



# QUARTERLY STATEMENT

As of June 30, 2020  
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 <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>	
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>	
Internet Web Site Address	www.fallslakeins.com	
Statutory Statement Contact	Timothy Sean MacAleese <i>(Name)</i> accounting@fallslakeins.com <i>(E-Mail Address)</i>	919-882-3500 <i>(Area Code) (Telephone Number)</i>  919-882-3500 <i>(Area Code) (Telephone Number)</i>  (804) 281-2683 <i>(Area Code) (Telephone Number) (Extension)</i> 888-698-7290 <i>(Fax Number)</i>

### 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
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) Terence Michael McCafferty _____ 1. (Printed Name) President/CEO _____ (Title)	_____ (Signature) Eric Forest Liland _____ 2. (Printed Name) Secretary/Chief Actuary _____ (Title)	_____ (Signature) Timothy Sean MacAleese _____ 3. (Printed Name) SVP/Chief Financial Officer _____ (Title)
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Subscribed and sworn to before me  
This \_\_\_\_\_ day of \_\_\_\_\_

a. Is this an original filing? Yes [ X ] No [ ]  
b. If no: 1. State the amendment number \_\_\_\_\_  
2. Date filed \_\_\_\_\_  
3. Number of pages attached \_\_\_\_\_

## 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.....	4,626,426	0	4,626,426	5,140,171
2. Stocks:				
2.1 Preferred stocks.....	194,475	0	194,475	399,249
2.2 Common stocks.....	86,957,894	0	86,957,894	83,568,671
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 (\$.....13,852,096), cash equivalents (\$.....3,891,092) and short-term investments (\$.....0).....	17,743,188	0	17,743,188	11,764,058
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).....	109,521,983	0	109,521,983	100,872,149
13. Title plants less \$.....0 charged off (for Title insurers only).....	0	0	0	0
14. Investment income due and accrued.....	36,937	0	36,937	38,562
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	77,807,219	756,769	77,050,450	68,511,077
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....	8,509,636	6,849	8,502,787	14,683,358
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	30,020,429	0	30,020,429	29,522,856
16.2 Funds held by or deposited with reinsured companies.....	310,102,161	0	310,102,161	285,323,109
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.....	0	0	0	0
18.2 Net deferred tax asset.....	1,267,913	333,685	934,228	838,984
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.....	1,098,277	0	1,098,277	293,094
24. Health care (\$.....0) and other amounts receivable.....	0	0	0	0
25. Aggregate write-ins for other than invested assets.....	776,318	10,000	766,318	13,051
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	539,140,873	1,107,303	538,033,570	500,096,240
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....	0	0	0	0
28. Total (Lines 26 and 27).....	539,140,873	1,107,303	538,033,570	500,096,240

### 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	10,000
2502. Miscellaneous receivable.....	3,051	0	3,051	3,051
2503. Receivable for policy surcharges.....	753,267	0	753,267	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).....	776,318	10,000	766,318	13,051

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....2,862,463).....	15,467,437	14,313,637
2. Reinsurance payable on paid losses and loss adjustment expenses.....	22,120,102	22,159,712
3. Loss adjustment expenses.....	9,769,415	9,030,828
4. Commissions payable, contingent commissions and other similar charges.....	13,313,471	11,385,529
5. Other expenses (excluding taxes, licenses and fees).....	837,182	1,672,094
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	7,280,314	7,544,904
7.1 Current federal and foreign income taxes (including \$.....832 on realized capital gains (losses)).....	538,050	27,475
7.2 Net deferred tax liability.....	0	0
8. Borrowed money \$.....5,000,000 and interest thereon \$.....0.....	5,000,000	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....125,244,725 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).....	6,598,743	5,969,323
10. Advance premium.....	163,235	466,121
11. Dividends declared and unpaid:		
11.1 Stockholders.....	0	0
11.2 Policyholders.....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions).....	63,709,879	62,292,759
13. Funds held by company under reinsurance treaties.....	286,520,354	263,824,073
14. Amounts withheld or retained by company for account of others.....	0	0
15. Remittances and items not allocated.....	0	0
16. Provision for reinsurance (including \$.....0 certified).....	114,000	114,000
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	0	0
18. Drafts outstanding.....	0	0
19. Payable to parent, subsidiaries and affiliates.....	152,519	173,556
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.....	1,982,430	1,898,003
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	433,567,131	400,872,014
27. Protected cell liabilities.....	0	0
28. Total liabilities (Lines 26 and 27).....	433,567,131	400,872,014
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).....	21,707,888	16,465,675
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).....	104,466,439	99,224,226
38. Totals (Page 2, Line 28, Col. 3).....	538,033,570	500,096,240

