



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

**QUARTERLY STATEMENT**AS OF JUNE 30, 2021  
OF THE CONDITION AND AFFAIRS OF THE**Falls Lake National Insurance Company**NAIC Group Code 3494 3494 NAIC Company Code 31925 Employer's ID Number 42-1019055  
(Current) (Prior)

Organized under the Laws of \_\_\_\_\_, 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)Mail Address \_\_\_\_\_ P.O. BOX 27648 RICHMOND, VA, US 23261  
(Street and Number or P.O. Box) (City or Town, State, Country and Zip Code)Primary Location of Books and Records \_\_\_\_\_ 6131 Falls of Neuse Rd., Suite 306  
(Street and Number) Raleigh, NC, US 27609 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)Statutory Statement Contact \_\_\_\_\_ Timothy Sean MacAleese 804-281-2683  
(Name) accounting@fallslakeins.com (Area Code) (Telephone Number)  
(E-mail Address) 888-698-7290 (FAX Number)**OFFICERS**President/CEO \_\_\_\_\_ Terence Michael McCafferty SVP/Chief Financial Officer \_\_\_\_\_ Timothy Sean MacAleese  
Secretary/Chief Actuary \_\_\_\_\_ Eric Forest Liland Treasurer/Controller \_\_\_\_\_ Daniel Arthur Shultis**OTHER**

Sarah Casey Doran, Chairman of the Board \_\_\_\_\_ Benson Lee Jeffress, Assistant Secretary \_\_\_\_\_

**DIRECTORS OR TRUSTEES**Sarah Casey Doran \_\_\_\_\_ Terence Michael McCafferty \_\_\_\_\_ Michael Edward Crow  
Angela Jenkins Burnett # \_\_\_\_\_ Timothy Sean MacAleese \_\_\_\_\_ Thomas Edward PeachState 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/CEOEric Forest Liland  
Secretary/Chief ActuaryTimothy Sean MacAleese  
SVP/Chief Financial OfficerSubscribed and sworn to before me this  
day of \_\_\_\_\_

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

## ASSETS

|                                                                                                                                                   | Current Statement Date |                         |                                           | 4<br>December 31<br>Prior Year Net<br>Admitted Assets |
|---------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|-------------------------|-------------------------------------------|-------------------------------------------------------|
|                                                                                                                                                   | 1<br>Assets            | 2<br>Nonadmitted Assets | 3<br>Net Admitted Assets<br>(Cols. 1 - 2) |                                                       |
| 1. Bonds .....                                                                                                                                    | 4,872,196              | 0                       | 4,872,196                                 | 4,357,015                                             |
| 2. Stocks:                                                                                                                                        |                        |                         |                                           |                                                       |
| 2.1 Preferred stocks .....                                                                                                                        | 187,500                | 0                       | 187,500                                   | 215,400                                               |
| 2.2 Common stocks .....                                                                                                                           | 100,267,391            | 0                       | 100,267,391                               | 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 (\$ 29,775,291 ), cash equivalents (\$ 3,866,684 ) and short-term investments (\$ 209,999 ) .....                                         | 33,851,974             | 0                       | 33,851,974                                | 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) .....                                                                                     | 139,179,061            | 0                       | 139,179,061                               | 124,304,471                                           |
| 13. Title plants less \$ 0 charged off (for Title insurers only) .....                                                                            | 0                      | 0                       | 0                                         | 0                                                     |
| 14. Investment income due and accrued .....                                                                                                       | 36,267                 | 0                       | 36,267                                    | 35,914                                                |
| 15. Premiums and considerations:                                                                                                                  |                        |                         |                                           |                                                       |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....                                                                  | 53,406,983             | 1,565,660               | 51,841,323                                | 97,588,921                                            |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums) ..... | 70,881,621             | 6,849                   | 70,874,772                                | 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 .....                                                                                                    | 39,201,642             | 0                       | 39,201,642                                | 21,010,509                                            |
| 16.2 Funds held by or deposited with reinsured companies .....                                                                                    | 343,469,588            | 0                       | 343,469,588                               | 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 .....                                                                                                                 | 1,557,539              | 291,498                 | 1,266,041                                 | 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 .....                                                                                    | 878,948                | 0                       | 878,948                                   | 280,445                                               |
| 24. Health care (\$ 0 ) and other amounts receivable .....                                                                                        | 0                      | 0                       | 0                                         | 0                                                     |
| 25. Aggregate write-ins for other than invested assets .....                                                                                      | 107,168                | 10,000                  | 97,168                                    | 10,603                                                |
| 26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....                              | 648,718,817            | 1,874,007               | 646,844,810                               | 566,011,260                                           |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                                                 | 0                      | 0                       | 0                                         | 0                                                     |
| 28. Total (Lines 26 and 27) .....                                                                                                                 | 648,718,817            | 1,874,007               | 646,844,810                               | 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 .....                                                                                                                          | 20,603                 | 10,000                  | 10,603                                    | 10,603                                                |
| 2502. Installment fee receivable .....                                                                                                            | 86,565                 | 0                       | 86,565                                    | 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) .....                                                                             | 107,168                | 10,000                  | 97,168                                    | 10,603                                                |

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

|                                                                                                                                                                                                                                                                                   | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|
| 1. Losses (current accident year \$ 3,425,607 )                                                                                                                                                                                                                                   | 17,767,978                     | 16,193,303                      |
| 2. Reinsurance payable on paid losses and loss adjustment expenses                                                                                                                                                                                                                | 25,055,647                     | 11,660,482                      |
| 3. Loss adjustment expenses                                                                                                                                                                                                                                                       | 10,143,517                     | 9,180,233                       |
| 4. Commissions payable, contingent commissions and other similar charges                                                                                                                                                                                                          | 16,807,603                     | 15,491,193                      |
| 5. Other expenses (excluding taxes, licenses and fees)                                                                                                                                                                                                                            | 31,500                         | 38,660                          |
| 6. Taxes, licenses and fees (excluding federal and foreign income taxes)                                                                                                                                                                                                          | 8,877,842                      | 7,828,439                       |
| 7.1 Current federal and foreign income taxes (including \$ 2 on realized capital gains (losses))                                                                                                                                                                                  | 482,767                        | 252,770                         |
| 7.2 Net deferred tax liability                                                                                                                                                                                                                                                    | 0                              | 0                               |
| 8. Borrowed money \$ 0 and interest thereon \$ 0                                                                                                                                                                                                                                  | 0                              | 5,000,000                       |
| 9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 174,041,604 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) | 7,833,607                      | 7,190,675                       |
| 10. Advance premium                                                                                                                                                                                                                                                               | 8,815                          | 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)                                                                                                                                                                                                                | 94,047,310                     | 78,761,429                      |
| 13. Funds held by company under reinsurance treaties                                                                                                                                                                                                                              | 321,755,912                    | 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                                                                                                                                                                                                                                | 168,581                        | 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                                                                                                                                                                                                                                           | 15,821,724                     | 6,368,796                       |
| 26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)                                                                                                                                                                                                   | 518,829,803                    | 451,979,468                     |
| 27. Protected cell liabilities                                                                                                                                                                                                                                                    | 0                              | 0                               |
| 28. Total liabilities (Lines 26 and 27)                                                                                                                                                                                                                                           | 518,829,803                    | 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                                                                                                                                                                                                                                         | 83,558,551                     | 78,558,551                      |
| 35. Unassigned funds (surplus)                                                                                                                                                                                                                                                    | 40,256,456                     | 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)                                                                                                                                                                                                                    | 128,015,007                    | 114,031,792                     |
| 38. Totals (Page 2, Line 28, Col. 3)                                                                                                                                                                                                                                              | 646,844,810                    | 566,011,260                     |
| <b>DETAILS OF WRITE-INS</b>                                                                                                                                                                                                                                                       |                                |                                 |
| 2501. Deferred service fees                                                                                                                                                                                                                                                       | 213,570                        | 195,330                         |
| 2502. Funds held deposit                                                                                                                                                                                                                                                          | 14,290,577                     | 5,194,174                       |
| 2503. Policyholder deposits                                                                                                                                                                                                                                                       | 890,297                        | .773,340                        |
| 2598. Summary of remaining write-ins for Line 25 from overflow page                                                                                                                                                                                                               | 427,280                        | 205,952                         |
| 2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)                                                                                                                                                                                                                   | 15,821,724                     | 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company  
**STATEMENT OF INCOME**

