



QUARTERLY STATEMENT

As of September 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>	919-882-3500 <i>(Area Code) (Telephone Number)</i>
Mail Address	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	6131 Falls of Neuse Rd., Suite 306 .. Raleigh .. NC .. US .. 27609 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	919-882-3500 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.fallslakeins.com	
Statutory Statement Contact	Timothy Sean MacAleese <i>(Name)</i>	(804) 281-2683 <i>(Area Code) (Telephone Number) (Extension)</i>
	accounting@fallslakeins.com <i>(E-Mail Address)</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. Daniel Arthur Shultis	Treasurer/Controller

OTHER

Sarah Casey Doran	Chairperson of the Board	Courtney Gray Warren	SVP/Chief Claims Officer
Benson Lee Jeffress #	Assistant Secretary		

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 _____

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	4,824,165	0	4,824,165	5,140,171
2. Stocks:				
2.1 Preferred stocks	199,725	0	199,725	399,249
2.2 Common stocks	90,862,539	0	90,862,539	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 (\$14,789,270), cash equivalents (\$3,455,432) and short-term investments (\$249,934)	18,494,636	0	18,494,636	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)	114,381,065	0	114,381,065	100,872,149
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	54,905	0	54,905	38,562
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	82,784,795	1,054,963	81,729,832	68,511,077
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	17,970,742	6,849	17,963,893	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	28,057,666	0	28,057,666	29,522,856
16.2 Funds held by or deposited with reinsured companies	314,670,049	0	314,670,049	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	1,317,382	301,865	1,015,517	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	68,717	0	68,717	293,094
24. Health care (\$0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	23,051	10,000	13,051	13,051
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	559,328,372	1,373,677	557,954,695	500,096,240
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	559,328,372	1,373,677	557,954,695	500,096,240
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Claim funds on deposit	20,000	10,000	10,000	10,000
2502. Miscellaneous receivable	3,051	0	3,051	3,051
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	23,051	10,000	13,051	13,051

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 4,414,216)	16,027,840	14,313,637
2. Reinsurance payable on paid losses and loss adjustment expenses	18,986,107	22,159,712
3. Loss adjustment expenses	9,657,822	9,030,828
4. Commissions payable, contingent commissions and other similar charges	14,879,322	11,385,529
5. Other expenses (excluding taxes, licenses and fees)	7,875	1,672,094
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	6,369,083	7,544,904
7.1 Current federal and foreign income taxes (including \$ (832) on realized capital gains (losses))	42,959	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 \$ 137,098,734 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)	6,685,480	5,969,323
10. Advance premium	249,112	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)	74,192,825	62,292,759
13. Funds held by company under reinsurance treaties	291,415,325	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	1,091,971	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	3,778,526	1,898,003
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	448,498,247	400,872,014
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	448,498,247	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)	26,697,897	16,465,675
36. Less treasury stock, at cost:		
36.1 0 shares common (value included in Line 30 \$ 0)	0	0
36.2 0 shares preferred (value included in Line 31 \$ 0)	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	109,456,448	99,224,226
38. Totals (Page 2, Line 28, Col. 3)	557,954,695	500,096,240
DETAILS OF WRITE-INS		
2501. Deferred ceding commission	0	40,659
2502. Deferred service fees	222,972	173,749
2503. Funds held deposit	2,616,511	1,683,595
2598. Summary of remaining write-ins for Line 25 from overflow page	939,043	0
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	3,778,526	1,898,003
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0
2999. Totals (Lines 2901 through 2903 plus 2998)(Line 29 above)	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page	0	0
3299. Totals (Lines 3201 through 3203 plus 3298)(Line 32 above)	0	0

STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 133,634,664)	117,319,268	89,368,211	126,552,824
1.2 Assumed (written \$ 103,482,728)	96,940,662	75,839,167	105,660,195
1.3 Ceded (written \$ 226,389,176)	204,247,871	157,428,223	221,358,873
1.4 Net (written \$ 10,728,216)	10,012,059	7,779,155	10,854,146
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 4,652,728):			
2.1 Direct	66,139,178	50,095,222	70,512,556
2.2 Assumed	38,971,692	34,277,867	46,615,939
2.3 Ceded	101,076,813	80,895,929	112,371,839
2.4 Net	4,034,057	3,477,160	4,756,656
3. Loss adjustment expenses incurred	2,918,332	2,614,964	3,675,739
4. Other underwriting expenses incurred	861,450	1,443,517	1,876,475
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	7,813,839	7,535,641	10,308,870
7. Net income of protected cells	0	0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	2,198,220	243,514	545,275
INVESTMENT INCOME			
9. Net investment income earned	40,142	281,693	335,289
10. Net realized capital gains (losses) less capital gains tax of \$ (832)	(3,130)	108,298	104,724
11. Net investment gain (loss) (Lines 9 + 10)	37,012	389,991	440,013
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 11,306)	(11,306)	(7,703)	(7,621)
13. Finance and service charges not included in premiums	1,600,457	1,375,570	1,963,086
14. Aggregate write-ins for miscellaneous income	269,335	(1,126,495)	(1,560,450)
15. Total other income (Lines 12 through 14)	1,858,486	241,372	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)	4,093,718	874,877	1,380,303
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)	4,093,718	874,877	1,380,303
19. Federal and foreign income taxes incurred	882,365	238,861	337,427
20. Net income (Line 18 minus Line 19)(to Line 22)	3,211,353	636,016	1,042,876
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	99,224,226	94,031,484	94,031,484
22. Net income (from Line 20)	3,211,353	636,016	1,042,876
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ (377)	7,292,451	2,695,396	4,332,542
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	120,736	105,346	128,102
27. Change in nonadmitted assets	(392,319)	(117,076)	(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)	10,232,221	3,319,682	5,192,742
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	109,456,447	97,351,166	99,224,226
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	0	0	0
1401. Miscellaneous fees	(1,348,474)	(1,192,440)	(1,685,888)
1402. Fronting fee income	278,274	65,945	125,438
1403. Other fee income	1,339,535	0	0
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 through 1403 plus 1498)(Line 14 above)	269,335	(1,126,495)	(1,560,450)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. Totals (Lines 3701 through 3703 plus 3798)(Line 37 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE 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	5,464,244	5,479,303	(1,654,612)
2. Net investment income	52,140	346,601	423,368
3. Miscellaneous income	1,858,488	241,372	395,013
4. Total (Lines 1 to 3)	7,374,872	6,067,276	(836,231)
5. Benefit and loss related payments	33,375,209	(32,581,930)	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	2,504,535	(4,598,948)	(6,209,630)
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ (832) tax on capital gains (losses)	866,049	113,723	113,723
10. Total (Lines 5 through 9)	36,745,793	(37,067,155)	49,264,252
11. Net cash from operations (Line 4 minus Line 10)	(29,370,921)	43,134,431	(50,100,483)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	1,821,730	8,339,260	8,339,259
12.2 Stocks	195,000	989,013	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)	2,016,730	9,328,273	9,523,272
13. Cost of investments acquired (long-term only):			
13.1 Bonds	1,529,795	3,156,827	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)	1,529,795	3,156,827	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)	486,935	6,171,446	6,191,706
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0	0
16.3 Borrowed funds	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)	30,614,564	(40,456,819)	47,208,030
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	35,614,564	(40,456,819)	47,208,030
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	6,730,578	8,849,058	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)	18,494,636	17,313,863	11,764,058

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

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 #	09/30/2020	12/31/2019
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 3,211,353	\$ 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>\$ 3,211,353</u>	<u>\$ 1,042,876</u>
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 109,456,448	\$ 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>\$ 109,456,448</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:

- (a) How long and by how much the fair value has been below its cost;
- (b) The financial condition and near-term prospects of the issuer of the security, including any specific events that may affect its operations;
- (c) Management's intent to hold the security long enough for it to recover its value;
- (d) Any downgrades of the security by a rating agency; and
- (e) 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					
Money market mutual funds	\$ -	\$ -	\$ -	\$ 3,455,432	\$ 3,455,432
Total assets at fair value/NAV	\$ -	\$ -	\$ -	\$ 3,455,432	\$ 3,455,432
b. Liabilities at fair value					
Not applicable	\$ -	\$ -	\$ -	\$ -	\$ -
Total liabilities at fair value	\$ -	\$ -	\$ -	\$ -	\$ -

(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 September 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	\$ 5,104,922	\$ 4,824,165	\$ 2,144,779	\$ 2,960,143	\$ -	\$ -	\$ -
Preferred stock	204,750	199,725	-	204,750	-	-	-
Cash equivalents & short-term investments	3,705,366	3,705,366	-	249,934	-	3,455,432	-

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. Moreover, the Federal Reserve has taken action to lower the Federal Funds rate and the U.S. equity markets have experienced substantial volatility in reaction to COVID-19 since February 2020, both of which have, along with other factors, placed pressure on net investment income and resulted in material realized and unrealized losses in our investment portfolio in the first quarter of 2020. Investment markets recovered substantially in the second and third quarters, leading to unrealized gains in our investment portfolio for those quarters.

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.

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. These refunds totaling \$1,331,319 were issued during August 2020 and were accounted for as premium refunds. Ceded written premiums under our various reinsurance contracts were adjusted for this refund.

22. Events Subsequent

The Company has considered subsequent events through November 13, 2020, 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

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:

	September 30, 2020	Dec. 31, 2019
Reserves, Net of Reinsurance Recoverables at Beginning of Period	\$ 23,344,465	\$ 20,361,913
Loss and loss adjustment expense incurred:		
Current accident year	8,097,730	9,430,106
Prior accident years	(1,145,341)	(997,704)
	6,952,389	8,432,402
Loss and loss adjustment expense payments made for:		
Current accident year	763,823	998,868
Prior accident years	3,847,369	4,450,982
	4,611,192	5,449,850
Reserves, Net of Reinsurance Recoverables at End of Period	\$ 25,685,662	\$ 23,344,465

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by \$1,145,341 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.

Notes to the Financial Statements

25. Changes in Incurred Losses and Loss Adjustment Expenses (Continued)

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [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 by the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.
- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [] No [X]
- 8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

GENERAL INTERROGATORIES

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes No
 (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 (c) Compliance with applicable governmental laws, rules and regulations;
 (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes No
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes No
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

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 | \$ 83,568,671 | \$ 90,862,539 |
| 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 | \$ 90,862,539 |
| 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 N/A
 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 the 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

GENERAL INTERROGATORIES

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 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 invested 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 invested 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	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	SEC	NO.....

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

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- 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.
 - Issuer or obligor is current on all contracted interest and principal payments.
 - 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 of each self-designated PLGI security:
- The security was purchased prior to January 1, 2018.
 - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - 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.
 - 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 []

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:
- The shares were purchased prior to January 1, 2019.
 - The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - 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.
 - The fund only or predominantly holds bonds in its portfolio.
 - The current reported 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.
 - 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 []

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [] No [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 Discount 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
TOTAL			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 balance of the 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 []