### DETAILS OF WRITE-INS

2501. Deferred ceding commission.....	0	40,659
2502. Deferred service fees.....	171,362	173,749
2503. Funds held deposit.....	1,806,176	1,683,595
2598. Summary of remaining write-ins for Line 25 from overflow page.....	4,892	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,982,430	1,898,003
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 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$.....79,746,693).....	75,089,287	57,828,651	126,552,824
1.2 Assumed..... (written \$.....69,331,066).....	63,071,757	47,578,416	105,660,195
1.3 Ceded..... (written \$.....141,937,561).....	131,650,265	100,526,462	221,358,873
1.4 Net..... (written \$.....7,140,198).....	6,510,779	4,880,605	10,854,146
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....2,953,030):			
2.1 Direct.....	37,651,372	34,800,338	70,512,556
2.2 Assumed.....	26,110,634	21,274,299	46,615,939
2.3 Ceded.....	61,082,586	53,931,988	112,371,839
2.4 Net.....	2,679,420	2,142,649	4,756,656
3. Loss adjustment expenses incurred.....	2,255,551	1,688,383	3,675,739
4. Other underwriting expenses incurred.....	792,591	877,611	1,876,475
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	5,727,562	4,708,643	10,308,870
7. Net income of protected cells.....	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	783,217	171,962	545,276
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	32,101	182,573	335,289
10. Net realized capital gains (losses) less capital gains tax of \$.....(832).....	(3,130)	(13,067)	104,724
11. Net investment gain (loss) (Lines 9 + 10).....	28,971	169,506	440,013
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....4,260).....	(4,260)	(5,765)	(7,621)
13. Finance and service charges not included in premiums.....	1,089,247	860,436	1,963,086
14. Aggregate write-ins for miscellaneous income.....	568,641	(730,286)	(1,560,450)
15. Total other income (Lines 12 through 14).....	1,653,628	124,385	395,015
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,465,816	465,853	1,380,304
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).....	2,465,816	465,853	1,380,304
19. Federal and foreign income taxes incurred.....	551,482	163,393	337,427
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,914,334	302,460	1,042,877
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	99,224,227	94,031,484	94,031,484
22. Net income (from Line 20).....	1,914,334	302,460	1,042,877
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 \$.....(1,480).....	3,383,659	1,172,909	4,332,542
25. Change in net unrealized foreign exchange capital gain (loss).....	0	0	0
26. Change in net deferred income tax.....	70,164	99,960	128,102
27. Change in nonadmitted assets.....	(125,945)	(173,698)	(196,778)
28. Change in provision for reinsurance.....	0	0	(114,000)
29. Change in surplus notes.....	0	0	0
30. Surplus (contributed to) withdrawn from protected cells.....	0	0	0
31. Cumulative effect of changes in accounting principles.....	0	0	0
32. Capital changes:			
32.1 Paid in.....	0	0	0
32.2 Transferred from surplus (Stock Dividend).....	0	0	0
32.3 Transferred to surplus.....	0	0	0
33. Surplus adjustments:			
33.1 Paid in.....	0	0	0
33.2 Transferred to capital (Stock Dividend).....	0	0	0
33.3 Transferred from capital.....	0	0	0
34. Net remittances from or (to) Home Office.....	0	0	0
35. Dividends to stockholders.....	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).....	5,242,212	1,401,631	5,192,743
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	104,466,439	95,433,115	99,224,227

### 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.....	(918,399)	(756,276)	(1,685,888)
1402. Fronting fee income.....	191,562	25,990	125,438
1403. Other fee income.....	1,295,478	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).....	568,641	(730,286)	(1,560,450)
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

**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	5,746,086	5,031,836	(1,654,612)
2. Net investment income.....	48,899	196,623	423,368
3. Miscellaneous income.....	1,653,628	(1,753,012)	395,013
4. Total (Lines 1 through 3).....	7,448,613	3,475,447	(836,231)
5. Benefit and loss related payments.....	26,841,855	29,253,755	55,360,159
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.....	1,481,115	(4,773,604)	(6,209,630)
8. Dividends paid to policyholders.....	.0	.0	.0
9. Federal and foreign income taxes paid (recovered) net of \$.0 tax on capital gains (losses).....	40,075	(188,867)	113,723
10. Total (Lines 5 through 9).....	28,363,045	24,291,284	49,264,252
11. Net cash from operations (Line 4 minus Line 10).....	(20,914,432)	(20,815,837)	(50,100,484)
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	1,821,729	2,678,366	8,339,259
12.2 Stocks.....	195,000	187,500	1,184,013
12.3 Mortgage loans.....	.0	.0	.0
12.4 Real estate.....	.0	.0	.0
12.5 Other invested assets.....	.0	.0	.0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	.0	.0	.0
12.7 Miscellaneous proceeds.....	.0	.0	.0
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,016,729	2,865,866	9,523,272
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,324,387	2,387,303	3,331,566
13.2 Stocks.....	.0	.0	.0
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).....	1,324,387	2,387,303	3,331,566
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).....	692,342	478,563	6,191,706
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....	.0	.0	.0
16.2 Capital and paid in surplus, less treasury stock.....	.0	.0	.0
16.3 Borrowed funds.....	5,000,000	.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).....	21,201,220	26,606,710	47,208,030
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	26,201,220	26,606,710	47,208,030
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	5,979,130	6,269,436	3,299,253
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	11,764,058	8,464,805	8,464,805
19.2 End of period (Line 18 plus Line 19.1).....	17,743,188	14,734,241	11,764,058

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

20.0001 .....	.0	.0	.0
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## 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 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 #	06/30/2020	12/31/2019
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 1,914,334	\$ 1,042,876
(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>\$ 1,914,334</u>	<u>\$ 1,042,876</u>
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 104,466,439	\$ 99,224,226
(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>\$ 104,466,439</u>	<u>\$ 99,224,226</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. The Company does not have any investments in mandatory convertible securities or SVO-Identified investments.

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

Loan-backed securities are stated at either amortized cost using the interest method, or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield has become negative, which are valued using the prospective method.

## 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

(1) Prepayment assumptions for mortgage-backed securities, collateralized mortgage obligations and other structured securities were generated using a purchased prepayment model. The prepayment model uses a number of factors to estimate prepayment activity including the time of year (seasonality), current levels of interest rates (refinancing incentive), economic activity (including housing turnover) and term and age of the underlying collateral (burnout, seasoning). On an ongoing basis, the rate of prepayment is monitored and the model is calibrated to reflect actual experience, market factors and viewpoint.