|                                                                                                                                                         | 1<br>Current<br>Year to Date | 2<br>Prior Year<br>to Date | 3<br>Prior Year Ended<br>December 31 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------|--------------------------------------|
| <b>UNDERWRITING INCOME</b>                                                                                                                              |                              |                            |                                      |
| 1. Premiums earned:                                                                                                                                     |                              |                            |                                      |
| 1.1 Direct (written \$ 131,584,919 )                                                                                                                    | 106,064,950                  | 75,089,287                 | 163,705,264                          |
| 1.2 Assumed (written \$ 78,177,546 )                                                                                                                    | 73,785,288                   | 63,071,757                 | 131,802,680                          |
| 1.3 Ceded (written \$ 201,342,730 )                                                                                                                     | 172,073,435                  | 131,650,265                | 281,877,859                          |
| 1.4 Net (written \$ 8,419,735 )                                                                                                                         | 7,776,803                    | 6,510,779                  | 13,630,085                           |
| <b>DEDUCTIONS:</b>                                                                                                                                      |                              |                            |                                      |
| 2. Losses incurred (current accident year \$ 3,540,454 ):                                                                                               |                              |                            |                                      |
| 2.1 Direct                                                                                                                                              | 63,874,405                   | 37,651,372                 | 95,776,720                           |
| 2.2 Assumed                                                                                                                                             | 30,749,233                   | 26,110,634                 | 48,652,580                           |
| 2.3 Ceded                                                                                                                                               | 91,331,778                   | 61,082,586                 | 139,359,132                          |
| 2.4 Net                                                                                                                                                 | 3,291,860                    | 2,679,420                  | 5,070,168                            |
| 3. Loss adjustment expenses incurred                                                                                                                    | 2,494,480                    | 2,255,551                  | 3,213,038                            |
| 4. Other underwriting expenses incurred                                                                                                                 | (12,698)                     | 792,591                    | 726,238                              |
| 5. Aggregate write-ins for underwriting deductions                                                                                                      | 0                            | 0                          | 0                                    |
| 6. Total underwriting deductions (Lines 2 through 5)                                                                                                    | 5,773,642                    | 5,727,562                  | 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)                                                                                       | 2,003,161                    | 783,217                    | 4,620,641                            |
| <b>INVESTMENT INCOME</b>                                                                                                                                |                              |                            |                                      |
| 9. Net investment income earned                                                                                                                         | (5,593)                      | 32,101                     | 54,027                               |
| 10. Net realized capital gains (losses) less capital gains tax of \$ 2                                                                                  | 5                            | (3,130)                    | (3,131)                              |
| 11. Net investment gain (loss) (Lines 9 + 10)                                                                                                           | (5,588)                      | 28,971                     | 50,896                               |
| <b>OTHER INCOME</b>                                                                                                                                     |                              |                            |                                      |
| 12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 17,860 )                               | (17,860)                     | (4,260)                    | (23,784)                             |
| 13. Finance and service charges not included in premiums                                                                                                | 928,584                      | 1,089,247                  | 2,057,183                            |
| 14. Aggregate write-ins for miscellaneous income                                                                                                        | (199,462)                    | 568,641                    | 328,770                              |
| 15. Total other income (Lines 12 through 14)                                                                                                            | 711,262                      | 1,653,628                  | 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)     | 2,708,835                    | 2,465,816                  | 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) | 2,708,835                    | 2,465,816                  | 7,033,706                            |
| 19. Federal and foreign income taxes incurred                                                                                                           | 612,029                      | 551,482                    | 1,580,054                            |
| 20. Net income (Line 18 minus Line 19)(to Line 22)                                                                                                      | 2,096,806                    | 1,914,334                  | 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)                                                                                                                           | 2,096,806                    | 1,914,334                  | 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)                                                                | 5,890,662                    | 3,383,659                  | 10,796,983                           |
| 25. Change in net unrealized foreign exchange capital gain (loss)                                                                                       | 0                            | 0                          | 0                                    |
| 26. Change in net deferred income tax                                                                                                                   | (199,995)                    | 70,164                     | 558,321                              |
| 27. Change in nonadmitted assets                                                                                                                        | 1,195,742                    | (125,945)                  | (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                                                                                                                                            | 5,000,000                    | 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)                                                                                    | 13,983,215                   | 5,242,212                  | 14,807,566                           |
| 39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)                                                                           | 128,015,007                  | 104,466,439                | 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                                                                                                                                | (392,040)                    | (918,399)                  | (211,300)                            |
| 1402. Fronting fee income                                                                                                                               | 192,578                      | 191,562                    | 540,070                              |
| 1403. Other fee income                                                                                                                                  | 0                            | 1,295,478                  | 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)                                                                                         | (199,462)                    | 568,641                    | 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company**  
**CASH FLOW**

|                                                                                                                          | 1<br>Current Year<br>To Date | 2<br>Prior Year<br>To Date | 3<br>Prior Year Ended<br>December 31 |
|--------------------------------------------------------------------------------------------------------------------------|------------------------------|----------------------------|--------------------------------------|
| <b>Cash from Operations</b>                                                                                              |                              |                            |                                      |
| 1. Premiums collected net of reinsurance .....                                                                           | 5,583,251                    | 5,746,086                  | 8,505,070                            |
| 2. Net investment income .....                                                                                           | 17,079                       | 48,899                     | 90,803                               |
| 3. Miscellaneous income .....                                                                                            | 711,262                      | 1,653,628                  | 2,362,169                            |
| 4. Total (Lines 1 to 3) .....                                                                                            | 6,311,592                    | 7,448,613                  | 10,958,042                           |
| 5. Benefit and loss related payments .....                                                                               | 34,574,653                   | 26,841,855                 | 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 .....                                               | (832,061)                    | 1,481,115                  | 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) .....                       | 382,032                      | 40,075                     | 1,353,927                            |
| 10. Total (Lines 5 through 9) .....                                                                                      | 34,124,624                   | 28,363,045                 | 37,653,596                           |
| 11. Net cash from operations (Line 4 minus Line 10) .....                                                                | (27,813,032)                 | (20,914,432)               | (26,695,554)                         |
| <b>Cash from Investments</b>                                                                                             |                              |                            |                                      |
| 12. Proceeds from investments sold, matured or repaid:                                                                   |                              |                            |                                      |
| 12.1 Bonds .....                                                                                                         | 18,287                       | 1,821,729                  | 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) .....                                                                | 18,287                       | 2,016,729                  | 3,591,381                            |
| 13. Cost of investments acquired (long-term only):                                                                       |                              |                            |                                      |
| 13.1 Bonds .....                                                                                                         | 548,401                      | 1,324,387                  | 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) .....                                                               | 548,401                      | 1,324,387                  | 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) .....                                              | (530,114)                    | 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 .....                                                              | 5,000,000                    | 0                          | 0                                    |
| 16.3 Borrowed funds .....                                                                                                | (5,000,000)                  | 5,000,000                  | 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) .....                                                                                 | 36,817,751                   | 21,201,220                 | 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) ..... | 36,817,751                   | 26,201,220                 | 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) .....                | 8,474,605                    | 5,979,130                  | 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) .....                                                                        | 33,851,974                   | 17,743,188                 | 25,377,369                           |

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

|  |  |  |  |
|--|--|--|--|
|  |  |  |  |
|--|--|--|--|

STATEMENT AS OF JUNE 30, 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 # | 06/30/2021     | 12/31/2020     |
|---------------------------------------------------------------------------------|--------|----------|------------|----------------|----------------|
| Net Income                                                                      |        |          |            |                |                |
| (1) State basis (Page 4, Line 20, Columns 1 & 3)                                | XXX    | XXX      | XXX        | \$ 2,096,806   | \$ 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        | \$ 2,096,806   | \$ 5,453,652   |
| Surplus                                                                         |        |          |            |                |                |
| (5) State basis (Page 3, Line 37, Columns 1 & 2)                                | XXX    | XXX      | XXX        | \$ 128,015,007 | \$ 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        | \$ 128,015,007 | \$ 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**

# STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company

## 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.....                                               | \$..... 3,943   |
| 2. 12 months or longer.....                                               | —               |
| b. The aggregate related fair value of securities with unrealized losses: |                 |
| 1. Less than 12 months.....                                               | \$..... 378,485 |
| 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

- A. Nature of Relationships - No Significant Changes
- B. Detail of Related Party Transactions

Effective June 1, 2021, the Company's immediate parent, James River Group Inc, contributed \$5,000,000 of additional Paid in Surplus to the Company in accordance with SSAP No. 72

- C. Transactions With Related Party Who Are Not Reported on Schedule Y - None
- 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. As of June 30, 2021 the Company has paid \$121,800 in total interest payments, of which \$39,000 was paid during 2021. The Company made quarterly interest payments to James River Insurance Company and repaid the entire unpaid principal balance during June 2021.

