	0	0		JRG Reinsurance Company, Ltd	BMU	IA	James River Group Holdings, Ltd	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	98-6061023	0	0		Franklin Holdings II (Bermuda) Capital Trust I	DE	NIA	James River Group Holdings, Ltd	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	35-2242298	0	0		Potomac Risk Services Inc.	VA	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd	N	0
3494	James River Insurance Group	12203	22-2824607	0	0		James River Insurance Company	OH	IA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	03-0490731	0	0		James River Management Company, Inc.	DE	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd	N	0
3494	James River Insurance Group	13685	20-8946040	0	0		James River Casualty Company	VA	IA	James River Insurance Company	Ownership	100.000	James River Group Holdings, Ltd	N	0
3494	James River Insurance Group	31925	42-1019055	0	0		Falls Lake National Insurance Company	OH	UDP	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	20-0067235	0	0		Falls Lake Insurance Management Company, Inc	DE	NIA	James River Group, Inc.	Ownership	100.000	James River Group Holdings, Ltd	N	0
3494	James River Insurance Group	15884	47-1588915	0	0		Falls Lake Fire and Casualty Company	CA	RE	Falls Lake National Insurance Company	Ownership	100.000	James River Group Holdings, Ltd	N	0
3494	James River Insurance Group	11828	20-0328998	0	0		Stonewood Insurance Company	NC	IA	Falls Lake National Insurance Company	Ownership	100.000	James River Group Holdings, Ltd	N	0
0		0	98-1412720	0	0		Carolina Re, Ltd	BMU	IA	James River Group Holdings, Ltd	Ownership	100.000	James River Group Holdings, Ltd	N	0

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PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....	3,153	327	10.371	(64.027)
2. Allied lines.....	4,244	566	13.336	(84.989)
3. Farmowners multiple peril.....	0	0	0.000	0.000
4. Homeowners multiple peril.....	0	0	0.000	0.000
5. Commercial multiple peril.....	15,306,438	11,765,026	76.863	63.926
6. Mortgage guaranty.....	0	0	0.000	0.000
8. Ocean marine.....	0	0	0.000	0.000
9. Inland marine.....	399,473	(205,669)	(51.485)	16.689
10. Financial guaranty.....	0	0	0.000	0.000
11.1. Medical professional liability - occurrence.....	0	0	0.000	0.000
11.2. Medical professional liability - claims-made.....	0	0	0.000	0.000
12. Earthquake.....	434	0	0.000	0.000
13. Group accident and health.....	0	0	0.000	0.000
14. Credit accident and health.....	0	0	0.000	0.000
15. Other accident and health.....	0	0	0.000	0.000
16. Workers' compensation.....	9,270,000	4,219,959	45.523	35.551
17.1. Other liability-occurrence.....	9,101,848	3,861,782	42.429	75.664
17.2. Other liability-claims made.....	89,203	(176,152)	(197.473)	47.162
17.3. Excess workers' compensation.....	0	0	0.000	0.000
18.1. Products liability-occurrence.....	56,987	28,681	50.329	(38.459)
18.2. Products liability-claims made.....	0	0	0.000	0.000
19.1, 19.2. Private passenger auto liability.....	32,521,356	15,821,860	48.651	53.625
19.3, 19.4. Commercial auto liability.....	16,998,421	13,883,435	81.675	124.558
21. Auto physical damage.....	5,427,047	922,350	16.995	69.045
22. Aircraft (all perils).....	0	0	0.000	0.000
23. Fidelity.....	0	0	0.000	0.000
24. Surety.....	0	0	0.000	0.000
26. Burglary and theft.....	2,579	697	27.026	(227.234)
27. Boiler and machinery.....	187,028	(27,640)	(14.779)	38.629
28. Credit.....	0	0	0.000	0.000
29. International.....	0	0	0.000	0.000
30. Warranty.....	0	0	0.000	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	0.000
35. Totals.....	89,368,211	50,095,222	56.055	81.539
DETAILS OF WRITE-INS				
3401.	0	0	0.000	0.000
3402.	0	0	0.000	0.000
3403.	0	0	0.000	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	0.000