(2) Loan-backed and structured securities with a recognized other-than-temporary impairment (OTTI) - Not Applicable

(3) Securities held that were other-than-temporarily impaired due to the present value of cash flows expected to be collected was less than the amortized cost of securities - Not Applicable

(4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss - None

(5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

The Company's management regularly reviews the value of investments. If the value of an investment falls below its cost basis, the decline is analyzed to determine whether it is an other-than-temporary decline in value. To make this determination, the following are considered:

- How long and by how much the fair value has been below its cost;
- The financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations;
- Management's intent to hold the security long enough for it to recover its value;
- Any downgrades of the security by a rating agency; and
- Any nonpayment of scheduled interest payments.

Based on that analysis, management makes a judgment as to whether the loss is other-than-temporary. If the loss is other-than-temporary, the impairment is recognized as a realized capital loss in the Statement of Income in the period the determination is made.

**Notes to the Financial Statements****5. Investments (Continued)**

- 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**

- A. Nature of Relationships - No Significant Changes
- B. Detail of Transactions Greater Than 0.5% of Admitted Assets - No Significant Changes
- C. Amount of Transactions & Effects of Change in Terms of Intercompany Arrangements - No Significant Changes
- D. Amounts Due From or To Related Parties

On January 1, 2020, the Company borrowed \$5,000,000 from its affiliate James River Insurance Company in the form of a promissory note maturing on January 1, 2023. The Company will make quarterly interest payments to James River Insurance Company and will repay in entire unpaid principal balance on January 1, 2023.

- E. Guarantees or Contingencies - No Significant Changes
- F. Management Service Contracts and Cost Sharing Arrangements - No Significant Changes
- G. Nature of Relationships that Could Affect Operations - No Significant Changes
- H. Amount Deducted for Investment in Upstream Company - Not Applicable
- I. Detail of Investments in Affiliates Greater Than 10% of Admitted Assets - Not Applicable
- J. Write-Down for Impairments of Investments in Subsidiary Controlled or Affiliated Companies - Not Applicable
- K. Foreign Subsidiary Value Using CARVM - Not Applicable
- L. Downstream Holding Company Value Using Look-Through Method - Not Applicable
- M. All SCA Investments - Not Applicable
- N. Investment in Insurance SCAs - Not Applicable
- O. SCA and SSAP No. 48 Entity Loss Tracking - Not Applicable

**11. Debt**

- A. See note 10D for additional detail.
- B. FHLB (Federal Home Loan Bank) Agreements - Not Applicable

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

## Notes to the Financial Statements

## 20. Fair Value Measurements (Continued)

- 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 & misc. ....	\$ .....	\$ 194,475	\$ .....	\$ .....	\$ 194,475
Money market mutual funds .....				3,891,452	3,891,452
Total assets at fair value/NAV .....	<u>\$ .....</u>	<u>\$ 194,475</u>	<u>\$ .....</u>	<u>\$ 3,891,452</u>	<u>\$ 4,085,927</u>
b. Liabilities at fair value					
Not applicable .....	\$ .....	\$ .....	\$ .....	\$ .....	\$ .....
Total liabilities at fair value .....	<u>\$ .....</u>	<u>\$ .....</u>	<u>\$ .....</u>	<u>\$ .....</u>	<u>\$ .....</u>

The Company held no liabilities measured at fair value as of June 30, 2020.

## (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 published by independent pricing services such as: Refinitiv, ICE Data Services, Bloomberg, IHS Markit, IHS Markit iBoxx or Pricing Direct. These sources have been evaluated and approved by the investment manager's pricing policy committee. Under certain circumstances, if a vendor price is not available, a price may be obtained from a broker. Short-term securities are valued at amortized cost. Cash Equivalents, excluding money market mutual funds, are valued at amortized cost. Money market mutual funds are valued using a stable Net Asset Value (NAV) of one dollar per share.

Generally, independent 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. As of June 30, 2020, 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.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds .....	\$ 4,905,628	\$ 4,626,426	\$ 2,153,834	\$ 2,751,794	\$ .....	\$ .....	\$ .....
Preferred stock .....	194,475	194,475		194,475			
Cash equivalents & short-term investments .....	3,891,452	3,891,452				3,891,452	

## D. Not Practicable to Estimate Fair Value - Not Applicable

## E. Nature and Risk of Investments Reported at NAV - Not Applicable

## 21. Other Items

In response to the outbreak of the coronavirus pandemic in the first quarter of 2020, many state and local governments in the United States and around the world have instituted emergency restrictions that have substantially limited the operation of non-essential businesses and the activities of individuals. Many states have extended the expiration date of restrictions and some states that eased restrictions subsequently re-imposed them as the spread of COVID-19 worsened. These restrictions could result in significant adverse effects on our policyholders and many different types of small and mid-sized businesses within the Company's client base, particularly those in the retail, hospitality and food and beverage industries, among many others. The ultimate effect and severity of COVID-19 on the economy is not known nor is the ultimate length of the restrictions and any accompanying effects caused by it.

## Notes to the Financial Statements

**21. Other Items (Continued)**

The effect of COVID-19 and related events could have a negative effect on the Company, including as a result of quarantines, market volatility, market downturns, actions of lawmakers and regulators, changes in consumer behavior, business closures, deterioration in the credit quality of policyholders or the inability of policyholders to pay their premium and deductible obligations to the Company, and deterioration in the credit quality of reinsurers or insurance entities with which we have a fronting arrangement or the inability of insurers or the insurance entities for which we are fronting to pay their obligations to the Company. At the federal and state level, there have been proposals by lawmakers to retroactively amend business interruption insurance policies to cover claims related to COVID-19 when such insurance policies otherwise would exclude such risks. In addition, a number of states have instituted, and other states are considering instituting, changes designed to effectively expand workers' compensation coverage by creating presumptions of compensability of claims for certain types of workers.

