



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

## QUARTERLY STATEMENT

AS OF MARCH 31, 2021  
OF THE CONDITION AND AFFAIRS OF THE

# Falls Lake National Insurance Company

NAIC Group Code 3494 (Current) 3494 (Prior) NAIC Company Code 31925 Employer's ID Number 42-1019055

Organized under the Laws of Ohio, State of Domicile or Port of Entry OH

Country of Domicile United States of America

Incorporated/Organized 02/06/1974 Commenced Business 02/21/1974

Statutory Home Office 50 West Broad Street, Suite 1330, Columbus, OH, US 43215  
(Street and Number) (City or Town, State, Country and Zip Code)

Main Administrative Office 6131 Falls of Neuse Rd., Suite 306  
(Street and Number)  
Raleigh, NC, US 27609 919-882-3585

(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)

Raleigh, NC, US 27609, (Street and Number) 919-882-3585  
(City or Town, State, Country and Zip Code) (Area Code) (Telephone Number)

Internet Website Address \_\_\_\_\_ [www.fallslakeins.com](http://www.fallslakeins.com)

## OFFICERS

## OTHER

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

## **DIRECTORS OR TRUSTEES**

State of North Carolina SS: \_\_\_\_\_  
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.

Terence Michael McCafferty  
President/CEO

Eric Forest Liland  
Secretary/Chief Actuary

Timothy Sean MacAleese  
SVP/Chief Financial Officer

Subscribed and sworn to before me this  
\_\_\_\_ day of \_\_\_\_\_

- a. Is this an original filing? .....
- b. If no,
  - 1. State the amendment number.....
  - 2. Date filed .....
  - 3. Number of pages attached.....

STATEMENT AS OF MARCH 31, 2021 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 .....	4,539,935	0	4,539,935	4,357,015
2. Stocks:				
2.1 Preferred stocks .....	187,500	0	187,500	215,400
2.2 Common stocks .....	95,299,606	0	95,299,606	94,354,687
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 \$ encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ encumbrances) .....	0	0	0	0
5. Cash (\$ 26,244,813 ), cash equivalents (\$ 3,865,227 ) and short-term investments (\$ 499,976 ) .....	30,610,016	0	30,610,016	25,377,369
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) .....	130,637,057	0	130,637,057	124,304,471
13. Title plants less \$ 0 charged off (for Title insurers only) .....	0	0	0	0
14. Investment income due and accrued .....	50,446	0	50,446	35,914
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	107,995,630	3,449,716	104,545,914	97,588,921
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ earned but unbilled premiums) .....	6,745,951	6,849	6,739,102	5,945,738
15.3 Accrued retrospective premiums (\$ 0 ) and contracts subject to redetermination (\$ 0 ) .....	0	0	0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	40,294,012	0	40,294,012	21,010,509
16.2 Funds held by or deposited with reinsured companies .....	328,978,224	0	328,978,224	315,408,088
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 .....	1,883,646	283,018	1,600,628	1,426,571
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 .....	572,985	0	572,985	280,445
24. Health care (\$ 0 ) and other amounts receivable .....	0	0	0	0
25. Aggregate write-ins for other than invested assets .....	20,603	10,000	10,603	10,603
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	617,178,554	3,749,583	613,428,971	566,011,260
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0	0
28. Total (Lines 26 and 27) .....	617,178,554	3,749,583	613,428,971	566,011,260
<b>DETAILS OF WRITE-INS</b>				
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. Other assets .....	20,000	10,000	10,000	10,603
2502. Miscellaneous receivable .....	603	0	603	0
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) .....	20,603	10,000	10,603	10,603