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

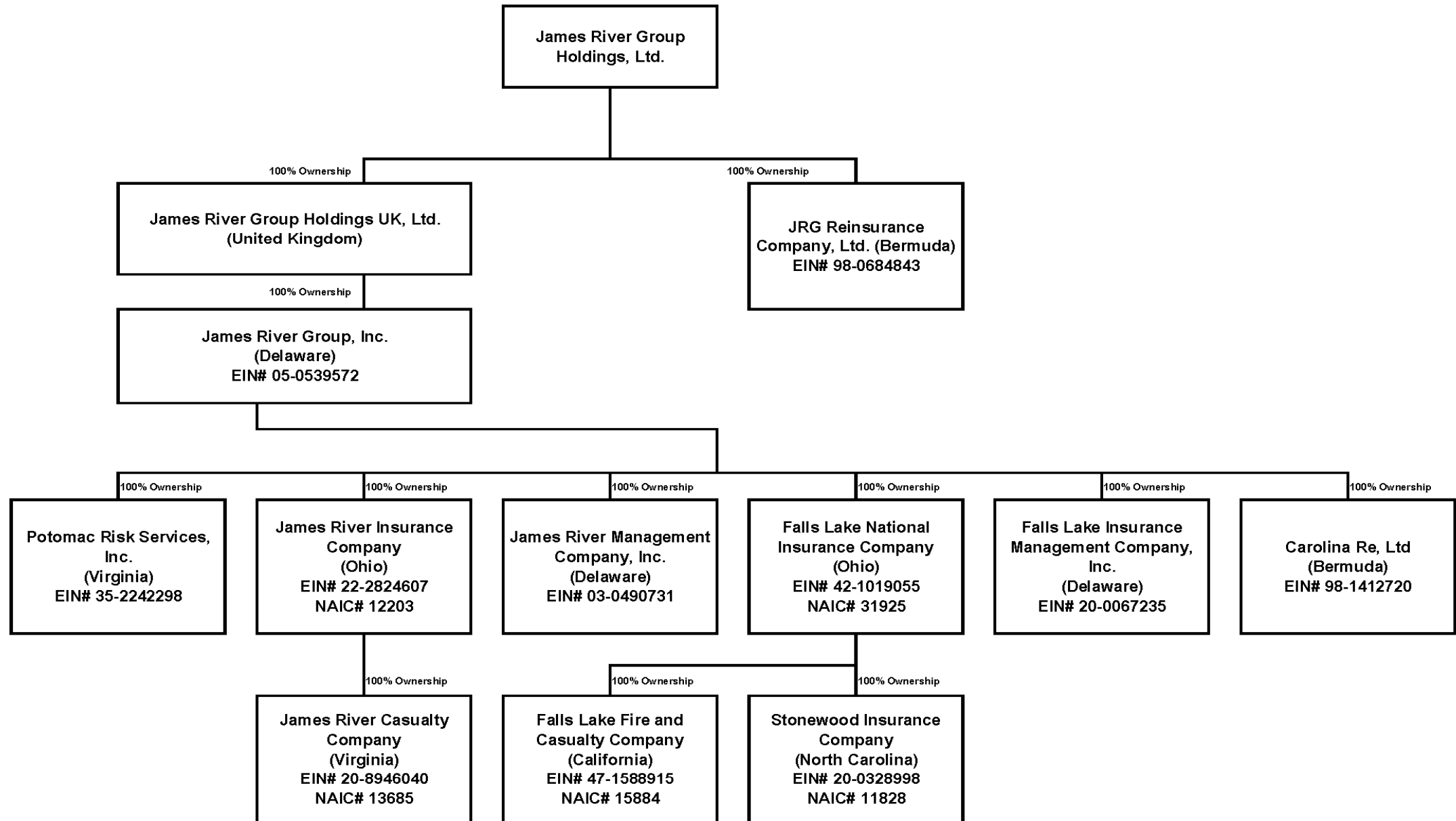
Current Year to Date - Allocated by States and Territories