The Company has received both business interruption and workers' compensation claims related to COVID-19 and we expect that we will continue to receive claims related to COVID-19. If the efforts of lawmakers to effectively expand coverage under business interruption, workers' compensation or other policies on a retroactive basis are successful and enforceable, the Company may be forced to pay claims under policies for which it received inadequate premiums to cover such risks, and therefore the Company's reserves may be inadequate to pay such claims. At the state level, insurance departments throughout the country have issued bulletins and regulations urging or requiring insurers to extend grace periods for the payment of policy premiums and to refrain from canceling or non-renewing policies for the non-payment of policy premiums for policyholders adversely affected by COVID-19. While many of these requirements and recommendations have expired or are scheduled to expire in the near future, insurance departments could reinstate or extend them as conditions deteriorate and/or the negative impact of the pandemic on policyholders persists. It is uncertain what impact these government mandates may have on our ability to recover unpaid premiums on the affected policies or what our obligations may be for the payment of claims made under policies for which we have not received premium payments. Further, demand for the insurance policies that the Company offers is highly dependent upon the business environment in the markets in which the Company operates. Given the ongoing and dynamic nature of the circumstances, it is not possible to predict the ultimate impact of the coronavirus outbreak, but it could have a material adverse impact on the business prospects, financial condition or results of operations of the Company.

**22. Events Subsequent**

The Company has considered subsequent events through August 14, 2020, the date that the statutory-basis financial statements were available to be issued.

Due to COVID-19 certain customers have been allowed to modify their exposure base of auto policies. On August 1, 2020, the Michigan Department of Insurance approved the Company's plan to issue premium refunds within 30 days of approval of approximately \$1.3 million to certain policyholders. Additionally, ceded written premiums under our various reinsurance contracts will be adjusted for this refund.

**23. Reinsurance - No Significant Changes****24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

The Company does not write any contracts with retroactive rated contract terms.

**E. Calculation of Nonadmitted Retrospective Premium**

NONE

(1) For Ten Percent (10%) Method of determining nonadmitted retrospective premium - Not Applicable

(2) For Quality Rating Method of determining nonadmitted retrospective premium - Not Applicable

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

NONE

(1) Accident and health insurance premium subject to the Affordable Care Act risk-sharing provisions

Did the reporting entity write accident and health insurance premium which is subject to the Affordable Care Act risk sharing provisions?

NO

(2) Impact of Risk-Sharing Provisions of the Affordable Care Act on admitted assets, liabilities and revenue for the current year - Not Applicable

(3) Roll-forward of prior year ACA risk-sharing provisions for the following asset (gross of any nonadmission) and liability balances, along with the reasons for adjustments to prior year balance - Not Applicable

(4) Roll-forward of risk corridors asset and liability balances by program benefit year - Not Applicable

(5) ACA risk corridors receivable as of reporting date - 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:

	June 30, 2020	Dec. 31, 2019
<b>Reserves, Net of Reinsurance Recoverables at Beginning of Period</b>	\$ 23,344,465	\$ 20,361,913
Loss and loss adjustment expense incurred:		
Current accident year	5,229,680	9,430,106
Prior accident years	(294,709)	(997,704)
	4,934,971	8,432,402
Loss and loss adjustment expense payments made for:		
Current accident year	374,012	998,868
Prior accident years	2,668,572	4,450,982
	3,042,584	5,449,850
<b>Reserves, Net of Reinsurance Recoverables at End of Period</b>	<b>\$ 25,236,852</b>	<b>\$ 23,344,465</b>

**Notes to the Financial Statements****25. Changes in Incurred Losses and Loss Adjustment Expenses (Continued)**

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by \$294,709 in 2020, 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? Yes [X] No [ ]  
If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 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? Yes [ ] No [X]  
If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.
- 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	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? Yes [ ] No [X] 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 [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 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 [X] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

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

- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] 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 [X]
- 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 [X]
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 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 [X] No [ ]
- 14.2 If yes, please complete the following:

	1		2	
	Prior Year End Book/Adjusted Carrying Value		Current Quarter Book/Adjusted Carrying Value	
14.21 Bonds	\$ 0		\$ 0	
14.22 Preferred Stock	0		0	
14.23 Common Stock	83,568,671		86,957,894	
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)	\$ 83,568,671		\$ 86,957,894	
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 [X]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ ] No [ ] N/A [X]
- 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 [X] No [ ]

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

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

- 17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [ ] No [X]
- 17.4 If yes, give full and complete information relating thereto:

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

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	2
Name of Firm or Individual	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 invested assets? Yes [X] 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 invested assets? Yes [ ] No [X]

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

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [X] No [ ]
- 18.2 If no, list exceptions:

## GENERAL INTERROGATORIES

### PART 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 [X]
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 [X]
21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- a. The security was purchased prior to January 1, 2019.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
  - d. The fund only or predominantly holds bonds in its portfolio.
  - e. The current reporting NAIC designation was derived from the public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO.
  - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
- Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? 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. 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 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
<b>All Other Insurers</b>						
34711.....	05-0443418.....	Digital Advantage Insurance Company.....	VT.....	Authorized.....	.....0.....	.....
00000.....	AA-0053911.....	American Risk Services Reinsurance Co Ltd.....	TCA.....	Unauthorized....	.....0.....	.....
00000.....	AA-3770492.....	Topsail Reins Spc Ltd.....	CYM.....	Unauthorized....	.....0.....	.....
00000.....	AA-3191295.....	Third Point Reins (USA) Ltd.....	BMU.....	Unauthorized....	.....0.....	.....
00000.....	AA-3191179.....	Third Point Reins Co Ltd.....	BMU.....	Unauthorized....	.....0.....	.....
00000.....	AA-1120982.....	HCC Intl Ins Co Plc.....	GBR.....	Authorized.....	.....0.....	.....