- E. Management Service Contracts and Cost Sharing Arrangements - No Significant Changes
- F. Guarantees or Contingencies - Not Applicable
- 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

## Notes to the Financial Statements

### 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

See note 10B for additional detail.

### 14. Liabilities, Contingencies and Assessments - No Significant Changes

### 15. Leases - Not Applicable

### 16. Information About Financial Instruments With Off-Balance-Sheet Risk And Financial Instruments With Concentrations of Credit Risk - Not Applicable

### 17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities - Not Applicable

### 18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans - Not Applicable

### 19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators - No Significant Changes

### 20. Fair Value Measurements

#### A. Fair Value Measurement

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

Three levels of inputs are used to measure fair value:

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

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

#### (1) Fair value measurements at reporting date

| Description for each class of asset or liability | Level 1  | Level 2  | Level 3  | Net Asset Value (NAV) | Total        |
|--------------------------------------------------|----------|----------|----------|-----------------------|--------------|
| a. Assets at fair value                          |          |          |          |                       |              |
| Money market mutual funds.....                   | \$ ..... | \$ ..... | \$ ..... | \$ 3,866,684          | \$ 3,866,684 |
| Total assets at fair value/NAV.....              | \$ ..... | \$ ..... | \$ ..... | \$ 3,866,684          | \$ 3,866,684 |
| 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 June 30, 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

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

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

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                                     | \$ 5,095,596         | \$ 4,872,196    | \$ 2,011,046 | \$ 3,084,550 | \$      | \$                    | \$                               |
| Preferred stock                           | 218,100              | 187,500         |              | 218,100      |         |                       |                                  |
| Cash equivalents & short-term investments | 4,076,681            | 4,076,683       |              | 209,997      |         | 3,866,684             |                                  |

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 August 9, 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

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:

|                                                                  | June 30, 2021 | Dec. 31, 2020 |
|------------------------------------------------------------------|---------------|---------------|
| Reserves, Net of Reinsurance Recoverables at Beginning of Period | \$ 25,373,536 | \$ 23,344,465 |
| Loss and loss adjustment expense incurred:                       |               |               |
| Current accident year                                            | 5,912,495     | 10,284,011    |
| Prior accident years                                             | (126,155)     | (2,000,805)   |
|                                                                  | 5,786,340     | 8,283,206     |
| Loss and loss adjustment expense payments made for:              |               |               |
| Current accident year                                            | 475,632       | 1,155,802     |
| Prior accident years                                             | 2,772,748     | 5,098,333     |
|                                                                  | 3,248,380     | 6,254,135     |
| Reserves, Net of Reinsurance Recoverables at End of Period       | \$ 27,911,495 | \$ 25,373,536 |

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company

**Notes to the Financial Statements**

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

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by \$ 126,155 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

| ASL #      | ASL Description                 | (3)<br>Gross (of High<br>Deductible) Loss<br>Reserves | (4)<br>Reserve Credit for<br>High Deductibles | (5)<br>Billed Recoverables<br>on Paid Claims | (6)<br>Total High Deductibles<br>and Billed<br>Recoverables<br>(Col 4 + Col 5) |                  |
|------------|---------------------------------|-------------------------------------------------------|-----------------------------------------------|----------------------------------------------|--------------------------------------------------------------------------------|------------------|
|            |                                 |                                                       |                                               |                                              | (1)                                                                            | (2)              |
| 171 .....  | Other Liability Occurrence..... | \$ 6,884,136                                          | \$ 6,648,616                                  | \$                                           | \$                                                                             | 6,648,616        |
| Total..... |                                 | <u>\$ 6,884,136</u>                                   | <u>\$ 6,648,616</u>                           | <u>\$</u>                                    | <u>\$</u>                                                                      | <u>6,648,616</u> |

(2) Unsecured amounts of high deductibles

- a. Total high deductibles and billed recoverables on paid claims (should equal total line for Column 6 for A(1) above)..... \$ 6,648,616
- b. Collateral on balance sheet (must be equal to or greater than zero)..... 6,648,616
- 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

(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 JUNE 30, 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 [  ]

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

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

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

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

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

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

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

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

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

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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
| Not applicable      |                        |                        |

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? ..... Yes [  ] No [  ] N/A [  ] If yes, attach an explanation.  
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. ..... 12/31/2019

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). ..... 06/26/2021

6.4 By what department or departments?  
Ohio Department of Insurance

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

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

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

7.2 If yes, give full information:

8.1 Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board? ..... Yes [  ] No [  ]

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

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

8.4 If 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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB | 4<br>OCC | 5<br>FDIC | 6<br>SEC |
|---------------------|-----------------------------|----------|----------|-----------|----------|
| Not applicable      |                             |          |          |           |          |

**STATEMENT AS OF JUNE 30, 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><br>Prior Year-End<br>Book/Adjusted<br>Carrying Value | <b>2</b><br>Current Quarter<br>Book/Adjusted<br>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                                           | \$ ..... 100,267,391                                           |
| 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                                           | \$ ..... 100,267,391                                           |
| 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"/> ]<br>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 JUNE 30, 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<br>Name of Custodian(s) | 2<br>Custodian Address             |
|---------------------------|------------------------------------|
| Truist 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<br>Name(s)         | 2<br>Location(s) | 3<br>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<br>Old Custodian   | 2<br>New Custodian | 3<br>Date of Change | 4<br>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<br>Name of Firm or Individual          | 2<br>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<br>Central Registration<br>Depository Number | 2<br>Name of Firm or Individual          | 3<br>Legal Entity Identifier (LEI) | 4<br>Registered With | 5<br>Investment<br>Management<br>Agreement<br>(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 JUNE 30, 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<br>Line of Business | 2<br>Maximum<br>Interest | 3<br>Discount<br>Rate | TOTAL DISCOUNT        |                    |           | DISCOUNT TAKEN DURING PERIOD |                       |                    |            |             |
|-----------------------|--------------------------|-----------------------|-----------------------|--------------------|-----------|------------------------------|-----------------------|--------------------|------------|-------------|
|                       |                          |                       | 4<br>Unpaid<br>Losses | 5<br>Unpaid<br>LAE | 6<br>IBNR | 7<br>TOTAL                   | 8<br>Unpaid<br>Losses | 9<br>Unpaid<br>LAE | 10<br>IBNR | 11<br>TOTAL |
|                       |                          |                       | TOTAL                 | 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company

## **SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company  
**SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN**