STATEMENT AS OF MARCH 31, 2021 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 \$ 1,701,284 )	17,126,844	16,193,303
2. Reinsurance payable on paid losses and loss adjustment expenses	28,589,665	11,660,482
3. Loss adjustment expenses	9,730,783	9,180,233
4. Commissions payable, contingent commissions and other similar charges	17,549,979	15,491,193
5. Other expenses (excluding taxes, licenses and fees)	23,625	38,660
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	7,727,867	7,828,439
7.1 Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	450,719	252,770
7.2 Net deferred tax liability	0	0
8. Borrowed money \$ 5,000,000 and interest thereon \$ 21,000	5,021,000	5,000,000
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 157,308,910 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)	7,216,778	7,190,675
10. Advance premium	100,463	111,879
11. Dividends declared and unpaid:		
11.1 Stockholders	0	0
11.2 Policyholders	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions)	87,333,435	78,761,429
13. Funds held by company under reinsurance treaties	306,719,648	293,127,874
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)	27,000	27,000
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	58,063	746,735
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	10,481,022	6,368,796
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	498,156,891	451,979,468
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	498,156,891	451,979,468
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)	32,513,529	31,273,241
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)	115,272,080	114,031,792
38. Totals (Page 2, Line 28, Col. 3)	613,428,971	566,011,260
<b>DETAILS OF WRITE-INS</b>		
2501. Deferred service fees	157,203	195,330
2502. Funds held deposit	9,109,219	5,194,174
2503. Policyholder deposits	837,193	773,340
2598. Summary of remaining write-ins for Line 25 from overflow page	377,407	205,952
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	10,481,022	6,368,796
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 AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company  
**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 \$ 62,512,840 )	48,976,138	38,028,394	163,705,264
1.2 Assumed (written \$ 35,354,628 )	36,328,625	31,262,972	131,802,680
1.3 Ceded (written \$ 94,034,663 )	81,498,061	66,085,101	281,877,859
1.4 Net (written \$ 3,832,805 )	3,806,702	3,206,265	13,630,085
<b>DEDUCTIONS:</b>			
2. Losses incurred (current accident year \$ 1,720,728 ):			
2.1 Direct	24,904,847	20,197,871	95,776,720
2.2 Assumed	15,785,634	13,007,711	48,652,580
2.3 Ceded	39,022,111	31,866,589	139,359,132
2.4 Net	1,668,370	1,338,993	5,070,168
3. Loss adjustment expenses incurred	1,344,121	1,253,076	3,213,038
4. Other underwriting expenses incurred	58,771	533,893	726,238
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	3,071,262	3,125,962	9,009,444
7. Net income of protected cells	0	0	0
8. Net underwriting gain or (loss) (Line 1 minus Line 6 + Line 7)	735,440	80,303	4,620,641
<b>INVESTMENT INCOME</b>			
9. Net investment income earned	(1,700)	24,446	54,027
10. Net realized capital gains (losses) less capital gains tax of \$ 0	0	(3,130)	(3,131)
11. Net investment gain (loss) (Lines 9 + 10)	(1,700)	21,316	50,896
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 4,362 amount charged off \$ 0 )	4,362	(5,131)	(23,784)
13. Finance and service charges not included in premiums	423,566	589,809	2,057,183
14. Aggregate write-ins for miscellaneous income	(92,585)	(418,069)	328,770
15. Total other income (Lines 12 through 14)	335,343	166,609	2,362,169
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	1,069,083	268,228	7,033,706
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)	1,069,083	268,228	7,033,706
19. Federal and foreign income taxes incurred	197,949	45,324	1,580,054
20. Net income (Line 18 minus Line 19)(to Line 22)	871,134	222,904	5,453,652
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year	114,031,792	99,224,227	99,224,226
22. Net income (from Line 20)	871,134	222,904	5,453,652
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains (losses) less capital gains tax of \$ (5,859)	922,877	(178,873)	10,796,983
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	126,112	(57,667)	558,321
27. Change in nonadmitted assets	(679,835)	243,363	(2,088,390)
28. Change in provision for reinsurance	0	0	87,000
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)	1,240,288	229,727	14,807,566
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	115,272,080	99,453,954	114,031,792
<b>DETAILS OF WRITE-INS</b>			
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	(164,845)	(494,945)	(211,300)
1402. Fronting fee income	72,260	76,876	540,070
1403.			
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)	(92,585)	(418,069)	328,770
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 MARCH 31, 2021 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
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance .....	3,921,117	1,305,098	8,505,070
2. Net investment income .....	(1,929)	14,075	90,803
3. Miscellaneous income .....	335,343	166,609	2,362,169
4. Total (Lines 1 to 3) .....	4,254,531	1,485,782	10,958,042
5. Benefit and loss related payments .....	16,659,285	8,595,297	35,262,364
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 .....	(1,083,918)	(1,063,827)	1,037,305
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ tax on capital gains (losses) .....	0	0	1,353,927
10. Total (Lines 5 through 9) .....	15,575,367	7,531,470	37,653,596
11. Net cash from operations (Line 4 minus Line 10) .....	(11,320,836)	(6,045,688)	(26,695,554)
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	9,695	1,259,582	3,396,381
12.2 Stocks .....	0	195,000	195,000
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) .....	9,695	1,454,582	3,591,381
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	200,000	762,240	2,645,385
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) .....	200,000	762,240	2,645,385
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) .....	(190,305)	692,342	945,996
<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 .....	21,000	5,018,900	5,000,000
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) .....	16,722,788	5,957,522	34,362,869
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6) .....	16,743,788	10,976,422	39,362,869
<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 Lines 15 and 17) .....	5,232,647	5,623,076	13,613,311
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year .....	25,377,369	11,764,058	11,764,058
19.2 End of period (Line 18 plus Line 19.1) .....	30,610,016	17,387,134	25,377,369

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

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STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

**1. Summary of Significant Accounting Policies and Going Concern**

**A. Accounting Practices**

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

The Ohio Department of Insurance recognizes only statutory accounting practices prescribed or permitted by the state of Ohio for determining and reporting the financial condition and results of operations of an insurance company, for purposes of determining its solvency under the Ohio Insurance Law. The National Association of Insurance Commissioners ("NAIC") *Accounting Practices and Procedures Manual* 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 #	03/31/2021	12/31/2020
<b>Net Income</b>					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 871,134	\$ 5,453,652
(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	\$ 871,134	\$ 5,453,652
<b>Surplus</b>					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 115,272,080	\$ 114,031,792
(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	\$ 115,272,080	\$ 114,031,792

**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) Description of Sources Used to Determine Prepayment Assumptions**

For fixed rate agency mortgage-backed securities, prepayment speeds are calculated utilizing Mortgage Industry Advisory Corporation (MIAC) Mortgage Industry Medians (MIMs). MIMs are derived from a semi-monthly dealer consensus survey of long-term prepayment projections.

For other mortgage-backed, loan-backed and structured securities, prepayment assumptions are obtained from Moody's Analytics. Moody's applies a flat economic credit model and utilizes a vector of multiple monthly speeds as opposed to a single speed for more robust projections. If Moody's projections are not available, data is obtained from Reuters, which utilizes the median prepayment speed from contributors' models. Prepayment assumptions for fixed rate agency mortgage-backed securities were generated using the prepayment speeds.