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....	16	18	18
2. Allied lines.....	1,542	2,559	2,733
3. Farmowners multiple peril.....	0	0	0
4. Homeowners multiple peril.....	0	0	0
5. Commercial multiple peril.....	6,340,292	19,103,419	11,839,935
6. Mortgage guaranty.....	0	0	0
8. Ocean marine.....	0	0	0
9. Inland marine.....	419,078	724,609	466,720
10. Financial guaranty.....	0	0	0
11.1. Medical professional liability - occurrence.....	0	0	0
11.2. Medical professional liability - claims made.....	0	0	0
12. Earthquake.....	5,292	5,292	0
13. Group accident and health.....	0	0	0
14. Credit accident and health.....	0	0	0
15. Other accident and health.....	0	0	0
16. Workers' compensation.....	2,945,217	9,615,911	7,331,922
17.1. Other liability-occurrence.....	3,109,653	7,049,822	10,127,766
17.2. Other liability-claims made.....	1,053	14,156	472,118
17.3. Excess workers' compensation.....	0	0	0
18.1. Products liability-occurrence.....	15,243	54,799	135,388
18.2. Products liability-claims made.....	0	0	0
19.1 19.2. Private passenger auto liability.....	13,887,848	39,576,833	14,660,875
19.3 19.4. Commercial auto liability.....	10,557,151	26,088,017	20,049,813
21. Auto physical damage.....	2,067,296	6,809,221	5,517,202
22. Aircraft (all perils).....	0	0	0
23. Fidelity.....	0	0	0
24. Surety.....	0	0	0
26. Burglary and theft.....	35,704	35,704	0
27. Boiler and machinery.....	205,603	412,878	125,900
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
35. Totals.....	39,590,988	109,493,238	70,730,390
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
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0

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?	<div>NO</div>
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	<div>NO</div>
3. Will the Medicare Part D Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	<div>NO</div>
4. Will the Director and Officer Insurance Coverage Supplement be filed with the state of domicile and the NAIC with this statement?	<div>NO</div>

Explanation:

1.

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

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

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

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

Bar Code:



Falls Lake National Insurance Company
Overflow Page for Write-Ins

NONE

Falls Lake National Insurance Company

SCHEDULE A - VERIFICATION

Real Estate

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	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 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

SCHEDULE B - VERIFICATION

Mortgage Loans

	1	2
	Year to Date	Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year.....	0	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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	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 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).....	0	0
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	0	0

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1	2
	Year to Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	90,871,766	55,606,890
2. Cost of bonds and stocks acquired.....	3,156,827	43,232,484
3. Accrual of discount.....	4,073	9,529
4. Unrealized valuation increase (decrease).....	2,709,866	(256,391)
5. Total gain (loss) on disposals.....	137,084	(58,922)
6. Deduct consideration for bonds and stocks disposed of.....	9,328,274	7,598,936
7. Deduct amortization of premium.....	48,847	62,888
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. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....	0	0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9+10).....	87,502,495	90,871,766
12. Deduct total nonadmitted amounts.....	0	0
13. Statement value at end of current period (Line 11 minus Line 12).....	87,502,495	90,871,766

SCHEDULE D - PART 1B

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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	9,528,050	769,524	5,310,377	(14,541)	9,611,032	9,528,050	4,972,656	9,802,837
2. NAIC 2 (a).....	250,000	0	250,000	0	250,000	250,000	0	250,000
3. NAIC 3 (a).....	0	0	0	0	0	0	0	0
4. NAIC 4 (a).....	0	0	0	0	0	0	0	0
5. NAIC 5 (a).....	0	0	0	0	0	0	0	0
6. NAIC 6 (a).....	0	0	0	0	0	0	0	0
7. Total Bonds.....	9,778,050	769,524	5,560,377	(14,541)	9,861,032	9,778,050	4,972,656	10,052,837
PREFERRED STOCK								
8. NAIC 1.....	198,800	0	199,136	336	196,400	198,800	0	183,440
9. NAIC 2.....	994,312	0	599,266	1,818	992,898	994,312	396,864	963,322
10. NAIC 3.....	199,725	0	0	0	199,725	199,725	199,725	379,875
11. NAIC 4.....	0	0	0	0	0	0	0	0
12. NAIC 5.....	0	0	0	0	0	0	0	0
13. NAIC 6.....	0	0	0	0	0	0	0	0
14. Total Preferred Stock.....	1,392,837	0	798,402	2,154	1,389,023	1,392,837	596,589	1,526,637
15. Total Bonds and Preferred Stock.....	11,170,887	769,524	6,358,779	(12,387)	11,250,055	11,170,887	5,569,245	11,579,474