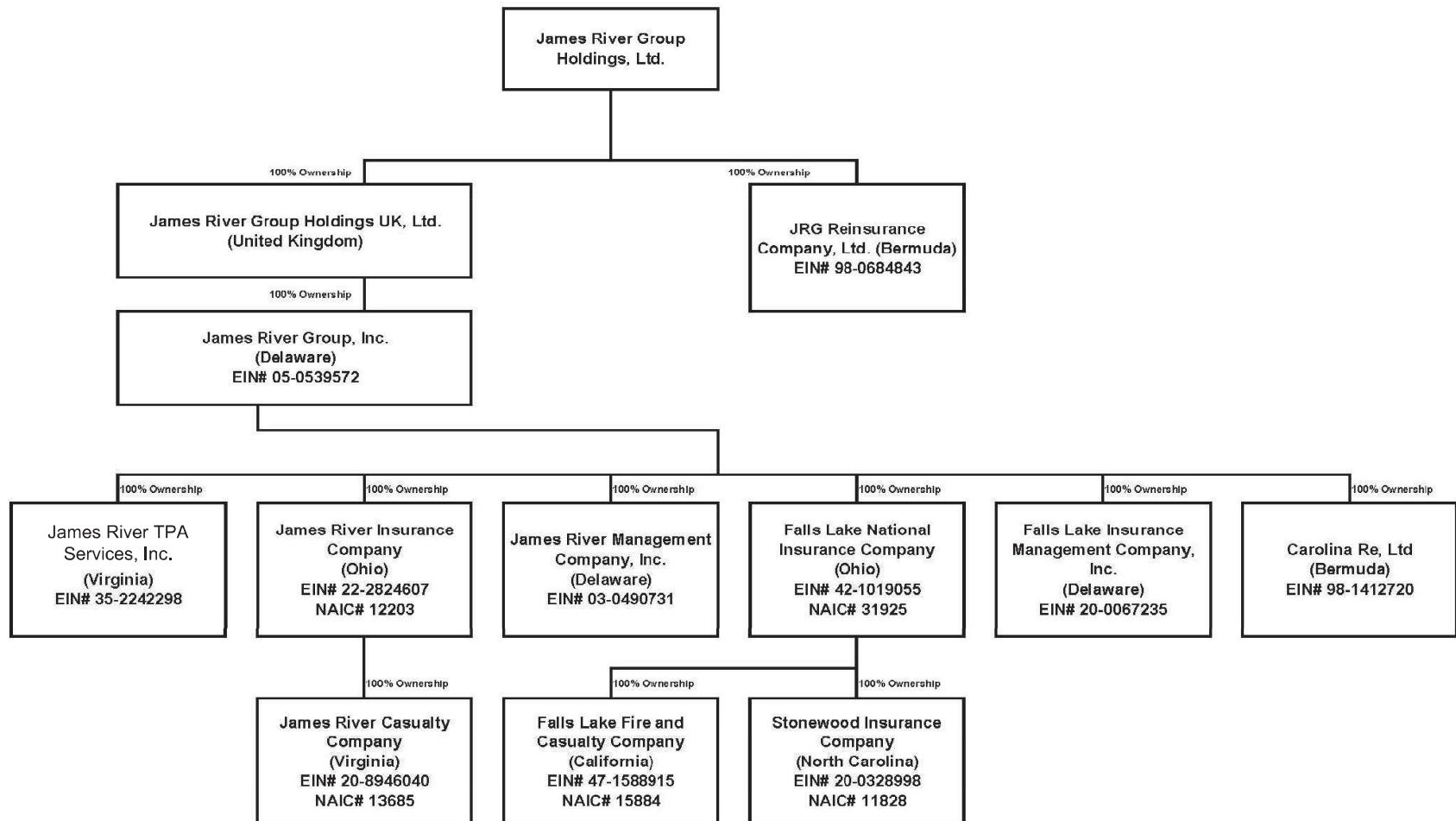
Current Year to Date - Allocated by States and Territories

| States, etc.                                                         | 1<br>Active<br>Status<br>(a) | Direct Premiums Written      |                            | Direct Losses Paid (Deducting Salvage) |                            | Direct Losses Unpaid         |                            |
|----------------------------------------------------------------------|------------------------------|------------------------------|----------------------------|----------------------------------------|----------------------------|------------------------------|----------------------------|
|                                                                      |                              | 2<br>Current Year<br>To Date | 3<br>Prior Year<br>To Date | 4<br>Current Year<br>To Date           | 5<br>Prior Year<br>To Date | 6<br>Current Year<br>To Date | 7<br>Prior Year<br>To Date |
| 1. Alabama .....                                                     | AL                           | 3,959,243                    | 914,384                    | 661,588                                | 450,517                    | 1,675,838                    | 1,573,532                  |
| 2. Alaska .....                                                      | AK                           | 506,951                      | 0                          | 23,855                                 | 0                          | 467,230                      | 0                          |
| 3. Arizona .....                                                     | AZ                           | 1,594,652                    | 1,083,055                  | 1,210,385                              | 351,648                    | 2,608,131                    | 1,480,362                  |
| 4. Arkansas .....                                                    | AR                           | 2,786,630                    | 165,115                    | 317,260                                | 6,742                      | 1,001,334                    | 316,858                    |
| 5. California .....                                                  | CA                           | 11,203,843                   | 3,627,066                  | 4,645,922                              | 189,377                    | 9,873,708                    | 5,840,861                  |
| 6. Colorado .....                                                    | CO                           | 893,019                      | 735,364                    | 28,400                                 | 35,592                     | 561,623                      | 153,170                    |
| 7. Connecticut .....                                                 | CT                           | 840,775                      | 714,141                    | 178,010                                | 406,902                    | 4,038,318                    | 2,703,757                  |
| 8. Delaware .....                                                    | DE                           | 332,885                      | 196,318                    | 166,696                                | 50,558                     | 342,767                      | 115,237                    |
| 9. District of Columbia .....                                        | DC                           | 39,751                       | 0                          | (6,563)                                | 0                          | 20,532                       | 227                        |
| 10. Florida .....                                                    | FL                           | 7,671,503                    | 3,198,776                  | 224,536                                | 2,723,450                  | 8,926,796                    | 5,659,213                  |
| 11. Georgia .....                                                    | GA                           | 10,758,556                   | 7,195,230                  | 5,194,183                              | 2,672,821                  | 10,985,604                   | 6,466,621                  |
| 12. Hawaii .....                                                     | HI                           | 82,013                       | 0                          | 0                                      | 0                          | 21,408                       | 0                          |
| 13. Idaho .....                                                      | ID                           | 168,693                      | 251,158                    | 256,098                                | 71,834                     | 559,897                      | 100,393                    |
| 14. Illinois .....                                                   | IL                           | 3,421,219                    | 1,814,033                  | 804,054                                | 146,994                    | 4,434,051                    | 1,899,517                  |
| 15. Indiana .....                                                    | IN                           | 728,600                      | 732,161                    | 198,439                                | 44,387                     | 1,242,713                    | 844,143                    |
| 16. Iowa .....                                                       | IA                           | 1,293,227                    | 1,186,971                  | 547,624                                | 66,098                     | 1,679,379                    | 583,473                    |
| 17. Kansas .....                                                     | KS                           | 349,530                      | 421,281                    | 116,836                                | 10,371                     | 233,624                      | 47,536                     |
| 18. Kentucky .....                                                   | KY                           | 0                            | 24,972                     | 11,571                                 | 96,721                     | 381,983                      | 664,863                    |
| 19. Louisiana .....                                                  | LA                           | 36,965                       | 53,025                     | 57,131                                 | 30,142                     | 937,182                      | 103,674                    |
| 20. Maine .....                                                      | ME                           | 14,072                       | 0                          | 0                                      | 0                          | 2,930                        | 0                          |
| 21. Maryland .....                                                   | MD                           | 1,790,450                    | 1,042,735                  | 1,519,784                              | (49,725)                   | 1,965,960                    | 2,171,051                  |
| 22. Massachusetts .....                                              | MA                           | 1,173,034                    | 1,157,903                  | 482,356                                | 67,418                     | 2,858,764                    | 2,136,441                  |
| 23. Michigan .....                                                   | MI                           | 18,493,516                   | 21,234,155                 | 5,788,555                              | 3,007,411                  | 29,104,926                   | 27,925,645                 |
| 24. Minnesota .....                                                  | MN                           | 869,920                      | 96,712                     | 17,030                                 | 6,807                      | 416,362                      | 131,793                    |