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	1,162,438	876,205	585,150	511,191	1,638,403	1,439,139
2. Alaska	AK	L	0	0	0	0	0	0
3. Arizona	AZ	L	1,793,894	1,554,086	963,300	638,904	2,464,776	950,369
4. Arkansas	AR	L	215,762	(117)	20,173	32,549	328,462	309,033
5. California	CA	E	8,557,474	7,495,171	852,700	1,082	5,785,564	4,022,415
6. Colorado	CO	L	1,281,184	228,528	51,465	48,881	300,386	504,291
7. Connecticut	CT	L	1,666,149	2,214,090	487,352	220,839	2,949,474	1,685,423
8. Delaware	DE	L	630,372	414,158	54,698	2,056	162,010	25,894
9. District of Columbia	DC	L	0	(6)	0	1,504	224	566
10. Florida	FL	L	5,089,575	2,363,263	4,400,961	3,386,576	5,513,610	7,958,950
11. Georgia	GA	L	10,393,001	6,724,245	4,270,874	2,285,421	7,672,522	3,388,488
12. Hawaii	HI	L	0	0	0	0	0	0
13. Idaho	ID	L	345,843	3,611	71,978	194,313	140,007	576,729
14. Illinois	IL	L	2,825,478	544,226	273,278	178,124	2,203,623	1,108,077
15. Indiana	IN	L	1,005,377	354,738	190,677	59,827	793,432	528,243
16. Iowa	IA	L	2,017,759	491,595	114,550	6,505	801,223	20,910
17. Kansas	KS	L	565,871	3,727	10,371	0	120,195	2,216
18. Kentucky	KY	L	18,722	16,221	108,269	111,564	634,138	551,370
19. Louisiana	LA	L	4,124,610	53,017	55,142	1,001,726	27,195	695,822
20. Maine	ME	N	0	0	0	0	0	0
21. Maryland	MD	L	1,803,460	1,366,206	79,622	153,742	2,553,586	950,647
22. Massachusetts	MA	L	1,854,248	1,431,502	342,834	367,560	2,696,998	1,520,260
23. Michigan	MI	L	27,146,936	37,925,605	4,023,320	1,474,280	29,525,079	17,672,261
24. Minnesota	MN	L	254,095	129,234	12,368	11,384	164,757	32,970
25. Mississippi	MS	L	112,816	23,635	(8,611)	244,587	20,308	78,355
26. Missouri	MO	L	1,454,899	1,492,371	236,303	42,039	1,403,626	154,415
27. Montana	MT	L	27,394	10,643	0	5,926	5,768	0
28. Nebraska	NE	L	109,004	0	128,386	12,293	14,469	191,470
29. Nevada	NV	L	1,259,952	875,321	339,487	444,610	1,534,502	933,936
30. New Hampshire	NH	L	47,301	44,700	499,500	8,397	34,181	710,469
31. New Jersey	NJ	L	6,371,065	7,256,445	3,394,927	3,155,239	12,391,583	11,151,878
32. New Mexico	NM	L	114,172	(14,316)	212,679	6,135,289	2,077,604	3,855,974
33. New York	NY	L	14,728,857	14,205,904	6,079,179	5,179,111	40,251,990	38,565,351
34. North Carolina	NC	L	2,096,245	990,794	231,384	296,047	1,013,144	496,859
35. North Dakota	ND	L	32,624	0	0	0	44,808	0
36. Ohio	OH	L	816,121	1,159,772	144,741	112,505	559,346	237,288
37. Oklahoma	OK	L	1,563,982	1,525,691	1,586,615	0	1,359,307	218,454
38. Oregon	OR	L	0	81	3,461	0	0	0
39. Pennsylvania	PA	L	8,779,293	5,979,367	3,916,019	1,815,531	8,649,570	5,285,345
40. Rhode Island	RI	L	1,645,522	1,596,556	669,262	326,667	1,603,736	1,419,012
41. South Carolina	SC	L	1,014,725	269,595	133,519	148,337	597,795	202,924
42. South Dakota	SD	L	0	38,744	0	0	0	0
43. Tennessee	TN	L	559,768	166,938	197,507	100,027	1,410,364	619,708
44. Texas	TX	L	15,787,627	5,335,952	2,665,193	6,517,726	12,517,806	10,764,792
45. Utah	UT	L	120,745	309,698	64,401	21,500	162,745	8,565
46. Vermont	VT	L	42,297	4,368	0	19,081	8,964	10,422
47. Virginia	VA	L	2,148,104	2,588,627	1,014,360	431,798	2,619,652	2,206,412
48. Washington	WA	L	116,941	688	0	32,007	84,071	1,234
49. West Virginia	WV	L	567,039	1,224,436	187,078	8,488	1,253,914	534,476
50. Wisconsin	WI	L	1,284,798	217,923	222,180	0	696,890	161,085
51. Wyoming	WY	L	81,125	0	0	0	22,028	0
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. U.S. 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		133,634,664	109,493,238	38,886,652	35,745,233	156,813,835	121,752,497
DETAILS OF WRITE-INS								
58001.	XXX							
58002.	XXX							
58003.	XXX							
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0

