



PROPERTY AND CASUALTY COMPANIES - ASSOCIATION EDITION

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2021

OF THE CONDITION AND AFFAIRS OF THE

Falls Lake National Insurance Company

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

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

Country of Domicile United States of America

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

Statutory Home Office 50 West Broad Street, Suite 1330 (Street and Number) Columbus, OH, US 43215 (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 (City or Town, State, Country and Zip Code) 919-882-3585 (Area Code) (Telephone Number)

Mail Address P.O. BOX 27648 (Street and Number or P.O. Box) RICHMOND, VA, US 23261 (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 (City or Town, State, Country and Zip Code) 919-882-3585 (Area Code) (Telephone Number)

Internet Website Address www.fallslakeins.com

Statutory Statement Contact Timothy Sean MacAleese (Name) 804-281-2683 (Area Code) (Telephone Number) accounting@fallslakeins.com (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 Peach

State of North Carolina SS:

County of Wake

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

Terence Michael McCafferty President/CEO Eric Forest Liland Secretary/Chief Actuary Timothy Sean MacAleese SVP/Chief Financial Officer

Subscribed and sworn to before me this day of

a. Is this an original filing? Yes [X] No []

b. If no,

1. State the amendment number.....

2. Date filed

3. Number of pages attached.....

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	5,611,638	0	5,611,638	4,357,015
2. Stocks:				
2.1 Preferred stocks	187,500	0	187,500	215,400
2.2 Common stocks	104,304,095	0	104,304,095	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 \$0 encumbrances)	0	0	0	0
4.2 Properties held for the production of income (less \$0 encumbrances)	0	0	0	0
4.3 Properties held for sale (less \$0 encumbrances)	0	0	0	0
5. Cash (\$36,117,791), cash equivalents (\$3,250,728) and short-term investments (\$99,987)	39,468,506	0	39,468,506	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)	149,571,739	0	149,571,739	124,304,471
13. Title plants less \$0 charged off (for Title insurers only)	0	0	0	0
14. Investment income due and accrued	52,906	0	52,906	35,914
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	48,214,445	1,555,594	46,658,851	97,588,921
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$0 earned but unbilled premiums)	69,800,132	6,849	69,793,283	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	57,589,464	0	57,589,464	21,010,509
16.2 Funds held by or deposited with reinsured companies	360,622,141	0	360,622,141	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	1,635,847	347,403	1,288,444	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	997,428	0	997,428	280,445
24. Health care (\$0) and other amounts receivable	0	0	0	0
25. Aggregate write-ins for other than invested assets	75,233	10,000	65,233	10,603
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	688,559,335	1,919,846	686,639,489	566,011,260
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts	0	0	0	0
28. Total (Lines 26 and 27)	688,559,335	1,919,846	686,639,489	566,011,260
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Claim funds on deposit	20,000	10,000	10,000	10,000
2502. Other Receivables	55,233	0	55,233	603
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)	75,233	10,000	65,233	10,603