## 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.....		914,384	612,846	450,517	350,280	1,573,532	1,254,225
2. Alaska.....AK.....L.....		0	0	0	0	0	0
3. Arizona.....AZ.....L.....		1,083,055	1,012,167	351,648	493,252	1,480,362	1,057,812
4. Arkansas.....AR.....L.....		165,115	(117)	6,742	23,158	316,858	414,607
5. California.....CA.....E.....		3,627,066	6,173,910	189,377	0	5,840,861	2,578,799
6. Colorado.....CO.....L.....		735,364	6,929	35,592	48,462	153,170	459,009
7. Connecticut.....CT.....L.....		714,141	1,578,539	406,902	115,831	2,703,757	1,347,875
8. Delaware.....DE.....L.....		196,318	(1,493)	50,558	2,056	115,237	98,340
9. District of Columbia.....DC.....L.....		0	(6)	0	1,504	227	3,594
10. Florida.....FL.....L.....		3,198,776	1,157,247	2,723,450	1,991,237	5,659,213	7,973,195
11. Georgia.....GA.....L.....		7,195,230	4,322,494	2,672,821	1,498,094	6,466,621	2,874,927
12. Hawaii.....HI.....L.....		0	0	0	0	0	0
13. Idaho.....ID.....L.....		251,158	3,611	71,834	127,832	100,393	749,766
14. Illinois.....IL.....L.....		1,814,033	192,696	146,994	108,797	1,899,517	1,022,791
15. Indiana.....IN.....L.....		732,161	231,346	44,387	44,056	844,143	583,102
16. Iowa.....IA.....L.....		1,186,971	(544)	66,098	6,505	583,473	5,628
17. Kansas.....KS.....L.....		421,281	3,727	10,371	0	47,536	12,149
18. Kentucky.....KY.....L.....		24,972	16,011	96,721	109,371	664,863	896,181
19. Louisiana.....LA.....L.....		53,025	0	30,142	613,193	103,674	1,209,371
20. Maine.....ME.....N.....		0	0	0	0	0	0
21. Maryland.....MD.....L.....		1,042,735	955,481	(49,725)	96,747	2,171,051	606,212
22. Massachusetts.....MA.....L.....		1,157,903	1,009,072	67,418	215,043	2,136,441	1,160,256
23. Michigan.....MI.....L.....		21,234,155	24,702,073	3,007,411	729,206	27,925,645	14,193,248
24. Minnesota.....MN.....L.....		96,712	16,376	6,807	3,898	131,793	18,696
25. Mississippi.....MS.....L.....		77,409	23,010	(8,611)	233,525	9,975	165,455
26. Missouri.....MO.....L.....		731,580	43,544	149,860	39,747	994,299	55,812
27. Montana.....MT.....L.....		27,394	10,643	0	5,926	2,846	3,651
28. Nebraska.....NE.....L.....		32,803	0	128,386	2,293	10,828	206,009
29. Nevada.....NV.....L.....		872,013	553,508	206,981	364,820	1,334,576	1,454,386
30. New Hampshire.....NH.....L.....		29,560	28,732	499,500	8,397	23,015	720,583
31. New Jersey.....NJ.....L.....		4,339,760	5,376,637	1,872,310	2,527,860	10,688,121	10,265,711
32. New Mexico.....NM.....L.....		103,486	(4,370)	182,072	5,732,481	2,493,809	3,969,862
33. New York.....NY.....L.....		8,906,609	10,734,232	4,384,874	3,187,162	39,602,037	39,685,972
34. North Carolina.....NC.....L.....		1,554,593	747,456	140,480	280,000	745,759	645,788
35. North Dakota.....ND.....L.....		(8,700)	0	0	0	24,305	3,213
36. Ohio.....OH.....L.....		402,401	1,014,394	122,122	46,466	446,352	570,484
37. Oklahoma.....OK.....L.....		383,860	0	1,014,871	0	1,068,691	83,030
38. Oregon.....OR.....L.....		0	81	0	0	0	14,722
39. Pennsylvania.....PA.....L.....		5,374,350	3,212,166	2,651,088	1,271,548	6,717,903	4,435,474
40. Rhode Island.....RI.....L.....		1,187,336	1,138,431	476,135	254,097	1,756,916	1,275,476
41. South Carolina.....SC.....L.....		303,007	129,193	35,970	60,593	594,012	351,916
42. South Dakota.....SD.....L.....		0	33,421	0	0	0	27,671
43. Tennessee.....TN.....L.....		438,464	86,155	160,350	101,440	660,227	529,410
44. Texas.....TX.....L.....		6,955,722	963,979	1,731,066	5,475,350	10,207,904	10,123,914
45. Utah.....UT.....L.....		(111,648)	28,764	52,523	21,500	170,883	4,615
46. Vermont.....VT.....L.....		42,297	3,277	0	6,281	4,378	20,730
47. Virginia.....VA.....L.....		1,396,583	2,413,856	727,275	133,643	1,839,644	2,035,061
48. Washington.....WA.....L.....		113,522	879	0	21,007	72,501	155,282
49. West Virginia.....WV.....L.....		41,471	1,377,283	149,435	2,546	1,086,378	381,847
50. Wisconsin.....WI.....L.....		708,266	4,559	114,487	0	561,715	139,575
51. Wyoming.....WY.....L.....		0	0	0	0	0	88
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	79,746,693	69,912,195	25,177,239	26,355,204	142,035,441	115,845,520