(a) Active Status Counts:

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 (DSLII) - 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



STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

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	Domi-ciliary Loca-tion	Relation-ship 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 Percen-tage	Ultimate Controlling Entity(ies)/Person(s)	Is an SCA Filing Re-quired? (Y/N)	*
			98-0585280	0	1620459	NASDAQ	James River Group Holdings, Ltd	.BMU	.UIP			0.000		.N	.0
			05-0539572	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
			98-0684843	0	0		James River Group, Inc	.DE	.UDP	James River Group Holdings UK, Ltd	Ownership	100.000	James River Group Holdings, Ltd	.N	.0
			35-2242298	0	0		JRG Reinsurance Company, Ltd	.BMU	.IA	James River Group Holdings, Ltd	Ownership	100.000	James River Group Holdings, Ltd	.N	.0
3494	James River Insurance Group	.12203	22-2824607	0	0		Potomac Risk Services Inc	.VA	.NIA	James River Group, Inc	Ownership	100.000	James River Group Holdings, Ltd	.N	.0
			20-8946040	0	0		James River Insurance Company	.OH	.IA	James River Group, Inc	Ownership	100.000	James River Group Holdings, Ltd	.N	.0
3494	James River Insurance Group	.13685	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	.31925	20-8946040	0	0		James River Casualty Company	.VA	.IA	James River Insurance Company	Ownership	100.000	James River Group Holdings, Ltd	.N	.0
			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
			20-0067235	0	0		Falls Lake Insurance Management Company, Inc								
3494	James River Insurance Group	.15884	47-1588915	0	0		Falls Lake Fire and Casualty Company	.CA	.DS	James River Group, Inc	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
			98-1412720	0	0		Carolina Re, Ltd	.BMU	.IA	James River Group Inc.	Ownership	100.000	James River Group Holdings, Ltd	.N	.0

NONE

Asterisk	
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STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