| 25. Mississippi .....                                                | MS                           | 924,884                      | 77,409                     | 88,880                                 | (8,611)                    | 407,769                      | 9,975                      |
| 26. Missouri .....                                                   | MO                           | 1,181,395                    | 731,580                    | 768,195                                | 149,860                    | 2,164,100                    | 994,299                    |
| 27. Montana .....                                                    | MT                           | 423,773                      | 27,394                     | 12,000                                 | 0                          | 89,855                       | 2,846                      |
| 28. Nebraska .....                                                   | NE                           | 24,316                       | 32,803                     | 0                                      | 128,386                    | 27,724                       | 10,828                     |
| 29. Nevada .....                                                     | NV                           | 672,333                      | 872,013                    | 688                                    | 206,981                    | 1,522,149                    | 1,334,576                  |
| 30. New Hampshire .....                                              | NH                           | 101,873                      | 29,560                     | 0                                      | 499,500                    | 69,824                       | 23,015                     |
| 31. New Jersey .....                                                 | NJ                           | 4,541,770                    | 4,339,760                  | 2,066,359                              | 1,872,310                  | 16,540,557                   | 10,688,121                 |
| 32. New Mexico .....                                                 | NM                           | 267,525                      | 103,486                    | 135,166                                | 182,072                    | 1,927,459                    | 2,493,809                  |
| 33. New York .....                                                   | NY                           | 12,987,676                   | 8,906,609                  | 3,765,872                              | 4,384,874                  | 39,740,608                   | 39,602,037                 |
| 34. North Carolina .....                                             | NC                           | 4,579,934                    | 1,554,593                  | 1,041,454                              | 140,480                    | 2,625,179                    | 745,759                    |
| 35. North Dakota .....                                               | ND                           | 15,190                       | (8,700)                    | 1,300                                  | 0                          | 102,344                      | 24,305                     |
| 36. Ohio .....                                                       | OH                           | 1,223,589                    | 402,401                    | 243,927                                | 122,122                    | 679,514                      | 446,352                    |
| 37. Oklahoma .....                                                   | OK                           | 877,373                      | 383,860                    | 155,935                                | 1,014,871                  | 2,449,849                    | 1,068,691                  |
| 38. Oregon .....                                                     | OR                           | 1,199,730                    | 0                          | 43,136                                 | 0                          | 278,059                      | 0                          |
| 39. Pennsylvania .....                                               | PA                           | 6,338,917                    | 5,374,350                  | 3,983,338                              | 2,651,088                  | 13,606,744                   | 6,717,903                  |
| 40. Rhode Island .....                                               | RI                           | 1,240,191                    | 1,187,336                  | 291,242                                | 476,135                    | 2,123,028                    | 1,756,916                  |
| 41. South Carolina .....                                             | SC                           | 3,224,860                    | 303,007                    | 290,216                                | 35,970                     | 1,534,671                    | 594,012                    |
| 42. South Dakota .....                                               | SD                           | 180,151                      | 0                          | 5,688                                  | 0                          | 47,452                       | 0                          |
| 43. Tennessee .....                                                  | TN                           | 1,781,923                    | 438,464                    | 287,306                                | 160,350                    | 882,410                      | 660,227                    |
| 44. Texas .....                                                      | TX                           | 12,737,657                   | 6,955,722                  | 1,981,448                              | 1,731,066                  | 17,472,040                   | 10,207,904                 |
| 45. Utah .....                                                       | UT                           | 682,310                      | (111,648)                  | 201,736                                | 52,523                     | 321,623                      | 170,883                    |
| 46. Vermont .....                                                    | VT                           | 0                            | 42,297                     | 0                                      | 0                          | 15,734                       | 4,378                      |
| 47. Virginia .....                                                   | VA                           | 4,812,568                    | 1,396,583                  | 962,667                                | 727,275                    | 4,421,760                    | 1,839,644                  |
| 48. Washington .....                                                 | WA                           | 352,609                      | 113,522                    | 41,083                                 | 0                          | 233,640                      | 72,501                     |
| 49. West Virginia .....                                              | WV                           | (158,749)                    | 41,471                     | 86,993                                 | 149,435                    | 378,770                      | 1,086,378                  |
| 50. Wisconsin .....                                                  | WI                           | 2,257,329                    | 708,266                    | 470,849                                | 114,487                    | 2,233,800                    | 561,715                    |
| 51. Wyoming .....                                                    | WY                           | 104,745                      | 0                          | 10,221                                 | 0                          | 67,268                       | 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                          | 131,584,919                  | 79,746,693                 | 39,379,449                             | 25,177,239                 | 196,304,990                  | 142,035,441                |
| 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company



STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company

## SCHEDULE Y

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

# None

# NINE

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company  
**PART 1 - LOSS EXPERIENCE**

| Line of Business                                                          | Current Year to Date           |                                |                                | 4<br>Prior Year to Date<br>Direct Loss<br>Percentage |
|---------------------------------------------------------------------------|--------------------------------|--------------------------------|--------------------------------|------------------------------------------------------|
|                                                                           | 1<br>Direct Premiums<br>Earned | 2<br>Direct Losses<br>Incurred | 3<br>Direct Loss<br>Percentage |                                                      |
| 1. Fire .....                                                             | 2,721,583                      | 3,753,569                      | 137.9                          | 88.5                                                 |
| 2. Allied Lines .....                                                     | 4,384,607                      | 1,222,109                      | 27.9                           | 16.3                                                 |
| 3. Farmowners multiple peril .....                                        | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 4. Homeowners multiple peril .....                                        | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 5. Commercial multiple peril .....                                        | 10,192,816                     | 7,893,970                      | 77.4                           | 44.4                                                 |
| 6. Mortgage guaranty .....                                                | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 8. Ocean marine .....                                                     | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 9. Inland marine .....                                                    | 1,772,155                      | 559,134                        | 31.6                           | 38.1                                                 |
| 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 .....                                                      | 3,987                          | 423                            | 10.7                           | 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 .....                                           | 5,698,783                      | 6,755,462                      | 118.5                          | 48.3                                                 |
| 17.1 Other liability - occurrence .....                                   | 12,906,358                     | 7,194,919                      | 55.7                           | 38.8                                                 |
| 17.2 Other liability - claims-made .....                                  | 14,711                         | (205,623)                      | (1,397.7)                      | (8,438.4)                                            |
| 17.3 Excess workers' compensation .....                                   | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 18.1 Products liability - occurrence .....                                | 63,504                         | 57,682                         | 90.8                           | (18.3)                                               |
| 18.2 Products liability - claims-made .....                               | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 19.1,19.2 Private passenger auto liability .....                          | 17,919,969                     | 8,373,854                      | 46.7                           | 47.3                                                 |
| 19.3,19.4 Commercial auto liability .....                                 | 30,059,095                     | 19,865,403                     | 66.1                           | 66.6                                                 |
| 21. Auto physical damage .....                                            | 8,302,927                      | 3,212,347                      | 38.7                           | 55.8                                                 |
| 22. Aircraft (all perils) .....                                           | 8,309,638                      | 3,053,573                      | 36.7                           | 0.0                                                  |
| 23. Fidelity .....                                                        | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 24. Surety .....                                                          | 0                              | 0                              | 0.0                            | 0.0                                                  |
| 26. Burglary and theft .....                                              | 360,206                        | 242,996                        | 67.5                           | (10.5)                                               |
| 27. Boiler and machinery .....                                            | 990,121                        | 478,437                        | 48.3                           | 32.1                                                 |
| 28. Credit .....                                                          | 2,364,510                      | 1,416,150                      | 59.9                           | 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 .....                                                          | 106,064,950                    | 63,874,405                     | 60.2                           | 50.1                                                 |
| <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<br>Current Quarter | 2<br>Current<br>Year to Date | 3<br>Prior Year<br>Year to Date |     |
|---------------------------------------------------------------------------|----------------------|------------------------------|---------------------------------|-----|
|                                                                           |                      |                              |                                 |     |
| 1. Fire .....                                                             | 2,922,393            | 3,660,743                    | 1,376,807                       |     |
| 2. Allied Lines .....                                                     | 3,661,012            | 5,668,477                    | 4,220,310                       |     |
| 3. Farmowners multiple peril .....                                        | 0                    | 0                            | 0                               |     |
| 4. Homeowners multiple peril .....                                        | 0                    | 0                            | 0                               |     |
| 5. Commercial multiple peril .....                                        | 4,882,920            | 10,817,525                   | 10,728,116                      |     |
| 6. Mortgage guaranty .....                                                | 0                    | 0                            | 0                               |     |
| 8. Ocean marine .....                                                     | 0                    | 0                            | 0                               |     |
| 9. Inland marine .....                                                    | 1,353,891            | 2,525,199                    | .743,037                        |     |
| 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 .....                                                      | .596                 | 1,791                        | 1,562                           |     |
| 13. Group accident and health .....                                       | 0                    | 0                            | 0                               |     |
| 14. Credit accident and health .....                                      | 0                    | 0                            | 0                               |     |
| 15. Other accident and health .....                                       | 0                    | 0                            | 0                               |     |
| 16. Workers' compensation .....                                           | 2,165,043            | 5,677,770                    | 6,747,827                       |     |
| 17.1 Other liability - occurrence .....                                   | 11,092,336           | 20,310,809                   | 6,644,158                       |     |
| 17.2 Other liability - claims-made .....                                  | 14,728               | 26,107                       | 3,378                           |     |
| 17.3 Excess workers' compensation .....                                   | 0                    | 0                            | 0                               |     |
| 18.1 Products liability - occurrence .....                                | 31,976               | 95,429                       | 33,641                          |     |
| 18.2 Products liability - claims-made .....                               | 0                    | 0                            | 0                               |     |
| 19.1,19.2 Private passenger auto liability .....                          | 9,373,888            | 19,481,181                   | .23,910,083                     |     |
| 19.3,19.4 Commercial auto liability .....                                 | 23,721,805           | 42,176,270                   | 18,157,370                      |     |
| 21. Auto physical damage .....                                            | 5,599,280            | 12,616,305                   | 6,019,390                       |     |
| 22. Aircraft (all perils) .....                                           | 1,951,232            | 4,534,847                    | 0                               |     |
| 23. Fidelity .....                                                        | 0                    | 0                            | 0                               |     |
| 24. Surety .....                                                          | 0                    | 0                            | 0                               |     |
| 26. Burglary and theft .....                                              | 294,312              | 522,325                      | .270,338                        |     |
| 27. Boiler and machinery .....                                            | 525,119              | 1,105,631                    | .890,676                        |     |
| 28. Credit .....                                                          | 1,481,548            | 2,364,510                    | 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 .....                                                          | 69,072,079           | 131,584,919                  | 79,746,693                      |     |
| <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 JUNE 30, 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<br>Prior Year-End Known Case Loss and LAE Reserves | 2<br>Prior Year-End IBNR Loss and LAE Reserves | 3<br>Total Prior Year-End Loss and LAE Reserves (Cols. 1+2) | 4<br>2021 Loss and LAE Payments on Claims Reported as of Prior Year-End | 5<br>2021 Loss and LAE Payments on Claims Unreported as of Prior Year-End | 6<br>Total 2021 Loss and LAE Payments (Cols. 4+5) | 7<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End | 8<br>Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End | 9<br>Q.S. Date IBNR Loss and LAE Reserves | 10<br>Total Q.S. Loss and LAE Reserves (Cols. 7+8+9) | 11<br>Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 4+7 minus Col. 1) | 12<br>Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2) | 13<br>Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12) |
|----------------------------------------------------|------------------------------------------------------|------------------------------------------------|-------------------------------------------------------------|-------------------------------------------------------------------------|---------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------|-------------------------------------------|------------------------------------------------------|----------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| 1. 2018 + Prior .....                              | 4,474                                                | 5,349                                          | 9,823                                                       | 1,202                                                                   | 181                                                                       | 1,383                                             | 4,430                                                                                            | 202                                                                                                         | 3,977                                     | 8,609                                                | 1,158                                                                                                          | (989)                                                                                                      | 169                                                                                           |
| 2. 2019 .....                                      | 1,512                                                | 4,910                                          | 6,422                                                       | 586                                                                     | 55                                                                        | 641                                               | 1,270                                                                                            | 257                                                                                                         | 4,185                                     | 5,712                                                | 344                                                                                                            | (413)                                                                                                      | (69)                                                                                          |
| 3. Subtotals 2019 + Prior .....                    | 5,986                                                | 10,259                                         | 16,245                                                      | 1,788                                                                   | 236                                                                       | 2,024                                             | 5,700                                                                                            | 459                                                                                                         | 8,162                                     | 14,321                                               | 1,502                                                                                                          | (1,402)                                                                                                    | 100                                                                                           |
| 4. 2020 .....                                      | 1,218                                                | 7,910                                          | 9,128                                                       | 375                                                                     | 372                                                                       | 747                                               | 895                                                                                              | 643                                                                                                         | 6,616                                     | 8,154                                                | 52                                                                                                             | (279)                                                                                                      | (227)                                                                                         |
| 5. Subtotals 2020 + Prior .....                    | 7,204                                                | 18,169                                         | 25,373                                                      | 2,163                                                                   | 608                                                                       | 2,771                                             | 6,595                                                                                            | 1,102                                                                                                       | 14,778                                    | 22,475                                               | 1,554                                                                                                          | (1,681)                                                                                                    | (127)                                                                                         |
| 6. 2021 .....                                      | XXX                                                  | XXX                                            | XXX                                                         | XXX                                                                     | 476                                                                       | 476                                               | XXX                                                                                              | 593                                                                                                         | 4,844                                     | 5,437                                                | XXX                                                                                                            | XXX                                                                                                        | XXX                                                                                           |
| 7. Totals .....                                    | 7,204                                                | 18,169                                         | 25,373                                                      | 2,163                                                                   | 1,084                                                                     | 3,247                                             | 6,595                                                                                            | 1,695                                                                                                       | 19,622                                    | 27,912                                               | 1,554                                                                                                          | (1,681)                                                                                                    | (127)                                                                                         |
| 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. 21.6                                                                                                        | 2. (9.3)                                                                                                   | 3. (0.5)                                                                                      |
|                                                    |                                                      |                                                |                                                             |                                                                         |                                                                           |                                                   |                                                                                                  |                                                                                                             |                                           |                                                      |                                                                                                                |                                                                                                            | 4. (0.1)                                                                                      |

**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.

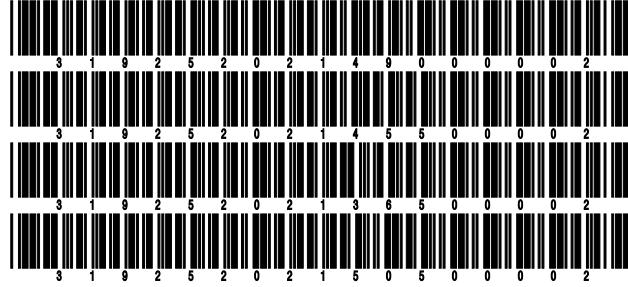
|                                                                                                                                      | Response |
|--------------------------------------------------------------------------------------------------------------------------------------|----------|
| 1. 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company  
**OVERFLOW PAGE FOR WRITE-INS**

Additional Write-ins for Liabilities Line 25

|                                                                     | 1<br>Current<br>Statement Date | 2<br>December 31,<br>Prior Year |
|---------------------------------------------------------------------|--------------------------------|---------------------------------|
| 2504. Claim deductible deposits .....                               | 201,822                        | 0                               |
| 2505. Other liabilities .....                                       | 225,458                        | 205,952                         |
| 2597. Summary of remaining write-ins for Line 25 from overflow page | 427,280                        | 205,952                         |

**SCHEDULE A - VERIFICATION**

Real Estate

|                                                                                            | 1<br>Year to Date | 2<br>Prior Year Ended<br>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<br>Year to Date | 2<br>Prior Year Ended<br>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<br>Year to Date | 2<br>Prior Year Ended<br>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<br>Year to Date | 2<br>Prior Year Ended<br>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 .....                                                                | 548,401           | 2,645,385                            |
| 3. Accrual of discount .....                                                                              | 1,600             | 3,124                                |
| 4. Unrealized valuation increase (decrease) .....                                                         | 5,884,802         | 10,799,898                           |
| 5. Total gain (loss) on disposals .....                                                                   | 0                 | (3,963)                              |
| 6. Deduct consideration for bonds and stocks disposed of .....                                            | 18,287            | 3,591,381                            |
| 7. Deduct amortization of premium .....                                                                   | 16,534            | 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) .....              | 105,327,087       | 98,927,105                           |
| 12. Deduct total nonadmitted amounts .....                                                                | 0                 | 0                                    |
| 13. Statement value at end of current period (Line 11 minus Line 12) .....                                | 105,327,087       | 98,927,105                           |