**DETAILS OF WRITE-INS**

58001.....	XXX	0	0	0	0	0	0
58002.....	XXX	0	0	0	0	0	0
58003.....	XXX	0	0	0	0	0	0
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

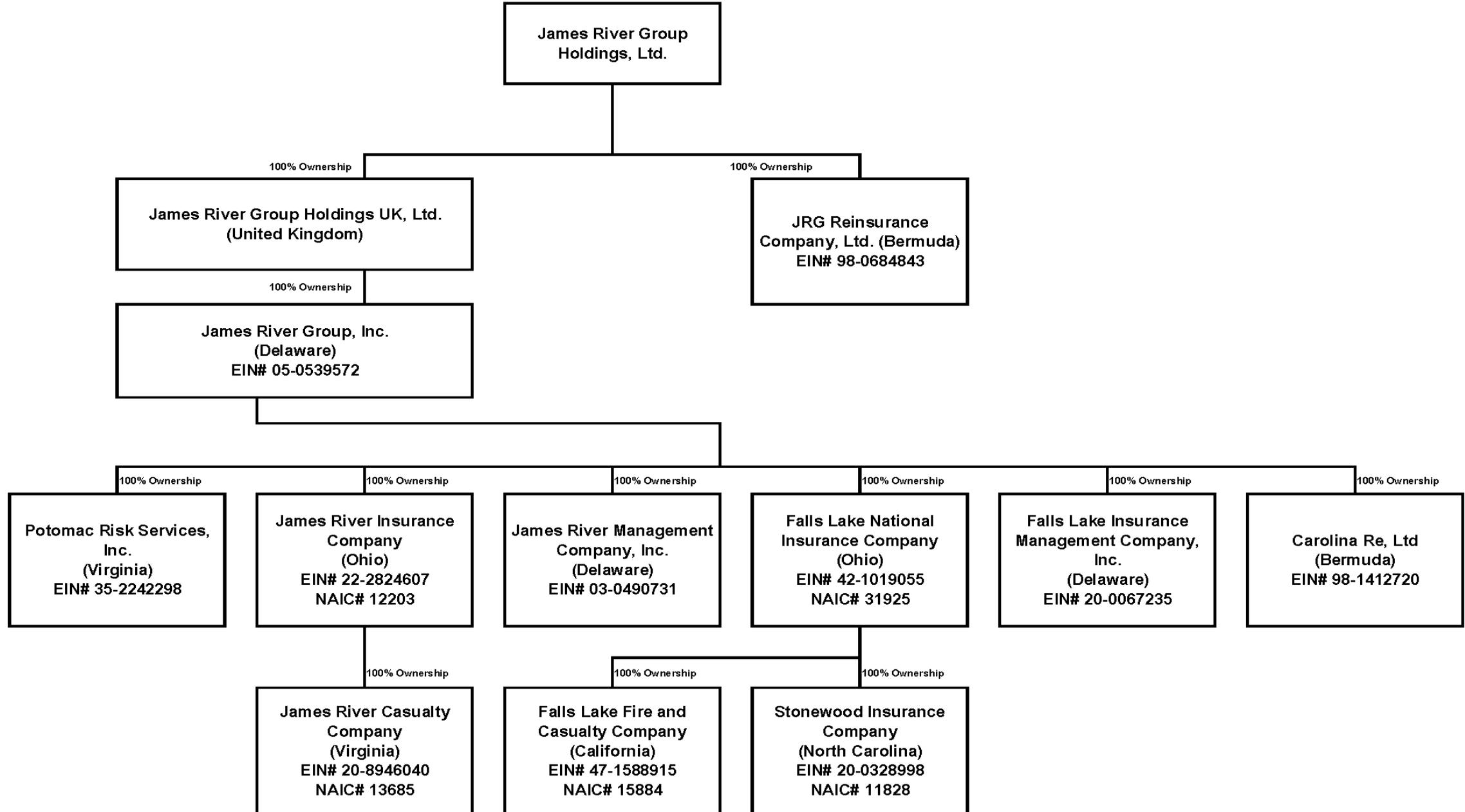
(a) Active Status Count

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).....	1	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.....	7