PART 1 - LOSS EXPERIENCE

Line of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire	1,456,482	1,471,449	101.0	10.4
2. Allied Lines	4,857,515	1,191,053	24.5	13.3
3. Farmowners multiple peril	0	0	0.0	0.0
4. Homeowners multiple peril	0	0	0.0	0.0
5. Commercial multiple peril	15,770,749	8,137,320	51.6	76.9
6. Mortgage guaranty	0	0	0.0	0.0
8. Ocean marine	0	0	0.0	0.0
9. Inland marine	1,148,829	597,846	52.0	(51.5)
10. Financial guaranty	0	0	0.0	0.0
11.1 Medical professional liability - occurrence	0	0	0.0	0.0
11.2 Medical professional liability - claims-made	0	0	0.0	0.0
12. Earthquake	5,401	0	0.0	0.0
13. Group accident and health	0	0	0.0	0.0
14. Credit accident and health	0	0	0.0	0.0
15. Other accident and health	0	0	0.0	0.0
16. Workers' compensation	9,895,108	10,244,047	103.5	45.5
17.1 Other liability - occurrence	9,421,167	2,930,466	31.1	42.4
17.2 Other liability - claims-made	5,990	(359,372)	(5,999.5)	(197.5)
17.3 Excess workers' compensation	0	0	0.0	0.0
18.1 Products liability - occurrence	50,918	2,389	4.7	50.3
18.2 Products liability - claims-made	0	0	0.0	0.0
19.1,19.2 Private passenger auto liability	34,738,705	15,817,212	45.5	48.7
19.3,19.4 Commercial auto liability	29,546,622	20,003,821	67.7	81.7
21. Auto physical damage	8,692,585	5,412,147	62.3	17.0
22. Aircraft (all perils)	407,987	263,906	64.7	0.0
23. Fidelity	0	0	0.0	0.0
24. Surety	0	0	0.0	0.0
26. Burglary and theft	283,016	66,361	23.4	27.0
27. Boiler and machinery	1,038,194	360,533	34.7	(14.8)
28. Credit	0	0	0.0	0.0
29. International	0	0	0.0	0.0
30. Warranty	0	0	0.0	0.0
31. Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business	0	0	0.0	0.0
35. Totals	117,319,268	66,139,178	56.4	56.1
DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire	599,781	1,976,588	18
2. Allied Lines	2,000,952	6,221,262	2,559
3. Farmowners multiple peril	0	0	0
4. Homeowners multiple peril	0	0	0
5. Commercial multiple peril	6,366,538	17,094,654	19,103,419
6. Mortgage guaranty	0	0	0
8. Ocean marine	0	0	0
9. Inland marine	488,969	1,232,006	724,609
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	6,854	5,292
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	3,629,345	10,377,172	9,615,911
17.1 Other liability - occurrence	7,340,794	13,984,952	7,049,822
17.2 Other liability - claims-made	2,215	5,593	14,156
17.3 Excess workers' compensation	0	0	0
18.1 Products liability - occurrence	18,425	52,066	54,799
18.2 Products liability - claims-made	0	0	0
19.1,19.2 Private passenger auto liability	6,781,626	30,691,709	39,576,833
19.3,19.4 Commercial auto liability	12,453,260	30,610,630	26,088,017
21. Auto physical damage	3,716,206	9,735,596	6,809,221
22. Aircraft (all perils)	9,791,697	9,791,697	0
23. Fidelity	0	0	0
24. Surety	0	0	0
26. Burglary and theft	185,761	456,099	35,704
27. Boiler and machinery	507,110	1,397,786	412,878
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	53,887,971	133,634,664	109,493,238
DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page	0	0	0
3499. Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

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	1,732	296	2,028	3,019	190	3,879	7,088	604	(961)	(357)
2. 2018	1,453	3,987	5,440	452	279	731	995	534	2,613	4,142	(6)	(561)	(567)
3. Subtotals 2018 + Prior	5,600	9,313	14,913	2,184	575	2,759	4,014	724	6,492	11,230	598	(1,522)	(924)
4. 2019	1,329	7,102	8,431	752	336	1,088	941	548	5,632	7,121	364	(586)	(222)
5. Subtotals 2019 + Prior	6,929	16,415	23,344	2,936	911	3,847	4,955	1,272	12,124	18,351	962	(2,108)	(1,146)
6. 2020	XXX	XXX	XXX	XXX	764	764	XXX	859	6,475	7,334	XXX	XXX	XXX
7. Totals	6,929	16,415	23,344	2,936	1,675	4,611	4,955	2,131	18,599	25,685	962	(2,108)	(1,146)
8. Prior Year-End 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. 13.9	2. (12.8)	3. (4.9)
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. (1.2)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

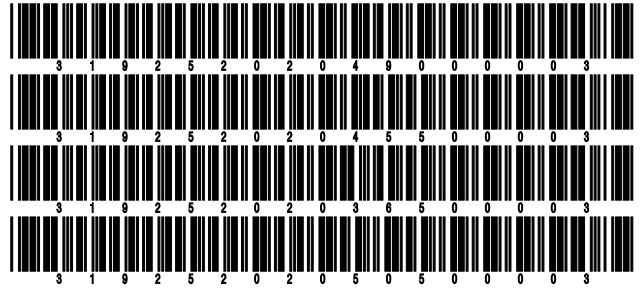
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state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

Explanations:

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 Codes:

1. Trusteed Surplus Statement [Document Identifier 490]
2. Supplement A to Schedule T [Document Identifier 455]
3. Medicare Part D Coverage Supplement [Document Identifier 365]
4. Director and Officer Supplement [Document Identifier 505]