**(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**

## Notes to the Financial Statements

### 5. Investments (Continued)

(4) All impaired securities for which an OTTI has not been recognized in earnings as a realized loss

a. The aggregate amount of unrealized losses:	
1. Less than 12 months.....	\$..... 6,235
2. 12 months or longer.....	—
b. The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months.....	\$..... 384,939
2. 12 months or longer.....	—

(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.

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

R. Reporting Entity's Share of Cash Pool by Asset type - Not Applicable

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

7. Investment Income - No Significant Changes

8. Derivative Instruments - Not Applicable

9. Income Taxes - No Significant Changes

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

11. Debt - No Significant Changes

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:

- 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.

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

**20. Fair Value Measurements (Continued)**

(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.....	\$.....	\$.....	\$.....	\$..... 3,865,227	\$..... 3,865,227
Total assets at fair value/NAV.....	\$.....	\$.....	\$.....	\$..... 3,865,227	\$..... 3,865,227
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 and IHS Markit. 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 March 31, 2021, 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.....	\$..... 4,748,853	\$..... 4,539,935	\$..... 1,666,037	\$..... 3,082,816	\$.....	\$.....	\$.....
Preferred stock.....	212,550	187,500		212,550			
Cash equivalents & short-term investments.....	4,365,198	4,365,203		499,971		3,865,227	

D. Not Practicable to Estimate Fair Value - Not Applicable

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

**21. Other Items**

A. Unusual or Infrequent Items

Impact of the COVID-19 Pandemic

For a full discussion of the impact of the coronavirus (COVID-19) pandemic and related economic conditions on the Company's results for the year ended December 31, 2020, please see "Note 21" in the Company's 2020 Annual Statement. The Company continues to monitor the impact that the outbreak of the coronavirus (COVID-19) pandemic may be having on the Company's financial condition and results of operations.

C. Other Disclosures - Not Applicable

H. The Amount That Could Be Realized on Life Insurance Where the Reporting Entity is Owner and Beneficiary or Has Otherwise Obtained Rights to Control the Policy - Not Applicable

**22. Events Subsequent**

There were no other subsequent events occurring through May 14, 2021, 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.

A. Method Used to Estimate - None

B. Method Used to Record - None

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination (Continued)**

- C. Amount and Percent of Net Retrospective Premiums - None
- D. Medical Loss Ratio Rebates Required Pursuant to the Public Health Service Act - None
- E. Calculation of Nonadmitted Retrospective Premium - None
- 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:

	March 31, 2021	Dec. 31, 2020
<b>Reserves, Net of Reinsurance Recoverables at Beginning of Period</b>	\$ 25,373,536	\$ 23,344,465
Loss and loss adjustment expense incurred:		
Current accident year	3,013,732	10,284,011
Prior accident years	(1,241)	(2,000,805)
	3,012,491	8,283,206
Loss and loss adjustment expense payments made for:		
Current accident year	166,561	1,155,802
Prior accident years	1,361,839	5,098,333
	1,528,400	6,254,135
<b>Reserves, Net of Reinsurance Recoverables at End of Period</b>	<b>\$ 26,857,627</b>	<b>\$ 25,373,536</b>

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by \$ 1,241 in 2021.

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**

A. Reserve Credit Recorded on Unpaid Claims and Amount Billed and Recoverable on Paid Claims for High Deductibles

(1) Counter party exposure recorded on unpaid claims and billed recoverables on paid claims

Annual Statement Line of Business (ASL) (1)	ASL Description (2)	Gross (of High Deductible) Loss Reserves (3)	Reserve Credit for High Deductibles (4)	Billed Recoverables on Paid Claims (5)	Total High Deductibles and Billed Recoverables (Col 4 + Col 5) (6)
171 ..... Other Liability Occurrence.....	\$ ..... 4,101,467	\$ ..... 4,101,467	\$ ..... 4,101,467	\$ ..... -	\$ ..... 4,101,467
Total.....	\$ ..... 4,101,467	\$ ..... 4,101,467	\$ ..... 4,101,467	\$ ..... -	\$ ..... 4,101,467

(2) Unsecured amounts of high deductibles

a. Total high deductibles and billed recoverables on paid claims (should equal total line for A(1) above).....	\$ ..... 4,101,467
b. Collateral on balance sheet (must be equal to or greater than zero).....	4,101,467
c. Collateral off balance sheet (must be equal to or greater than zero).....	-
d. Total unsecured deductibles and billed recoverables on paid claims d=a-(b+c) (must be equal to or greater than zero).....	\$ ..... -
e. Percentage unsecured.....	- %

(3) High deductible recoverables amounts on paid claims - Not Applicable

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

**31. High Deductibles (Continued)**

(4) The deductible amounts for the highest ten unsecured high deductible policies - Not Applicable

B. Unsecured High Deductible Recoverables for Individual Obligors Part of a Group Under the Same Management or Control Which Are Greater Than 1% of Capital and Surplus - Not Applicable

**32. Discounting of Liabilities 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

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company  
**GENERAL INTERROGATORIES**

**PART 1 - COMMON INTERROGATORIES**

**GENERAL**

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

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

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

2.2 If yes, date of change: \_\_\_\_\_

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? ..... If yes, complete Schedule Y, Parts 1 and 1A. Yes [ X ] No [ ]