(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 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

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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.....	.....0	X.....	.....0	.....0	.....0

NONE

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.....	.....0	.....299,727
2. Cost of short-term investments acquired.....	.....49,677	.....2,502,121
3. Accrual of discount.....	.....323	.....9,495
4. Unrealized valuation increase (decrease).....	.....0	.....0
5. Total gain (loss) on disposals.....	.....0	.....(17)
6. Deduct consideration received on disposals.....	.....50,000	.....2,811,326
7. Deduct amortization of premium.....	.....0	.....0
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).....	.....0	.....0
11. Deduct total nonadmitted amounts.....	.....0	.....0
12. Statement value at end of current period (Line 10 minus Line 11).....	.....0	.....0

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	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,389,163	310,627
2. Cost of cash equivalents acquired.....	24,391,446	35,177,136
3. Accrual of discount.....	0	425
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	(1)
6. Deduct consideration received on disposals.....	23,674,934	33,099,024
7. Deduct amortization of premium.....	0	0
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).....	3,105,675	2,389,163
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	3,105,675	2,389,163

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 and Administrative Symbol/Market Indicator (a)
Bonds - Industrial and Miscellaneous									
369550 BD 9	GENERAL DYNAMICS CORP.....		08/30/2019.....	RBC CAPITAL MARKETS.....		262,804	250,000	2,461	1FE.....
375558 BB 8	GILEAD SCIENCES INC.....		08/30/2019.....	JP MORGAN SECURITIES INC.....		251,236	250,000	3,170	1FE.....
25243Y AU 3	DIAGEO CAPITAL PLC.....	D.....	08/30/2019.....	CREDIT SUISSE FIRST BOSTON.....		255,484	250,000	2,206	1FE.....
3899999	Total - Bonds - Industrial and Miscellaneous.....					769,524	750,000	7,837	...XXX.....
8399997	Total - Bonds - Part 3.....					769,524	750,000	7,837	...XXX.....
8399999	Total - Bonds.....					769,524	750,000	7,837	...XXX.....
9999999	Total - Bonds, Preferred and Common Stocks.....					769,524	XXX	7,837	...XXX.....