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

		1 Current Statement Date	2 December 31, Prior Year
2504.	Policyholder deposits	710,701	0
2505.	Other accrued liabilities	228,342	0
2597.	Summary of remaining write-ins for Line 25 from overflow page	939,043	0

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE 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		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

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

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

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	1,529,795	3,331,566
3. Accrual of discount	2,335	5,127
4. Unrealized valuation increase (decrease)	7,292,072	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	25,176	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)	95,886,429	89,108,095
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	95,886,429	89,108,095

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	4,626,426	455,340	0	(7,668)	4,634,060	4,626,426	5,074,098	5,140,172
2. NAIC 2 (a)	0	0	0	0	0	0	0	0
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	4,626,426	455,340	0	(7,668)	4,634,060	4,626,426	5,074,098	5,140,172
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	0	0	0	0	0	0	0	199,524
10. NAIC 3	194,475	0	0	5,250	188,025	194,475	199,725	199,725
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	194,475	0	0	5,250	188,025	194,475	199,725	399,249
15. Total Bonds and Preferred Stock	4,820,901	455,340	0	(2,418)	4,822,085	4,820,901	5,273,823	5,539,421

(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 \$ 249,934 ; 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 Totals	249,934	xxx	249,933	0	0

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	751,483	49,677
3. Accrual of discount	1	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)	249,934	0
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	249,934	0

Schedule DB - Part A - Verification - Options, Caps, Floors, Collars, Swaps and Forwards

N O N E

Schedule DB - Part B - Verification - Futures Contracts

N O N E

Schedule DB - Part C - Section 1 - Replication (Synthetic Asset) Transactions (RSATs) Open

N O N E

Schedule DB-Part C-Section 2-Reconciliation of Replication (Synthetic Asset) Transactions Open

N O N E

Schedule DB - Verification - Book/Adjusted Carrying Value, Fair Value and Potential Exposure of
Derivatives

N O N E

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	3,201,857	2,389,163
2. Cost of cash equivalents acquired	28,014,769	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	27,761,194	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)	3,455,432	3,201,857
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	3,455,432	3,201,857

Schedule A - Part 2 - Real Estate Acquired and Additions Made

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

Schedule B - Part 2 - Mortgage Loans Acquired and Additions Made

N O N E

Schedule B - Part 3 - Mortgage Loans Disposed, Transferred or Repaid

N O N E

Schedule BA - Part 2 - Other Long-Term Invested Assets Acquired and Additions Made

N O N E

Schedule BA - Part 3 - Other Long-Term Invested Assets Disposed, Transferred or Repaid

N O N E

STATEMENT AS OF SEPTEMBER 30, 2020 OF THE Falls Lake National Insurance Company

SCHEDULE D - PART 3

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

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol
3132DV-7B-5	UMBS - POOL SD8090		.08/28/2020	GOLDMAN SACHS & CO. LLC		205,407	199,364	144	1FE
3199999. Subtotal - Bonds - U.S. Special Revenues						205,407	199,364	144	XXX
8399997. Total - Bonds - Part 3						205,407	199,364	144	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						205,407	199,364	144	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						0	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	XXX
9999999 - Totals						205,407	XXX	144	XXX

Schedule D - Part 4 - Long-Term Bonds and Stocks Sold, Redeemed or Otherwise Disposed Of

N O N E

Schedule DB - Part A - Section 1 - Options, Caps, Floors, Collars, Swaps and Forwards Open

N O N E

Schedule DB - Part B - Section 1 - Futures Contracts Open

N O N E

Schedule DB - Part B - Section 1B - Brokers with whom cash deposits have been made

N O N E

Schedule DB - Part D - Section 1 - Counterparty Exposure for Derivative Instruments Open

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged By

N O N E

Schedule DB - Part D-Section 2 - Collateral for Derivative Instruments Open - Pledged To

N O N E

Schedule DB - Part E - Derivatives Hedging Variable Annuity Guarantees

N O N E

Schedule DL - Part 1 - Reinvested Collateral Assets Owned

N O N E

Schedule DL - Part 2 - Reinvested Collateral Assets Owned

N O N E