## STATEMENT AS OF JUNE 30, 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<br>Book/Adjusted<br>Carrying Value<br>Beginning<br>of Current Quarter | 2<br>Acquisitions<br>During<br>Current Quarter | 3<br>Dispositions<br>During<br>Current Quarter | 4<br>Non-Trading Activity<br>During<br>Current Quarter | 5<br>Book/Adjusted<br>Carrying Value<br>End of<br>First Quarter | 6<br>Book/Adjusted<br>Carrying Value<br>End of<br>Second Quarter | 7<br>Book/Adjusted<br>Carrying Value<br>End of<br>Third Quarter | 8<br>Book/Adjusted<br>Carrying Value<br>December 31<br>Prior Year |
|-------------------------------------------|-------------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------------------------------------|-----------------------------------------------------------------|------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------|
| <b>BONDS</b>                              |                                                                         |                                                |                                                |                                                        |                                                                 |                                                                  |                                                                 |                                                                   |
| 1. NAIC 1 (a) .....                       | 4,884,321                                                               | 348,402                                        | .298,584                                       | (7,505)                                                | 4,884,321                                                       | 4,926,633                                                        | 0                                                               | 4,451,390                                                         |
| 2. NAIC 2 (a) .....                       | 155,590                                                                 | 0                                              | 0                                              | (28)                                                   | 155,590                                                         | 155,562                                                          | 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 .....                      | 5,039,911                                                               | 348,402                                        | 298,584                                        | (7,534)                                                | 5,039,911                                                       | 5,082,195                                                        | 0                                                               | 4,607,008                                                         |
| <b>PREFERRED STOCK</b>                    |                                                                         |                                                |                                                |                                                        |                                                                 |                                                                  |                                                                 |                                                                   |
| 8. NAIC 1 .....                           | 0                                                                       | 0                                              | 0                                              | 0                                                      | 0                                                               | 0                                                                | 0                                                               | 0                                                                 |
| 9. NAIC 2 .....                           | 187,500                                                                 | 0                                              | 0                                              | 0                                                      | 187,500                                                         | 187,500                                                          | 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 .....           | 187,500                                                                 | 0                                              | 0                                              | 0                                                      | 187,500                                                         | 187,500                                                          | 0                                                               | 215,400                                                           |
| 15. Total Bonds and Preferred Stock ..... | 5,227,411                                                               | 348,402                                        | 298,584                                        | (7,534)                                                | 5,227,411                                                       | 5,269,695                                                        | 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 \$ ..... 209,999 ; NAIC 2 \$ ..... 0 ; NAIC 3 \$ ..... 0 NAIC 4 \$ ..... 0 ; NAIC 5 \$ ..... 0 ; NAIC 6 \$ ..... 0

SI02

**SCHEDULE DA - PART 1**

Short-Term Investments

|                | 1<br>Book/Adjusted<br>Carrying Value | 2<br>Par Value | 3<br>Actual Cost | 4<br>Interest Collected<br>Year-to-Date | 5<br>Paid for<br>Accrued Interest<br>Year-to-Date |
|----------------|--------------------------------------|----------------|------------------|-----------------------------------------|---------------------------------------------------|
| 9199999 Totals | 209,999                              | XXX            | 209,990          | 0                                       | 0                                                 |

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

|                                                                                           | 1<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|-------------------------------------------------------------------------------------------|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year .....                          | 249,993           | 0                                    |
| 2. Cost of short-term investments acquired .....                                          | 499,976           | 751,483                              |
| 3. Accrual of discount .....                                                              | 23                | 60                                   |
| 4. Unrealized valuation increase (decrease) .....                                         | 0                 | 0                                    |
| 5. Total gain (loss) on disposals .....                                                   | 7                 | 0                                    |
| 6. Deduct consideration received on disposals .....                                       | 540,000           | 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) ..... | 209,999           | 249,993                              |
| 11. Deduct total nonadmitted amounts .....                                                | 0                 | 0                                    |
| 12. Statement value at end of current period (Line 10 minus Line 11)                      | 209,999           | 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<br>Year To Date | 2<br>Prior Year Ended<br>December 31 |
|-------------------------------------------------------------------------------------------|-------------------|--------------------------------------|
| 1. Book/adjusted carrying value, December 31 of prior year .....                          | 3,967,665         | 3,201,857                            |
| 2. Cost of cash equivalents acquired .....                                                | 974,759           | 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 .....                                       | 1,075,740         | 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) ..... | 3,866,684         | 3,967,665                            |
| 11. Deduct total nonadmitted amounts .....                                                | 0                 | 0                                    |
| <b>12. Statement value at end of current period (Line 10 minus Line 11)</b>               | <b>3,866,684</b>  | <b>3,967,665</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 JUNE 30, 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<br>CUSIP<br>Identification                 | 2<br>Description       | 3<br>Foreign | 4<br>Date<br>Acquired | 5<br>Name of Vendor   | 6<br>Number of<br>Shares of<br>Stock | 7<br>Actual Cost | 8<br>Par Value | 9<br>Paid for Accrued<br>Interest and<br>Dividends | 10<br>NAIC<br>Designation,<br>NAIC<br>Designation<br>Modifier<br>and<br>SVO<br>Adminis-<br>trative<br>Symbol |
|----------------------------------------------|------------------------|--------------|-----------------------|-----------------------|--------------------------------------|------------------|----------------|----------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| 91282C-BW-0                                  | UNITED STATES TREASURY |              | 05/20/2021            | BARCLAYS CAPITAL INC. | 348,402                              | 350,000          |                | 150                                                | 1.A                                                                                                          |
| 0599999. Subtotal - Bonds - U.S. Governments |                        |              |                       |                       | 348,402                              | 350,000          |                | 150                                                | XXX                                                                                                          |
| 8399997. Total - Bonds - Part 3              |                        |              |                       |                       | 348,402                              | 350,000          |                | 150                                                | XXX                                                                                                          |
| 8399998. Total - Bonds - Part 5              |                        |              |                       |                       | XXX                                  | XXX              | XXX            | XXX                                                | XXX                                                                                                          |
| 8399999. Total - Bonds                       |                        |              |                       |                       | 348,402                              | 350,000          |                | 150                                                | XXX                                                                                                          |
| 8999997. Total - Preferred Stocks - Part 3   |                        |              |                       |                       | 0                                    | XXX              |                | 0                                                  | XXX                                                                                                          |
| 8999998. Total - Preferred Stocks - Part 5   |                        |              |                       |                       | XXX                                  | 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                                                | XXX                                                                                                          |
| 9799999. Total - Common Stocks               |                        |              |                       |                       | 0                                    | XXX              |                | 0                                                  | XXX                                                                                                          |
| 9899999. Total - Preferred and Common Stocks |                        |              |                       |                       | 0                                    | XXX              |                | 0                                                  | XXX                                                                                                          |
| 9999999 - Totals                             |                        |              |                       |                       | 348,402                              | XXX              |                | 150                                                | XXX                                                                                                          |