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

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 and Admini- strative Symbol/ Market Indicator (a)	
Bonds - U.S. Government																								
912828	4U	1	UNITED STATES TREASURY NOTE.....	..	09/19/2019.	HSBC SECURITIES USA INC.....		284,334	275,000	273,390	273,529	.....0	.....224	.....0	.....224	.....0	273,753	.....0	10,581	10,581	5,218	06/30/2023.	1.....
912828	4Z	0	UNITED STATES TREASURY NOTE.....	..	09/19/2019.	HSBC SECURITIES USA INC.....		317,425	300,000	303,646	.....0	.....0	.....(298)	.....0	.....(298)	.....0	303,348	.....0	14,077	14,077	8,703	08/31/2025.	1.....
912828	5D	8	UNITED STATES TREASURY NOTE.....	..	09/19/2019.	HSBC SECURITIES USA INC.....		418,358	400,000	396,798	396,924	.....0	.....439	.....0	.....439	.....0	397,363	.....0	20,995	20,995	11,186	09/30/2023.	1.....
912828	L2	4	UNITED STATES TREASURY NOTE.....	..	09/19/2019.	CITIGROUP GLOBAL MARKETS...		50,267	50,000	48,395	48,690	.....0	.....246	.....0	.....246	.....0	48,936	.....0	1,332	1,332	989	08/31/2022.	1.....
912828	N4	8	UNITED STATES TREASURY NOTE.....	..	09/19/2019.	HSBC SECURITIES USA INC.....		114,815	115,000	117,197	115,911	.....0	.....(326)	.....0	.....(326)	.....0	115,585	.....0	.....(770)	.....(770)	1,455	12/31/2020.	1.....
0599999.	Total - Bonds - U.S. Government.....							1,185,199	1,140,000	1,139,426	835,054	.....0	.....285	.....0	.....285	.....0	1,138,985	.....0	46,215	46,215	27,551	XXX	XXX
Bonds - U.S. Political Subdivisions of States																								
232760	7V	4	CYPRESS-FAIRBANKS TX INDEP SCH.....	..	09/19/2019.	MORGAN STANLEY & CO.....		176,421	150,000	177,980	168,443	.....0	.....(2,032)	.....0	.....(2,032)	.....0	166,412	.....0	10,009	10,009	8,292	02/15/2028.	1FE.....
2499999.	Total - Bonds - U.S. Political Subdivisions of States.....							176,421	150,000	177,980	168,443	.....0	.....(2,032)	.....0	.....(2,032)	.....0	166,412	.....0	10,009	10,009	8,292	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment																								
162393	EP	3	CHATTANOOGA TN ELEC REVENUE.....	..	09/19/2019.	BOSC INC.....		295,948	250,000	293,288	280,166	.....0	.....(3,009)	.....0	.....(3,009)	.....0	277,157	.....0	18,791	18,791	13,264	09/01/2031.	1FE.....
3132WE	F2	3	#Q41084	..	09/20/2019.	VARIOUS.....		183,498	177,631	187,179	186,780	.....0	.....(1,152)	.....0	.....(1,152)	.....0	185,628	.....0	.....(2,130)	.....(2,130)	5,014	06/01/2046.	1FE.....
3138EP	UV	4	UMBS - POOL AL6895.....	..	09/20/2019.	VARIOUS.....		252,277	241,750	253,006	253,255	.....0	.....(1,251)	.....0	.....(1,251)	.....0	252,004	.....0	.....273	.....273	6,832	05/01/2045.	1FE.....
3138Y4	WA	3	UMBS - POOL AX3340.....	..	09/20/2019.	VARIOUS.....		307,757	293,970	308,301	308,690	.....0	.....(2,057)	.....0	.....(2,057)	.....0	306,633	.....0	.....1,124	.....1,124	8,365	02/01/2045.	1FE.....
3138YR	QX	9	UMBS - POOL AZ0469.....	..	09/20/2019.	VARIOUS.....		243,106	232,543	243,880	244,085	.....0	.....(899)	.....0	.....(899)	.....0	243,186	.....0	.....(80)	.....(80)	6,599	05/01/2045.	1FE.....
3140GS	PD	8	UMBS - POOL BH4019.....	..	09/20/2019.	VARIOUS.....		271,598	260,300	273,193	273,296	.....0	.....(1,478)	.....0	.....(1,478)	.....0	271,819	.....0	.....(220)	.....(220)	8,399	09/01/2047.	1FE.....
46613S	DG	2	JEA FL ELEC SYS REVENUE.....	..	09/19/2019.	MORGAN STANLEY & CO.....		291,225	250,000	288,413	276,033	.....0	.....(2,774)	.....0	.....(2,774)	.....0	273,259	.....0	.....17,966	.....17,966	12,222	10/01/2031.	1FE.....
829594	KX	7	SIOUX FALLS SD SALES TAX REVEN.....	..	09/19/2019.	WELLS FARGO FINANCIAL.....		179,186	150,000	184,098	176,543	.....0	.....(2,625)	.....0	.....(2,625)	.....0	173,918	.....0	.....5,268	.....5,268	6,417	11/15/2028.	1FE.....