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

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ 5,277,846)	18,926,879	16,193,303
2. Reinsurance payable on paid losses and loss adjustment expenses	31,761,446	11,660,482
3. Loss adjustment expenses	10,762,901	9,180,233
4. Commissions payable, contingent commissions and other similar charges	16,604,429	15,491,193
5. Other expenses (excluding taxes, licenses and fees)	11,919	38,660
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	6,598,768	7,828,439
7.1 Current federal and foreign income taxes (including \$ 2 on realized capital gains (losses))	753,606	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 \$ 177,799,777 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)	7,951,756	7,190,675
10. Advance premium	42,869	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)	100,786,015	78,761,429
13. Funds held by company under reinsurance treaties	339,021,526	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	88,244	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	20,568,377	6,368,796
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	553,905,735	451,979,468
27. Protected cell liabilities	0	0
28. Total liabilities (Lines 26 and 27)	553,905,735	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)	44,975,203	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)	132,733,754	114,031,792
38. Totals (Page 2, Line 28, Col. 3)	686,639,489	566,011,260
DETAILS OF WRITE-INS		
2501. Deferred service fees	196,935	195,330
2502. Funds held deposit	19,320,579	5,194,174
2503. Policyholder deposits	796,256	773,340
2598. Summary of remaining write-ins for Line 25 from overflow page	254,607	205,952
2599. Totals (Lines 2501 through 2503 plus 2598)(Line 25 above)	20,568,377	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 OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$194,651,434)	165,509,618	117,319,268	163,705,264
1.2 Assumed (written \$115,462,846)	110,816,112	96,940,662	131,802,680
1.3 Ceded (written \$297,607,869)	264,580,400	204,247,871	281,877,859
1.4 Net (written \$12,506,411)	11,745,330	10,012,059	13,630,085
DEDUCTIONS:			
2. Losses incurred (current accident year \$5,603,933):			
2.1 Direct	93,824,916	66,139,178	95,776,720
2.2 Assumed	50,592,482	38,971,692	48,652,580
2.3 Ceded	139,023,836	101,076,813	139,359,132
2.4 Net	5,393,562	4,034,057	5,070,168
3. Loss adjustment expenses incurred	3,804,164	2,918,332	3,213,038
4. Other underwriting expenses incurred	(28,342)	861,450	726,238
5. Aggregate write-ins for underwriting deductions	0	0	0
6. Total underwriting deductions (Lines 2 through 5)	9,169,384	7,813,839	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)	2,575,946	2,198,220	4,620,641
INVESTMENT INCOME			
9. Net investment income earned	5,016	40,142	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)	5,021	37,012	50,896
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$0 amount charged off \$56,481)	(56,481)	(11,306)	(23,784)
13. Finance and service charges not included in premiums	1,129,296	1,600,457	2,057,183
14. Aggregate write-ins for miscellaneous income	(24,534)	269,335	328,770
15. Total other income (Lines 12 through 14)	1,048,281	1,858,486	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)	3,629,248	4,093,718	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)	3,629,248	4,093,718	7,033,706
19. Federal and foreign income taxes incurred	882,868	882,365	1,580,054
20. Net income (Line 18 minus Line 19)(to Line 22)	2,746,380	3,211,353	5,453,652
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	114,031,792	99,224,226	99,224,226
22. Net income (from Line 20)	2,746,380	3,211,353	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)	9,927,366	7,292,451	10,796,983
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(121,687)	120,736	558,321
27. Change in nonadmitted assets	1,149,903	(392,319)	(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)	18,701,962	10,232,221	14,807,566
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	132,733,754	109,456,447	114,031,792
DETAILS OF WRITE-INS			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. Totals (Lines 0501 through 0503 plus 0598)(Line 5 above)	0	0	0
1401. Miscellaneous fees	(338,613)	(1,348,474)	(211,300)
1402. Fronting fee income	314,079	278,274	540,070
1403. Other fee income	0	1,339,535	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)	(24,534)	269,335	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 SEPTEMBER 30, 2021 OF THE Falls Lake National Insurance Company

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	22,716,713	5,464,244	8,505,070
2. Net investment income	(24,758)	52,140	90,803
3. Miscellaneous income	1,048,281	1,858,488	2,362,169
4. Total (Lines 1 to 3)	23,740,236	7,374,872	10,958,042
5. Benefit and loss related payments	64,352,030	33,375,209	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	2,300,829	2,504,535	1,037,305
8. Dividends paid to policyholders	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$0 tax on capital gains (losses)	387,891	866,049	1,353,927
10. Total (Lines 5 through 9)	67,040,750	36,745,793	37,653,596
11. Net cash from operations (Line 4 minus Line 10)	(43,300,514)	(29,370,921)	(26,695,554)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	28,130	1,821,730	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)	28,130	2,016,730	3,591,381
13. Cost of investments acquired (long-term only):			
13.1 Bonds	1,305,468	1,529,795	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)	1,305,468	1,529,795	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)	(1,277,338)	486,935	945,996
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes	0	0	0
16.2 Capital and paid in surplus, less treasury stock	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)	58,668,989	30,614,564	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)	58,668,989	35,614,564	39,362,869
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) ..	14,091,137	6,730,578	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)	39,468,506	18,494,636	25,377,369

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

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Notes to the Financial Statements