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

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

3.4 Is the reporting entity publicly traded or a member of a publicly traded group? ..... Yes [ X ] No [ ]

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

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? ..... If yes, complete and file the merger history data file with the NAIC. Yes [ ] No [ X ]

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 [ X ] No [ ] N/A [ ] If yes, attach an explanation.  
The TPA agreement on one of our programs was amended to expand the indemnification available to Falls Lake National Insurance Company.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. ..... 12/31/2019

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					

**STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company**  
**GENERAL INTERROGATORIES**

9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? ..... Yes [  ] 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:

	<b>1</b> Prior Year-End Book/Adjusted Carrying Value	<b>2</b> Current Quarter Book/Adjusted Carrying Value
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: .....	\$ ..... 0	\$ ..... 0
13. Amount of real estate and mortgages held in short-term investments: .....	\$ ..... 0	\$ ..... 0
14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? ..... Yes [ <input checked="" type="checkbox"/> ] No [ <input type="checkbox"/> ]		
14.2 If yes, please complete the following:		
14.21 Bonds .....	\$ ..... 0	\$ ..... 0
14.22 Preferred Stock .....	\$ ..... 0	\$ ..... 0
14.23 Common Stock .....	\$ ..... 94,354,687	\$ ..... 95,299,606
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) .....	\$ ..... 94,354,687	\$ ..... 95,299,606
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 [ <input type="checkbox"/> ] No [ <input checked="" type="checkbox"/> ]		
15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? ..... Yes [ <input type="checkbox"/> ] No [ <input type="checkbox"/> ] N/A [ <input checked="" type="checkbox"/> ] 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	

**STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company**  
**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 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
105900 .....	New England Asset Management, Inc. .....	KUR85E5PS4G0FZTFC130 .....	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 [  ]

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company  
**GENERAL INTERROGATORIES**

**PART 2 - PROPERTY & CASUALTY INTERROGATORIES**

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [ 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
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 MARCH 31, 2021 OF THE Falls Lake National Insurance Company

## **SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

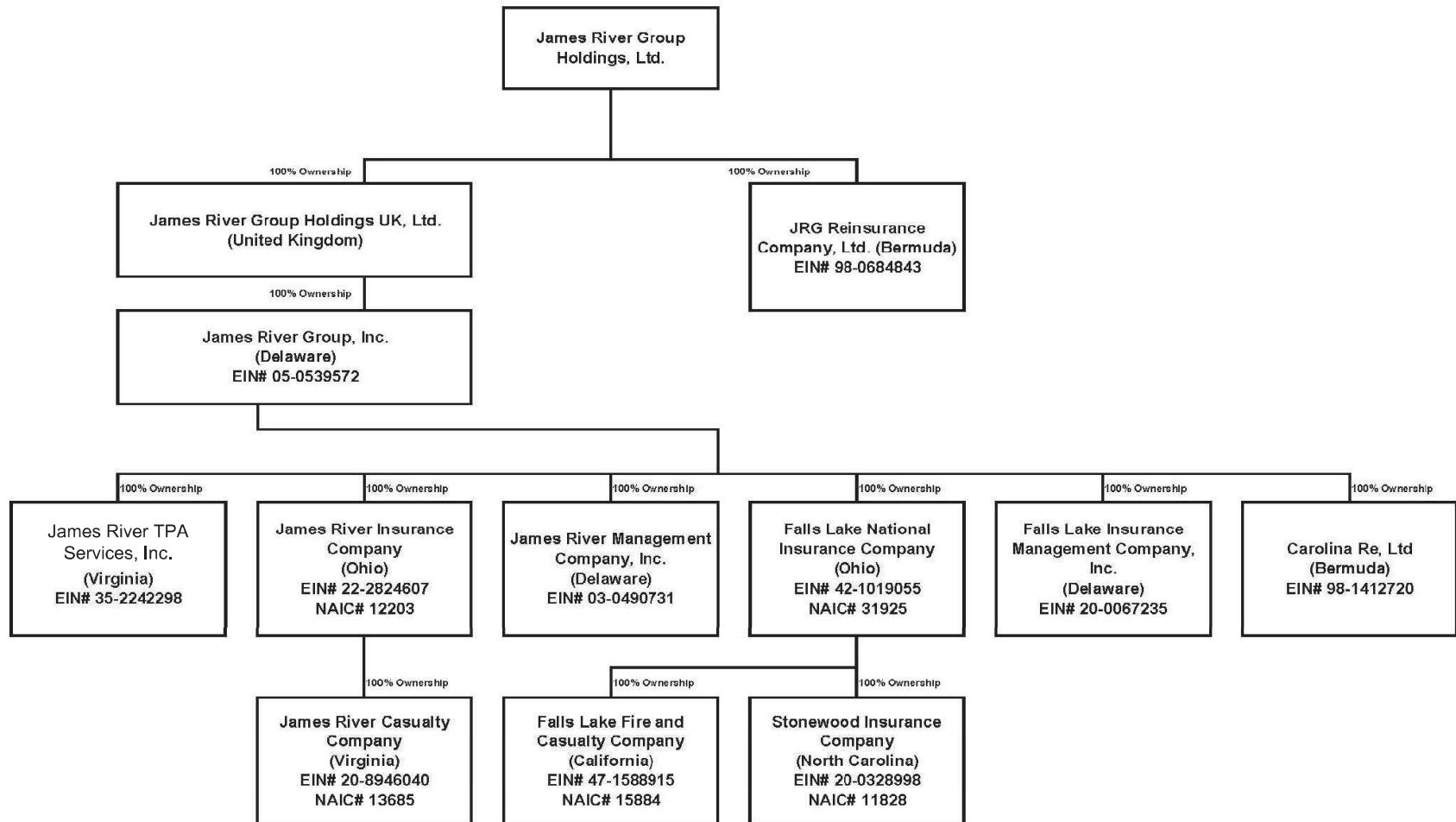
Current Year to Date - Allocated by States and Territories