829594	KY	5	SIOUX FALLS SD SALES TAX REVEN.....	..	09/19/2019.	UBS SECURITIES LLC.....		298,900	250,000	305,000	292,848	.....0	.....(4,227)	.....0	.....(4,227)	.....0	288,620	.....0	.....10,280	.....10,280	10,694	11/15/2029.	1FE.....
3199999.	Total - Bonds - U.S. Special Revenue and Special Assessments.....							2,323,495	2,106,194	2,336,358	2,291,696	.....0	.....(19,472)	.....0	.....(19,472)	.....0	2,272,224	.....0	51,272	51,272	77,806	XXX	XXX
Bonds - Industrial and Miscellaneous																								
03522A	AG	5	ANHEUSER-BUSCH CO/INBEV.....	..	09/19/2019.	WELLS FARGO FINANCIAL.....		265,910	250,000	250,000	250,000	.....0	.....0	.....0	.....0	.....0	250,000	.....0	15,910	15,910	10,443	02/01/2026.	2FE.....
25468P	CN	4	WALT DISNEY COMPANY/THE.....	..	09/19/2019.	CITIGROUP GLOBAL MARKETS...		152,175	150,000	152,946	151,683	.....0	.....(457)	.....0	.....(457)	.....0	151,226	.....0	.....949	.....949	4,549	08/16/2021.	1FE.....
25468P	DK	9	WALT DISNEY COMPANY/THE.....	..	09/19/2019.	GOLDMAN SACHS.....		99,587	95,000	95,713	95,516	.....0	.....(52)	.....0	.....(52)	.....0	95,464	.....0	.....4,122	.....4,122	3,167	02/13/2026.	1FE.....
369550	BD	9	GENERAL DYNAMICS CORP.....	..	08/30/2019.	RBC CAPITAL MARKETS.....		262,804	250,000	262,804	.....0	.....0	.....0	.....0	.....0	.....0	262,804	.....0	.....0	.....0	2,461	05/15/2023.	1FE.....
375558	BB	8	GILEAD SCIENCES INC.....	..	08/30/2019.	JP MORGAN SECURITIES INC.....		251,236	250,000	251,236	.....0	.....0	.....0	.....0	.....0	.....0	251,236	.....0	.....0	.....0	3,170	09/01/2020.	1FE.....
585055	BS	4	MEDTRONIC INC.....	..	09/19/2019.	VARIOUS.....		427,383	400,000	425,196	418,053	.....0	.....(1,667)	.....0	.....(1,667)	.....0	416,387	.....0	.....10,997	.....10,997	12,779	03/15/2025.	1FE.....
91324P	DJ	8	UNITEDHEALTH GROUP INC.....	..	09/19/2019.	WELLS FARGO FINANCIAL.....		261,200	250,000	250,205	250,184	.....0	.....(28)	.....0	.....(28)	.....0	250,156	.....0	.....11,044	.....11,044	6,757	06/15/2023.	1FE.....
25243Y	AU	3	DIAGEO CAPITAL PLC.....	D	08/30/2019.	CREDIT SUISSE FIRST BOSTON.....		255,484	250,000	255,484	.....0	.....0	.....0	.....0	.....0	.....0	255,484	.....0	.....0	.....0	2,206	04/29/2023.	1FE.....
3899999.	Total - Bonds - Industrial and Miscellaneous.....							1,975,779	1,895,000	1,943,584	1,165,436	.....0	.....(2,204)	.....0	.....(2,204)	.....0	1,932,757	.....0	43,022	43,022	45,532	XXX	XXX
8399997.	Total - Bonds - Part 4.....							5,660,894	5,291,194	5,597,348	4,460,629	.....0	.....(23,423)	.....0	.....(23,423)	.....0	5,510,378	.....0	150,518	150,518	159,181	XXX	XXX
8399999.	Total - Bonds.....							5,660,894	5,291,194	5,597,348	4,460,629	.....0	.....(23,423)	.....0	.....(23,423)	.....0	5,510,378	.....0	150,518	150,518	159,181	XXX	XXX
Preferred Stocks - Industrial and Miscellaneous																								
054937	20	6	BB&T CORPORATION 5.85%.....	..	09/01/2019.	SECURITY CALLED BY ISSUER at 25.000		7,800,000	195,000	25.00	200,304	190,8669,438009,4380	200,3040(5,304)(5,304)	8,556	XXX	P2FEU.....
665859	87	2	NORTHERN TRUST CORP 5.85%.....	..	09/19/2019.	JANNEY MONTGOMERY SCOTT.....		7,800,000	197,336	25.00	199,602	193,5186,084006,0840	199,6020(2,266)(2,266)	8,556	XXX	P2FEL.....
693475	83	2	PNC FINANCIAL SERVICES 5.375%.....	..	09/19/2019.	JANNEY MONTGOMERY SCOTT.....		8,000,000	205,716	25.00	199,360	184,96014,4000014,4000	199,36006,3566,356	8,063	XXX	P2FEL.....
902973	79	1	US BANCORP 5.15%.....	..	09/20/2019.	JANNEY MONTGOMERY SCOTT.....		8,000,000	203,461	25.00	199,136	183,44015,6960015,6960	199,13604,3254,325	7,725	XXX	P1FEL.....
8499999.	Total - Preferred Stocks - Industrial and Miscellaneous.....							801,513	XXX	798,402	752,784	45,61800045,6180	798,4020	3,111	3,111	32,900	XXX	XXX
8999997.	Total - Preferred Stocks - Part 4.....							801,513	XXX	798,402	752,784	45,61800045,6180	798,4020	3,111	3,111	32,900	XXX	XXX