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

PART 1 – ORGANIZATIONAL CHART

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## 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)	*
<b>Members</b>															
0		0	98-0585280	0	1620459	NASDAQ	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	UDP	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	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	RE	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	DS	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	DS	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 Inc	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			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....	802,728	710,463	88.506	7.637
2. Allied lines.....	2,807,840	457,471	16.293	5.944
3. Farmowners multiple peril.....	0	0	0.000	0.000
4. Homeowners multiple peril.....	0	0	0.000	0.000
5. Commercial multiple peril.....	9,817,014	4,362,277	44.436	73.501
6. Mortgage guaranty.....	0	0	0.000	0.000
8. Ocean marine.....	0	0	0.000	0.000
9. Inland marine.....	724,077	275,869	38.099	(25.004)
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.....	3,114	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.....	6,104,038	2,948,833	48.310	50.398
17.1. Other liability-occurrence.....	5,517,798	2,140,801	38.798	71.600
17.2. Other liability-claims made.....	3,990	(336,692)	(8,438.396)	(13.402)
17.3. Excess workers' compensation.....	0	0	0.000	0.000
18.1. Products liability-occurrence.....	34,016	(6,212)	(18.262)	78.857
18.2. Products liability-claims made.....	0	0	0.000	0.000
19.1, 19.2. Private passenger auto liability.....	24,697,793	11,669,776	47.250	49.293
19.3, 19.4. Commercial auto liability.....	18,183,532	12,104,459	66.568	80.860
21. Auto physical damage.....	5,641,593	3,146,651	55.776	35.087
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.....	149,051	(15,603)	(10.468)	0.000
27. Boiler and machinery.....	602,701	193,279	32.069	(59.242)
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.....	75,089,285	37,651,372	50.142	60.178
<b>DETAILS OF WRITE-INS</b>				
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	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....	749,068	1,376,807	2
2. Allied lines.....	3,401,122	4,220,310	1,017
3. Farmowners multiple peril.....	0	0	0
4. Homeowners multiple peril.....	0	0	0
5. Commercial multiple peril.....	5,397,603	10,728,116	12,773,073
6. Mortgage guaranty.....	0	0	0
8. Ocean marine.....	0	0	0
9. Inland marine.....	255,792	743,037	305,531
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.....	367	1,562	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.....	3,468,165	6,747,827	6,670,693
17.1. Other liability-occurrence.....	4,277,685	6,644,158	3,940,169
17.2. Other liability-claims made.....	2,625	3,378	13,103
17.3. Excess workers' compensation.....	0	0	0
18.1. Products liability-occurrence.....	11,903	33,641	39,556
18.2. Products liability-claims made.....	0	0	0
19.1 19.2. Private passenger auto liability.....	6,975,093	23,910,083	25,688,985
19.3 19.4. Commercial auto liability.....	7,972,256	18,157,370	15,530,865
21. Auto physical damage.....	705,190	6,019,390	4,741,926
22. Aircraft (all perils).....	0	0	0
23. Fidelity.....	0	0	0
24. Surety.....	0	0	0
26. Burglary and theft.....	162,314	270,338	0
27. Boiler and machinery.....	441,841	890,676	207,275
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.....	33,821,024	79,746,693	69,912,195
<b>DETAILS OF WRITE-INS</b>			
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

**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)	2020 Loss and LAE Payments on Claims Reported as of Prior Year-End	2020 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2020 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. 2017 + Prior.....	4,147	5,326	9,473	1,161	216	1,377	3,262	141	4,430	7,833	276	(539)	(263)
2. 2018.....	1,453	3,987	5,440	314	224	538	1,116	406	3,145	4,667	(23)	(212)	(235)
3. Subtotals 2018 + Prior.....	5,600	9,313	14,913	1,475	440	1,915	4,378	547	7,575	12,500	253	(751)	(498)
4. 2019.....	1,329	7,102	8,431	548	205	753	1,248	252	6,381	7,881	467	(264)	203
5. Subtotals 2019 + Prior.....	6,929	16,415	23,344	2,023	645	2,668	5,626	799	13,956	20,381	720	(1,015)	(295)
6. 2020.....	XXX	XXX	XXX	XXX	374	374	XXX	524	4,332	4,856	XXX	XXX	XXX
7. Totals.....	6,929	16,415	23,344	2,023	1,019	3,042	5,626	1,323	18,288	25,237	720	(1,015)	(295)
8. Prior Year-End's Surplus As Regards Policyholders	99,224												
											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. ....10.4 %	2. ....(6.2)%	3. ....(1.3)%
													Col. 13, Line 7 Line 8
													4. ....(0.3)%

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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.

	<b>Response</b>
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:**



Statement for June 30, 2020 of the **Falls Lake National Insurance Company**  
**Overflow Page for Write-Ins**

**Additional Write-ins for Liabilities:**

	1 Current Statement Date	2 December 31, Prior Year
2504. Other accrued liabilities.....	4,892	0
2597. Summary of remaining write-ins for Line 25.....	4,892	0

**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	.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

NONE

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

NONE

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

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

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.....	89,108,095	90,871,766
2. Cost of bonds and stocks acquired.....	1,324,387	3,331,566
3. Accrual of discount.....	1,554	5,127
4. Unrealized valuation increase (decrease).....	3,382,179	4,347,471
5. Total gain (loss) on disposals.....	(3,962)	132,564
6. Deduct consideration for bonds and stocks disposed of.....	2,016,730	9,523,272
7. Deduct amortization of premium.....	16,727	57,127
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).....	91,778,796	89,108,095
12. Deduct total nonadmitted amounts.....	.0	.0
13. Statement value at end of current period (Line 11 minus Line 12).....	91,778,796	89,108,095

### 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
<b>BONDS</b>								
1. NAIC 1 (a).....	4,634,060	562,147	562,147	(7,634)	4,634,060	4,626,426		5,140,172
2. NAIC 2 (a).....	0	0	0	0	0	0		0
3. NAIC 3 (a).....	0	0	0	0	0	0		0
4. NAIC 4 (a).....	0	0	0	0	0	0		0
5. NAIC 5 (a).....	0	0	0	0	0	0		0
6. NAIC 6 (a).....	0	0	0	0	0	0		0
7. Total Bonds.....	4,634,060	562,147	562,147	(7,634)	4,634,060	4,626,426	0	5,140,172
<b>PREFERRED STOCK</b>								
8. NAIC 1.....	0	0	0	0	0	0		0
9. NAIC 2.....	0	0	0	0	0	0		199,524
10. NAIC 3.....	188,025	0	0	6,450	188,025	194,475		199,725
11. NAIC 4.....	0	0	0	0	0	0		0
12. NAIC 5.....	0	0	0	0	0	0		0
13. NAIC 6.....	0	0	0	0	0	0		0
14. Total Preferred Stock.....	188,025	0	0	6,450	188,025	194,475	0	399,249
15. Total Bonds and Preferred Stock.....	4,822,085	562,147	562,147	(1,184)	4,822,085	4,820,901	0	5,539,421