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	2,100,835	534,217	521,326	343,244	1,225,486	736,730
2. Alaska .....	AK	223,690	0	22,505	0	295,066	0
3. Arizona .....	AZ	772,640	427,584	326,138	136,259	3,041,041	1,495,158
4. Arkansas .....	AR	1,266,034	172,561	85,977	3,371	688,444	325,859
5. California .....	CA	5,052,820	1,631,334	2,032,061	22,036	8,505,051	6,692,183
6. Colorado .....	CO	597,671	349,522	(1,060)	50,562	354,324	265,483
7. Connecticut .....	CT	517,357	1,256,430	104,264	255,407	3,468,048	1,418,372
8. Delaware .....	DE	74,441	194,302	101,041	11,136	279,744	139,669
9. District of Columbia .....	DC	39,751	0	0	0	2,933	0
10. Florida .....	FL	2,097,618	880,433	101,739	872,883	7,713,865	6,327,285
11. Georgia .....	GA	5,274,235	4,141,358	1,824,340	1,392,328	8,851,456	3,988,995
12. Hawaii .....	HI	3,000	0	0	0	8,838	0
13. Idaho .....	ID	(32,250)	0	0	71,834	399,518	63,698
14. Illinois .....	IL	1,272,083	967,869	513,603	31,371	2,829,331	1,457,810
15. Indiana .....	IN	472,421	288,142	56,388	2,613	1,314,894	480,248
16. Iowa .....	IA	766,904	809,620	355,062	23,531	1,213,271	245,401
17. Kansas .....	KS	90,237	195,857	99,144	2,069	192,266	20,370
18. Kentucky .....	KY	0	13,992	9,388	100,905	617,385	457,421
19. Louisiana .....	LA	(189,720)	0	0	30,000	697,759	110,212
20. Maine .....	ME	14,064	0	0	0	1,624	0
21. Maryland .....	MD	836,020	929,152	1,232,680	(71,112)	3,266,727	723,375
22. Massachusetts .....	MA	586,031	511,570	83,038	33,663	2,789,768	2,118,866
23. Michigan .....	MI	10,025,680	15,180,311	3,211,913	1,636,478	28,696,920	29,731,062
24. Minnesota .....	MN	340,860	25,264	25,454	4,599	297,031	110,517
25. Mississippi .....	MS	625,938	41,960	0	(8,889)	245,255	5,308
26. Missouri .....	MO	809,918	248,010	97,264	39,351	1,779,304	582,224
27. Montana .....	MT	171,740	25,388	0	0	62,954	765
28. Nebraska .....	NE	24,316	21,544	0	125,870	23,386	1,877
29. Nevada .....	NV	355,736	470,972	(6,584)	150,895	1,397,008	1,268,270
30. New Hampshire .....	NH	81,789	16,167	0	0	48,701	668,898
31. New Jersey .....	NJ	2,482,041	2,725,128	773,415	1,252,376	16,441,388	9,820,483
32. New Mexico .....	NM	216,438	15,136	25,483	182,072	1,079,803	1,560,312
33. New York .....	NY	5,670,199	5,774,418	1,692,187	2,606,992	40,299,124	42,810,906
34. North Carolina .....	NC	2,117,771	888,182	418,783	120,767	1,879,225	678,004
35. North Dakota .....	ND	15	0	1,300	0	67,567	15,101
36. Ohio .....	OH	716,968	352,677	216,608	52,406	676,916	148,954
37. Oklahoma .....	OK	193,160	(655,165)	72,185	811,198	1,918,103	777,102
38. Oregon .....	OR	416,432	0	17,131	0	139,796	0
39. Pennsylvania .....	PA	3,559,180	3,122,511	1,578,721	1,095,239	11,312,019	6,077,174
40. Rhode Island .....	RI	714,988	536,887	203,519	186,586	2,109,017	1,778,262
41. South Carolina .....	SC	1,609,595	134,222	147,112	13,189	907,654	382,417
42. South Dakota .....	SD	82,728	0	3,560	0	36,888	0
43. Tennessee .....	TN	507,245	230,383	59,913	8,249	545,068	523,390
44. Texas .....	TX	4,441,816	1,370,747	1,621,574	399,986	14,063,292	9,116,661
45. Utah .....	UT	366,470	24,547	17,337	16,142	284,880	151,136
46. Vermont .....	VT	0	30,035	0	0	16,149	667
47. Virginia .....	VA	2,844,240	1,013,328	488,864	83,912	3,291,209	2,863,156
48. Washington .....	WA	57,621	0	0	0	118,472	1,539
49. West Virginia .....	WV	766,113	541,756	54,245	95,905	1,209,280	892,055
50. Wisconsin .....	WI	1,429,289	487,318	279,131	23,742	1,485,984	516,639
51. Wyoming .....	WY	48,672	0	10,221	0	48,679	0
52. American Samoa .....	AS	0	0	0	0	0	0
53. Guam .....	GU	0	0	0	0	0	0
54. Puerto Rico .....	PR	0	0	0	0	0	0
55. U.S. Virgin Islands .....	VI	0	0	0	0	0	0
56. Northern Mariana Islands .....	MP	0	0	0	0	0	0
57. Canada .....	CAN	0	0	0	0	0	0
58. Aggregate Other Alien OT	XXX	0	0	0	0	0	0
59. Totals	XXX	62,512,840	45,925,669	18,476,970	12,209,165	178,237,911	137,550,014
DETAILS OF WRITE-INS		XXX					
58001.		XXX					
58002.		XXX					
58003.		XXX					
58998. Summary of remaining write-ins for Line 58 from overflow page		XXX	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)		XXX	0	0	0	0	0