## STATEMENT AS OF JUNE 30, 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<br>CUSIP<br>Ident-<br>ification                 | 2<br>Description | 3<br>For-<br>eign | 4<br>Disposal<br>Date | 5<br>Name<br>of Purchaser | 6<br>Number of<br>Shares of<br>Stock | 7<br>Consid-<br>eration | 8<br>Par Value | 9<br>Actual<br>Cost | 10<br>Prior Year<br>Book/<br>Adjusted<br>Carrying<br>Value | Change In Book/Adjusted Carrying Value                   |                                                              |                                                                                     |                                                                                         |                                                                                           | 16<br>Book/<br>Adjusted<br>Carrying<br>Value at<br>Disposal<br>Date | 17<br>Foreign<br>Exchange<br>Gain<br>(Loss) on<br>Disposal | 18<br>Realized<br>Gain<br>(Loss) on<br>Disposal | 19<br>Total Gain<br>(Loss) on<br>Disposal | 20<br>Bond<br>Interest/<br>Stock<br>Dividends<br>Received<br>During<br>Year | 21<br>Stated<br>Con-<br>tractual<br>Maturity<br>Date | 22<br>NAIC<br>Desig-<br>nation,<br>NAIC<br>Desig-<br>nation<br>Modifier<br>and SVO<br>Adminis-<br>trative<br>Symbol |            |     |
|---------------------------------------------------|------------------|-------------------|-----------------------|---------------------------|--------------------------------------|-------------------------|----------------|---------------------|------------------------------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|---------------------------------------------------------------------|------------------------------------------------------------|-------------------------------------------------|-------------------------------------------|-----------------------------------------------------------------------------|------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------|------------|-----|
|                                                   |                  |                   |                       |                           |                                      |                         |                |                     |                                                            | 11<br>Unrealized<br>Valuation<br>Increase/<br>(Decrease) | 12<br>Current<br>Year's<br>(Amor-<br>tization)/<br>Accretion | 13<br>Current<br>Year's<br>Other Than<br>Temporary<br>Impairment<br>Recogn-<br>ized | 14<br>Total<br>Change in<br>Book/<br>Adjusted<br>Carrying<br>Value<br>(11 + 12 -<br>13) | 15<br>Total<br>Foreign<br>Exchange<br>Change in<br>Book/<br>Adjusted<br>Carrying<br>Value |                                                                     |                                                            |                                                 |                                           |                                                                             |                                                      |                                                                                                                     |            |     |
| 31320V7B-5                                        | FH SD8090 - RMBS |                   | 06/01/2021            | Paydown                   |                                      |                         | 8,591          | 8,591               | 8,852                                                      | 8,843                                                    | 0                                                            | (251)                                                                               | 0                                                                                       | (251)                                                                                     | 0                                                                   | 8,591                                                      | 0                                               | 0                                         | 0                                                                           | 0                                                    | 68                                                                                                                  | 09/01/2050 | 1.A |
| 3199999. Subtotal - Bonds - U.S. Special Revenues |                  |                   |                       |                           |                                      |                         | 8,591          | 8,591               | 8,852                                                      | 8,843                                                    | 0                                                            | (251)                                                                               | 0                                                                                       | (251)                                                                                     | 0                                                                   | 8,591                                                      | 0                                               | 0                                         | 0                                                                           | 0                                                    | 68                                                                                                                  | XXX        | XXX |
| 8399997. Total - Bonds - Part 4                   |                  |                   |                       |                           |                                      |                         | 8,591          | 8,591               | 8,852                                                      | 8,843                                                    | 0                                                            | (251)                                                                               | 0                                                                                       | (251)                                                                                     | 0                                                                   | 8,591                                                      | 0                                               | 0                                         | 0                                                                           | 0                                                    | 68                                                                                                                  | 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                            |                  |                   |                       |                           |                                      |                         | 8,591          | 8,591               | 8,852                                                      | 8,843                                                    | 0                                                            | (251)                                                                               | 0                                                                                       | (251)                                                                                     | 0                                                                   | 8,591                                                      | 0                                               | 0                                         | 0                                                                           | 0                                                    | 68                                                                                                                  | 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                                  |                  |                   |                       |                           |                                      |                         | 8,591          | XXX                 | 8,852                                                      | 8,843                                                    | 0                                                            | (251)                                                                               | 0                                                                                       | (251)                                                                                     | 0                                                                   | 8,591                                                      | 0                                               | 0                                         | 0                                                                           | 0                                                    | 68                                                                                                                  | 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 JUNE 30, 2021 OF THE Falls Lake National Insurance Company

**SCHEDULE E - PART 1 - CASH**

## Month End Depository Balances

| 1<br>Depository                          | 2<br>Code             | 3<br>Rate of<br>Interest                                                                                              | 4<br>Amount of<br>Interest Received<br>During Current<br>Quarter | 5<br>Amount of<br>Interest Accrued<br>at Current<br>Statement Date | Book Balance at End of Each Month<br>During Current Quarter |                   |                  | 9<br>* |
|------------------------------------------|-----------------------|-----------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|--------------------------------------------------------------------|-------------------------------------------------------------|-------------------|------------------|--------|
|                                          |                       |                                                                                                                       |                                                                  |                                                                    | 6<br>First Month                                            | 7<br>Second Month | 8<br>Third Month |        |
| Key Bank .....                           | Cleveland, OH .....   | 0.000                                                                                                                 | .0                                                               | .0                                                                 | 24,348,470                                                  | 31,583,112        | 29,270,291       | XXX    |
| US Bank .....                            | Minneapolis, MN ..... | SD                                                                                                                    | 0.000                                                            | .0                                                                 | 505,000                                                     | 505,000           | 505,000          | XXX    |
| 0199998. Deposits in ...                 | 0                     | depositories that do not exceed the allowable limit in any one depository (See instructions) - Open Depositories      | 0                                                                | 0                                                                  | 0                                                           | 0                 | 0                | XXX    |
| 0199999. Totals - Open Depositories      | XXX                   | XXX                                                                                                                   | 0                                                                | 0                                                                  | 24,853,470                                                  | 32,088,112        | 29,775,291       | XXX    |
| 0299998. Deposits in ...                 | 0                     | depositories that do not exceed the allowable limit in any one depository (See instructions) - Suspended Depositories | 0                                                                | 0                                                                  | 0                                                           | 0                 | 0                | XXX    |
| 0299999. Totals - Suspended Depositories | XXX                   | XXX                                                                                                                   | 0                                                                | 0                                                                  | 0                                                           | 0                 | 0                | XXX    |
| 0399999. Total Cash on Deposit           | XXX                   | XXX                                                                                                                   | 0                                                                | 0                                                                  | 24,853,470                                                  | 32,088,112        | 29,775,291       | XXX    |
| 0499999. Cash in Company's Office        | XXX                   | XXX                                                                                                                   | XXX                                                              | XXX                                                                | 0                                                           | 0                 | 0                | XXX    |
| 0599999. Total - Cash                    | XXX                   | XXX                                                                                                                   | 0                                                                | 0                                                                  | 24,853,470                                                  | 32,088,112        | 29,775,291       | XXX    |

STATEMENT AS OF JUNE 30, 2021 OF THE Falls Lake National Insurance Company

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

Show Investments Owned End of Current Quarter

| 1<br>CUSIP                                                                      | 2<br>Description                 | 3<br>Code | 4<br>Date Acquired | 5<br>Rate of Interest | 6<br>Maturity Date | 7<br>Book/Adjusted<br>Carrying Value | 8<br>Amount of Interest<br>Due and Accrued | 9<br>Amount Received<br>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.....   | .06/02/2021        | .010                  |                    | .315,032                             | 2                                          | .9                                  |
| 31846V-80-7 .....                                                               | FIRST AMER:TRS OBG Y .....       | SD.....   | .06/02/2021        | .010                  |                    | 2,822,966                            | .14                                        | .82                                 |
| 60934N-50-0 .....                                                               | FEDERATED HIMS TRS INST .....    | SD.....   | .06/25/2021        | .010                  |                    | .58,450                              | 0                                          | .0                                  |
| 94975H-29-6 .....                                                               | WELLSFARGO:TRS+ MM I .....       | SD.....   | .06/02/2021        | .010                  |                    | .120,146                             | 1                                          | .5                                  |
| 8599999. Subtotal - Exempt Money Market Mutual Funds - as Identified by the SVO |                                  |           |                    |                       |                    | 3,316,594                            | 17                                         | .96                                 |
| 990220-47-7 .....                                                               | RBS CITIZENS NA CASH SIEEP ..... | SD.....   | .06/01/2021        | .000                  |                    | .550,090                             | 0                                          | .137                                |
| 8699999. Subtotal - All Other Money Market Mutual Funds                         |                                  |           |                    |                       |                    | 550,090                              | 0                                          | .137                                |
| 9999999 - Total Cash Equivalents                                                |                                  |           |                    |                       |                    | 3,866,684                            | 17                                         | .233                                |