1. Summary of Significant Accounting Policies and Going Concern

A. Accounting Practices

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

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

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

	SSAP #	F/S Page	F/S Line #	09/30/2021	12/31/2020
Net Income					
(1) State basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 2,746,380	\$ 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	\$ 2,746,380	\$ 5,453,652
Surplus					
(5) State basis (Page 3, Line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 132,733,754	\$ 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	\$ 132,733,754	\$ 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 Determined Prepayment Assumptions

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

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

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

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

Notes to the Financial Statements

5. Investments (Continued)

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

a. The aggregate amount of unrealized losses:	
1. Less than 12 months.....	\$ 5,070
2. 12 months or longer.....	—
b. The aggregate related fair value of securities with unrealized losses:	
1. Less than 12 months.....	\$ 367,233
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. During June 2021 the Company paid the entire unpaid principal balance to James River Insurance Company. During the period of the loan, the Company paid James River Insurance Company quarterly interest payments. The Company paid \$121,800 in total interest payments, of which \$39,000 was paid during 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	\$	\$	\$	\$ 3,250,728	\$ 3,250,728
Total assets at fair value/NAV	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$ 3,250,728</u>	<u>\$ 3,250,728</u>
b. Liabilities at fair value					
Not applicable	\$	\$	\$	\$	\$
Total liabilities at fair value	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>	<u>\$</u>

(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 September 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

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.....	\$..... 5,797,392	\$..... 5,611,638	\$..... 2,003,685	\$..... 3,793,707	\$.....	\$.....	\$.....
Preferred stock.....	213,931	187,500		213,931			
Cash equivalents & short-term investments.....	3,350,715	3,350,715		99,987		3,250,728	

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 November 12, 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:

Notes to the Financial Statements

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

	Sep. 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	9,370,384	10,284,011
Prior accident years	(172,658)	(2,000,805)
	9,197,726	8,283,206
Loss and loss adjustment expense payments made for:		
Current accident year	957,965	1,155,802
Prior accident years	3,923,517	5,098,333
	4,881,482	6,254,135
Reserves, Net of Reinsurance Recoverables at End of Period	\$ 29,689,780	\$ 25,373,536

Reserves for incurred losses and LAE attributable to insured events of prior years, decreased by \$ 172,658 in 2021.

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

26. Intercompany Pooling Arrangements - No Significant Changes

27. Structured Settlements - Not Applicable

28. Health Care Receivables - Not Applicable

29. Participating Policies - Not Applicable

30. Premium Deficiency Reserves - No Significant Changes

31. High Deductibles

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

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

Annual Statement Line of Business (ASL)		(3)	(4)	(5)	(6)
(1)	(2)				Total High Deductibles and Billed Recoverables (Col 4 + Col 5)
ASL #	ASL Description	Gross (of High Deductible) Loss Reserves	Reserve Credit for High Deductibles	Billed Recoverables on Paid Claims	
171	Other Liability Occurrence	\$ 9,705,660	\$ 9,333,583	\$	\$ 9,333,583
Total		\$ 9,705,660	\$ 9,333,583	\$	\$ 9,333,583

(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)..... \$ 9,333,583
- b. Collateral on balance sheet (must be equal to or greater than zero)..... 9,333,583
- 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

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

5.

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

Yes ☒ No ☐ N/A ☐

6.1

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

12/31/2019

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

GENERAL INTERROGATORIES

- 9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
(c) Compliance with applicable governmental laws, rules and regulations;
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
(e) Accountability for adherence to the code.

Yes [X] No []
- 9.11

If the response to 9.1 is No, please explain:
- 9.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]
- 9.21

If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3

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

Yes [] No [X]
- 9.31

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

FINANCIAL

- 10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?

Yes [X] 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 [X]
- 11.2

If yes, give full and complete information relating thereto:
12.

Amount of real estate and mortgages held in other invested assets in Schedule BA:

\$0
13.

Amount of real estate and mortgages held in short-term investments:

\$0
- 14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates?

Yes [X] No []
- 14.2

If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$0	\$0
14.22 Preferred Stock	\$0	\$0
14.23 Common Stock	\$ 94,354,687	\$ 104,304,095
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	\$ 104,304,095
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$0	\$0
- 15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB?

Yes [] No [X]
- 15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement.