(a) Active Status Counts:

L - Licensed or Chartered - Licensed Insurance carrier or domiciled RRG..... 50 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 ..... 6

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company



STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

## SCHEDULE Y

## PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

# **NONE**

# NINE

STATEMENT AS OF MARCH 31, 2021 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 .....	666,362	26,688	4.0	256.6
2. Allied Lines .....	2,135,141	1,370,088	64.2	10.0
3. Farmowners multiple peril .....	0	0	0.0	0.0
4. Homeowners multiple peril .....	0	0	0.0	0.0
5. Commercial multiple peril .....	5,425,092	3,857,155	71.1	78.1
6. Mortgage guaranty .....	0	0	0.0	0.0
8. Ocean marine .....	0	0	0.0	0.0
9. Inland marine .....	715,090	397,333	55.6	57.5
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 .....	1,685	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 .....	2,996,242	1,799,114	60.0	45.3
17.1 Other liability - occurrence .....	5,969,004	1,973,558	33.1	9.8
17.2 Other liability - claims-made .....	5,349	(204,400)	(3,821.3)	(2,231.0)
17.3 Excess workers' compensation .....	0	0	0.0	0.0
18.1 Products liability - occurrence .....	31,177	19,173	61.5	(81.7)
18.2 Products liability - claims-made .....	0	0	0.0	0.0
19.1,19.2 Private passenger auto liability .....	8,141,911	2,948,407	36.2	53.2
19.3,19.4 Commercial auto liability .....	13,433,639	6,267,001	46.7	47.9
21. Auto physical damage .....	3,893,176	3,973,185	102.1	58.9
22. Aircraft (all perils) .....	3,999,835	1,406,617	35.2	0.0
23. Fidelity .....	0	0	0.0	0.0
24. Surety .....	0	0	0.0	0.0
26. Burglary and theft .....	163,706	165,645	101.2	66.6
27. Boiler and machinery .....	515,767	334,130	64.8	1.7
28. Credit .....	882,962	571,153	64.7	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 .....	48,976,138	24,904,847	50.9	53.1
<b>DETAILS OF WRITE-INS</b>				
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 .....	738,350	738,350	.627,739	
2. Allied Lines .....	2,007,465	2,007,465	.819,188	
3. Farmowners multiple peril .....	0	0	0	
4. Homeowners multiple peril .....	0	0	0	
5. Commercial multiple peril .....	5,934,605	5,934,605	5,330,512	
6. Mortgage guaranty .....	0	0	0	
8. Ocean marine .....	0	0	0	
9. Inland marine .....	1,171,308	1,171,308	.487,245	
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 .....	1,195	1,195	1,195	
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 .....	3,512,727	3,512,727	3,279,663	
17.1 Other liability - occurrence .....	9,218,473	9,218,473	2,366,473	
17.2 Other liability - claims-made .....	11,379	11,379	753	
17.3 Excess workers' compensation .....	0	0	0	
18.1 Products liability - occurrence .....	63,453	63,453	21,738	
18.2 Products liability - claims-made .....	0	0	0	
19.1,19.2 Private passenger auto liability .....	10,107,293	10,107,293	16,934,989	
19.3,19.4 Commercial auto liability .....	18,454,465	18,454,465	10,185,115	
21. Auto physical damage .....	7,017,025	7,017,025	5,314,200	
22. Aircraft (all perils) .....	2,583,615	2,583,615	0	
23. Fidelity .....	0	0	0	
24. Surety .....	0	0	0	
26. Burglary and theft .....	228,013	228,013	.108,024	
27. Boiler and machinery .....	580,512	580,512	.448,835	
28. Credit .....	882,962	882,962	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 .....	62,512,840	62,512,840	45,925,669	
<b>DETAILS OF WRITE-INS</b>				
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