QE05

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 and Admini- strative Symbol/ Market Indicator (a)
89999999.	Total - Preferred Stocks.....					.....801,513	XXX	.....798,402	.....752,784	.....45,618	.....0	.....0	.....45,618	.....0	.....798,402	.....0	.....3,111	.....3,111	.....32,900	XXX	XXX
98999999.	Total - Preferred and Common Stocks.....					.....801,513	XXX	.....798,402	.....752,784	.....45,618	.....0	.....0	.....45,618	.....0	.....798,402	.....0	.....3,111	.....3,111	.....32,900	XXX	XXX
99999999.	Total - Bonds, Preferred and Common Stocks.....					.....6,462,407	XXX	.....6,395,750	.....5,213,413	.....45,618	.....(23,423)	.....0	.....22,195	.....0	.....6,308,780	.....0	.....153,629	.....153,629	.....192,081	XXX	XXX

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

Sch. DB - Pt. A - Sn. 1

NONE

Sch. DB - Pt. B - Sn. 1

NONE

Sch. DB - Pt. D - Sn. 1

NONE

Sch. DB - Pt. D - Sn. 2

NONE

Sch. DL - Pt. 1

NONE

Sch. DL - Pt. 2

NONE

Falls Lake National Insurance Company

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1	2	3	4	5	Book Balance at End of Each Month During Current Quarter			9
					6	7	8	
Depository	Code	Rate of Interest	Amount of Interest Received During Current Quarter	Amount or Interest Accrued at Current Statement Date	First Month	Second Month	Third Month	*
Open Depositories								
Key Bank..... Cleveland, OH.....	.....	.....0.000	.....0	.....0	.....14,003,632	.....11,494,281	.....13,657,196	XXX
CITIZENS BANK NA CASH..... Providence, RI.....	SD.....	.....0.000	.....1,108	.....0	.....555,342	.....556,450	.....550,992	XXX
INTEREST RECEIVED DURING QTR ON DISPOSED HOLDINGS .....	.....	.....0.000	.....3,171	.....0	.....0	.....0	.....0	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....4,279	.....0	.....14,558,974	.....12,050,731	.....14,208,188	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....4,279	.....0	.....14,558,974	.....12,050,731	.....14,208,188	XXX
0599999. Total Cash.....	XXX	XXX	.....4,279	.....0	.....14,558,974	.....12,050,731	.....14,208,188	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1			2					3	4	5	6	7	8	9
CUSIP			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	41	9	FIRST AM TREAS OBLI-INS INV.....					SD.....	09/16/2019.....	.....0.000	.....	.....315,000	.....0	.....0
31846V	80	7	FIRST AMER TREASURY OBLIG-Y.....					SD.....	09/16/2019.....	.....0.000	.....	.....2,352,957	.....0	.....0
60934N	50	0	FEDERATED TREASURY OBLIGA-IS.....						09/16/2019.....	.....0.000	.....	.....317,668	.....0	.....0
94975H	29	6	WELLS FARGO ADV TR PL MM-INS.....					SD.....	09/16/2019.....	.....0.000	.....	.....120,050	.....0	.....0
8599999. Total - Exempt Money Market Mutual Funds as Identified by the SVO.....														
												.....3,105,675	.....0	.....0
8899999. Total - Cash Equivalents														
												.....3,105,675	.....0	.....0