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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 \$.....0; 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.....	.....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	.....0
2. Cost of short-term investments acquired.....	.....501,550	.....49,677
3. Accrual of discount.....	.....0	.....323
4. Unrealized valuation increase (decrease).....	.....0	.....0
5. Total gain (loss) on disposals.....	.....0	.....0
6. Deduct consideration received on disposals.....	.....501,550	.....50,000
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 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	3,201,857	2,389,163
2. Cost of cash equivalents acquired.....	21,171,337	33,077,462
3. Accrual of discount.....	0	0
4. Unrealized valuation increase (decrease).....	0	0
5. Total gain (loss) on disposals.....	0	0
6. Deduct consideration received on disposals.....	20,482,102	32,264,768
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).....	3,891,092	3,201,857
11. Deduct total nonadmitted amounts.....	0	0
12. Statement value at end of current period (Line 10 minus Line 11).....	3,891,092	3,201,857

**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
<b>Bonds - U.S. Government</b>									
912828 YT 1	UNITED STATES TREASURY NOTE		05/28/2020	NOMURA SECURITIES INTL		305,859	300,000	2,189	1
0599999	Total - Bonds - U.S. Government					305,859	300,000	2,189	XXX
<b>Bonds - Industrial and Miscellaneous</b>									
89236T DP 7	TOYOTA MOTOR CREDIT CORP		05/28/2020	MARKETAXESS		256,288	250,000	2,510	1FE
3899999	Total - Bonds - Industrial and Miscellaneous					256,288	250,000	2,510	XXX
8399997	Total - Bonds - Part 3					562,147	550,000	4,699	XXX
8399999	Total - Bonds					562,147	550,000	4,699	XXX
9999999	Total - Bonds, Preferred and Common Stocks					562,147	XXX	4,699	XXX

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### 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 Administrative Symbol
<b>Bonds - U.S. Government</b>																					
912828	YT 1 UNITED STATES TREASURY NOTE.....		05/28/2020	NOMURA SECURITIES INTL.....		305,859	300,000	305,859	0	0	0	0	0	0	305,859	0	0	0	2,189	11/30/2021	1.....
0599999	Total - Bonds - U.S. Government.....					305,859	300,000	305,859	0	0	0	0	0	0	305,859	0	0	0	2,189	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																					
89236T	DP 7 TOYOTA MOTOR CREDIT CORP.....		05/28/2020	MARKETAXESS.....		256,288	250,000	256,288	0	0	0	0	0	0	256,288	0	0	0	2,510	01/11/2022	1FE.....
3899999	Total - Bonds - Industrial and Miscellaneous.....					256,288	250,000	256,288	0	0	0	0	0	0	256,288	0	0	0	2,510	XXX	XXX
8399997	Total - Bonds - Part 4.....					562,147	550,000	562,147	0	0	0	0	0	0	562,147	0	0	0	4,699	XXX	XXX
8399999	Total - Bonds.....					562,147	550,000	562,147	0	0	0	0	0	0	562,147	0	0	0	4,699	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks.....					562,147	XXX	562,147	0	0	0	0	0	0	562,147	0	0	0	4,699	XXX	XXX

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**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. DB - Pt. E**  
**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 or 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	
<b>Open Depositories</b>								
Key Bank..... Cleveland, OH.....		.....0.000	.....0	.....0	.....11,903,305	.....12,838,799	.....13,457,096	XXX
US Bank..... Minneapolis, MN.....	SD.....	.....0.000	.....331	.....0	.....395,000	.....395,000	.....395,000	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....331	.....0	.....12,298,305	.....13,233,799	.....13,852,096	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....331	.....0	.....12,298,305	.....13,233,799	.....13,852,096	XXX
0599999. Total Cash.....	XXX	XXX	.....331	.....0	.....12,298,305	.....13,233,799	.....13,852,096	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
<b>Exempt Money Market Mutual Funds as Identified by the SVO</b>										
31846V	41	9	FIRST AM TREAS OBLI-INS INV.....	SD.....	06/15/2020.....	.....0.000	.....	.....315,013	.....0	.....0
31846V	80	7	FIRST AMER TREASURY OBLIG-Y.....	SD.....	06/15/2020.....	.....0.000	.....	.....2,405,106	.....0	.....0
60934N	50	0	FEDERATED TREASURY OBLIGA-IS.....	.....	06/15/2020.....	.....0.000	.....	.....499,147	.....0	.....0
94975H	29	6	WELLS FARGO ADV TR PL MM-INS.....	SD.....	06/15/2020.....	.....0.000	.....	.....120,125	.....0	.....0
8599999. Total - Exempt Money Market Mutual Funds as Identified by the SVO.....								.....3,339,391	.....0	.....0
<b>All Other Money Market Mutual Funds</b>										
31846V	20	3	FIRST AMERICAN GOV OBLIG - Y.....	SD.....	06/15/2020.....	.....0.000	.....	.....219	.....0	.....0
990220	47	7	RBC CITIZENS NA CASH SWEEP.....	SD.....	06/15/2020.....	.....0.000	.....	.....551,482	.....0	.....0
8699999. Total - All Other Money Market Mutual Funds.....								.....551,701	.....0	.....0
8899999. Total - Cash Equivalents.....								.....3,891,092	.....0	.....0

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