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**PART 3 (000 omitted)**

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

Years in Which Losses Occurred	1 Prior Year-End Known Case Loss and LAE Reserves	2 Prior Year-End IBNR Loss and LAE Reserves	3 Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	4 2021 Loss and LAE Payments on Claims Reported as of Prior Year-End	5 2021 Loss and LAE Payments on Unreported Claims as of Prior Year-End	6 Total 2021 Loss and LAE Payments (Cols. 4+5)	7 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	8 Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	9 Q.S. Date IBNR Loss and LAE Reserves	10 Total Q.S. Loss and LAE Reserves (Cols. 7+8+9)	11 Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4+7 minus Col. 1)	12 Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	13 Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)
1. 2018 + Prior .....	4,474	5,349	9,823	625	113	738	4,497	141	5,213	9,851	648	118	766
2. 2019 .....	1,512	4,910	6,422	211	74	285	1,347	189	4,039	5,575	46	(608)	(562)
3. Subtotals 2019 + Prior .....	5,986	10,259	16,245	836	187	1,023	5,844	330	9,252	15,426	694	(490)	204
4. 2020 .....	1,218	7,910	9,128	144	194	338	889	630	7,067	8,586	(185)	(19)	(204)
5. Subtotals 2020 + Prior .....	7,204	18,169	25,373	980	381	1,361	6,733	960	16,319	24,012	509	(509)	0
6. 2021 .....	XXX	XXX	XXX	XXX	167	167	XXX	214	2,631	2,845	XXX	XXX	XXX
7. Totals .....	7,204	18,169	25,373	980	548	1,528	6,733	1,174	18,950	26,857	509	(509)	0
8. Prior Year-End Surplus As Regards Policyholders		114,032									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. 7.1	2. (2.8)	3. 0.0
													Col. 13, Line 7 As a % of Col. 1 Line 8
													4. 0.0

**SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES**

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

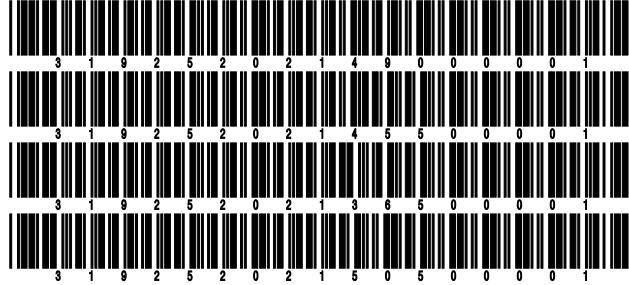
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state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



STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company  
**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Liabilities Line 25

	1 Current Statement Date	2 December 31, Prior Year
2504. Other Liabilities .....	377,407	205,952
2597. Summary of remaining write-ins for Line 25 from overflow page	377,407	205,952

**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 paid 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 .....	98,927,105	89,108,095
2. Cost of bonds and stocks acquired .....	200,000	2,645,385
3. Accrual of discount .....	775	3,124
4. Unrealized valuation increase (decrease) .....	917,018	10,799,898
5. Total gain (loss) on disposals .....	0	(3,963)
6. Deduct consideration for bonds and stocks disposed of .....	9,695	3,591,381
7. Deduct amortization of premium .....	8,159	34,053
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) .....	100,027,044	98,927,105
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	100,027,044	98,927,105

## STATEMENT AS OF MARCH 31, 2021 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
<b>BONDS</b>								
1. NAIC 1 (a) .....	4,451,390	699,975	.259,696	(7,349)	4,884,321	.0	.0	4,451,390
2. NAIC 2 (a) .....	155,618	0	0	(28)	155,590	0	0	155,618
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 .....	4,607,008	699,975	259,696	(7,377)	5,039,911	0	0	4,607,008
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0	0	0	0	0	.0	.0	0
9. NAIC 2 .....	215,400	0	0	(27,900)	187,500	0	0	215,400
10. NAIC 3 .....	0	0	0	0	0	0	0	0
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 .....	215,400	0	0	(27,900)	187,500	0	0	215,400
15. Total Bonds and Preferred Stock .....	4,822,408	699,975	259,696	(35,277)	5,227,411	0	0	4,822,408

(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 \$ .....499,976 ; NAIC 2 \$ .....0 ; NAIC 3 \$ .....0 NAIC 4 \$ .....0 ; NAIC 5 \$ .....0 ; NAIC 6 \$ .....0

SI02

**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	499,976	XXX	499,975	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 .....	249,993	0
2. Cost of short-term investments acquired .....	499,975	751,483
3. Accrual of discount .....	8	60
4. Unrealized valuation increase (decrease) .....	0	0
5. Total gain (loss) on disposals .....	0	0
6. Deduct consideration received on disposals .....	250,000	501,550
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) .....	499,976	249,993
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	499,976	249,993

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 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	3,967,662	3,201,854
2. Cost of cash equivalents acquired .....	843,802	1,803,658
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 .....	946,237	1,037,851
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) .....	3,865,227	3,967,662
11. Deduct total nonadmitted amounts .....	0	0
<b>12. Statement value at end of current period (Line 10 minus Line 11)</b>	<b>3,865,227</b>	<b>3,967,662</b>

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 MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**SCHEDULE D - PART 3**

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

1 CUSIP Identification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation, NAIC Designation Modifier and SVO Adminis- trative Symbol
88161F-AD-8	TESLA 21A A4 - ABS		03/25/2021	CREDIT SUISSE SECURITIES (USA)	200,000	200,000	200,000	0	1A FE
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)					200,000	200,000	200,000	0	XXX
8399997. Total - Bonds - Part 3					200,000	200,000	200,000	0	XXX
8399998. Total - Bonds - Part 5					XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds					200,000	200,000	200,000	0	XXX
8999997. Total - Preferred Stocks - Part 3					0	XXX	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5					XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks					0	XXX	XXX	0	XXX
9799997. Total - Common Stocks - Part 3					0	XXX	XXX	0	XXX
9799998. Total - Common Stocks - Part 5					XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks					0	XXX	XXX	0	XXX
9899999. Total - Preferred and Common Stocks					0	XXX	XXX	0	XXX
9999999 - Totals					200,000	XXX	XXX	0	XXX

## STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**SCHEDULE D - PART 4**

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

1 CUSIP Ident- ification	2 Description	3 For- eign	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change In Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Con- tractual Maturity Date	22 NAIC Desig- nation, NAIC Desig- nation Modifier and SVO Admi- nistrative Symbol		
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amor- tization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recogn- ized	14 Total Change in Book/ Adjusted Carrying Value (11 + 12 - 13)	15 Total Foreign Exchange Change in Book/ Adjusted Carrying Value									
3132DV7B-5	FH SD8090 - RMBS		03/01/2021	Paydown			9,696	9,696	9,989	9,979	0	(284)	0	(284)	0	9,696	0	0	0	0	36	09/01/2050	1.A
3199999. Subtotal - Bonds - U.S. Special Revenues							9,696	9,696	9,989	9,979	0	(284)	0	(284)	0	9,696	0	0	0	0	36	XXX	XXX
8399997. Total - Bonds - Part 4							9,696	9,696	9,989	9,979	0	(284)	0	(284)	0	9,696	0	0	0	0	36	XXX	XXX
8399998. Total - Bonds - Part 5							XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8399999. Total - Bonds							9,696	9,696	9,989	9,979	0	(284)	0	(284)	0	9,696	0	0	0	0	36	XXX	XXX
8999997. Total - Preferred Stocks - Part 4							0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
8999998. Total - Preferred Stocks - Part 5							XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks							0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799997. Total - Common Stocks - Part 4							0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9799998. Total - Common Stocks - Part 5							XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX
9799999. Total - Common Stocks							0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9899999. Total - Preferred and Common Stocks							0	XXX	0	0	0	0	0	0	0	0	0	0	0	0	0	XXX	XXX
9999999 - Totals							9,696	XXX	9,989	9,979	0	(284)	0	(284)	0	9,696	0	0	0	0	36	XXX	XXX

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**

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**SCHEDULE E - PART 1 - CASH**

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Key Bank .....		0.000	.0	.0	20,207,979	26,809,625	25,739,813	XXX
US Bank .....	Minneapolis, MN	SD	0.000	.0	505,000	505,000	505,000	XXX
Century Trust .....	Santa Fe, MN	SD	0.000	0	315,000	0	0	XXX
0199998. Deposits in ...	0	depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories						
	XXX	XXX	0	0	0	0	0	XXX
0199999. Totals - Open Depositories			0	0	21,027,979	27,314,625	26,244,813	XXX
0299998. Deposits in ...	0	depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories						
	XXX	XXX	0	0	0	0	0	XXX
0299999. Totals - Suspended Depositories			0	0	0	0	0	XXX
0399999. Total Cash on Deposit			0	0	21,027,979	27,314,625	26,244,813	XXX
0499999. Cash in Company's Office			XXX	XXX	0	0	0	XXX
0599999. Total - Cash		XXX	XXX	0	21,027,979	27,314,625	26,244,813	XXX

STATEMENT AS OF MARCH 31, 2021 OF THE Falls Lake National Insurance Company

**SCHEDULE E - PART 2 - CASH EQUIVALENTS**

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due and Accrued	9 Amount Received During Year
0599999. Total - U.S. Government Bonds						0	0	0
1099999. Total - All Other Government Bonds						0	0	0
1799999. Total - U.S. States, Territories and Possessions Bonds						0	0	0
2499999. Total - U.S. Political Subdivisions Bonds						0	0	0
3199999. Total - U.S. Special Revenues Bonds						0	0	0
3899999. Total - Industrial and Miscellaneous (Unaffiliated) Bonds						0	0	0
4899999. Total - Hybrid Securities						0	0	0
5599999. Total - Parent, Subsidiaries and Affiliates Bonds						0	0	0
6099999. Subtotal - SVO Identified Funds						0	0	0
6599999. Subtotal - Unaffiliated Bank Loans						0	0	0
7699999. Total - Issuer Obligations						0	0	0
7799999. Total - Residential Mortgage-Backed Securities						0	0	0
7899999. Total - Commercial Mortgage-Backed Securities						0	0	0
7999999. Total - Other Loan-Backed and Structured Securities						0	0	0
8099999. Total - SVO Identified Funds						0	0	0
8199999. Total - Affiliated Bank Loans						0	0	0
8299999. Total - Unaffiliated Bank Loans						0	0	0
8399999. Total Bonds						0	0	0
31846V-41-9 .....	FIRST AMER:TRS OBG V .....	SD.....	03/02/2021	.010		.315,027	2	.5
31846V-80-7 .....	FIRST AMER:TRS OBG Y .....	SD.....	03/15/2021	.010		2,785,941	.14	.40
60934N-50-0 .....	FEDERATED HIMS TRS INST .....	SD.....	03/25/2021	.010		.94,094	0	.0
94975H-29-6 .....	WELLSFARGO:TRS+ MM I .....	SD.....	03/02/2021	.010		.120,143	1	.3
8599999. Subtotal - Exempt Money Market Mutual Funds - as Identified by the SVO						3,315,206	17	48
990220-47-7 .....	RBS CITIZENS NA CASH SIEEP .....	SD.....	03/01/2021	.000		.550,021	0	.68
8699999. Subtotal - All Other Money Market Mutual Funds						550,021	0	68
9999999 - Total Cash Equivalents						3,865,227	17	115