Yes [] No [] N/A [X]
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 SEPTEMBER 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 [X] No []
- 17.1 For all agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian Address
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 Name(s)	2 Location(s)	3 Complete Explanation(s)
Not applicable

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

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason
Not applicable

- 17.5 Investment management – Identify all investment advisors, investment managers, broker/dealers, including individuals that have the authority to make investment decisions on behalf of the reporting entity. For assets that are managed internally by employees of the reporting entity, note as such. ["...that have access to the investment accounts"; "...handle securities"]

1 Name of Firm or Individual	2 Affiliation
New England Asset Management, Inc.	U.....

- 17.5097 For those firms/individuals listed in the table for Question 17.5, do any firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") manage more than 10% of the reporting entity's invested assets?..... Yes [] No [X]

- 17.5098 For firms/individuals unaffiliated with the reporting entity (i.e. designated with a "U") listed in the table for Question 17.5, does the total assets under management aggregate to more than 50% of the reporting entity's invested assets?..... Yes [] No [X]

- 17.6 For those firms or individuals listed in the table for 17.5 with an affiliation code of "A" (affiliated) or "U" (unaffiliated), provide the information for the table below.

1	2	3	4	5
Central Registration Depository Number	Name of Firm or Individual	Legal Entity Identifier (LEI)	Registered With	Investment Management Agreement (IMA) Filed
105900	New England Asset Management, Inc.	KUR85E5PS4GQFZTFC130	SEC	NO.....

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

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
 - b. Issuer or obligor is current on all contracted interest and principal payments.
 - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities? Yes [] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:
- a. The security was purchased prior to January 1, 2018.
 - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
 - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities? Yes [] No [X]

21. By assigning FE to a Schedule BA non-registered private fund, the reporting entity is certifying the following elements of each self-designated FE fund:
- a. The shares were purchased prior to January 1, 2019.
 - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
 - c. The security had a public credit rating(s) with annual surveillance assigned by an NAIC CRP in its legal capacity as an NRSRO prior to January 1, 2019.
 - d. The fund only or predominantly holds bonds in its portfolio.
 - e. The current 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.
 - f. The public credit rating(s) with annual surveillance assigned by an NAIC CRP has not lapsed.
- Has the reporting entity assigned FE to Schedule BA non-registered private funds that complied with the above criteria? Yes [] No [X]

GENERAL INTERROGATORIES

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?
If yes, attach an explanation.

Yes [] No [X] N/A []
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?
If yes, attach an explanation.

Yes [] No [X]
- 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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

5.

Operating Percentages:

5.1 A&H loss percent0.000 %

5.2 A&H cost containment percent0.000 %

5.3 A&H expense percent excluding cost containment expenses0.000 %
- 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 []

SCHEDULE F - CEDED REINSURANCE

[illegible]

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

			1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
				2 Current Year To Date	3 Prior Year To Date	4 Current Year To Date	5 Prior Year To Date	6 Current Year To Date	7 Prior Year To Date
States, etc.			(a)	To Date	To Date	To Date	To Date	To Date	To Date
1.	Alabama	AL	L	5,189,681	1,162,438	827,797	585,150	2,002,979	1,638,403
2.	Alaska	AK	L	1,559,812	0	32,663	0	614,040	0
3.	Arizona	AZ	L	2,226,879	1,793,894	1,414,755	963,300	3,046,184	2,464,776
4.	Arkansas	AR	L	4,195,148	215,762	615,294	20,173	1,389,989	328,462
5.	California	CA	E	15,243,320	8,557,474	7,688,617	852,700	10,769,541	5,785,564
6.	Colorado	CO	L	3,584,423	1,281,184	35,194	51,465	813,684	300,386
7.	Connecticut	CT	L	1,793,710	1,666,149	306,351	487,352	3,782,490	2,949,474
8.	Delaware	DE	L	794,542	630,372	167,145	54,698	364,055	162,010
9.	District of Columbia	DC	L	39,751	0	(6,563)	0	23,749	224
10.	Florida	FL	L	10,625,047	5,089,575	1,044,974	4,400,961	9,882,385	5,513,610
11.	Georgia	GA	L	15,266,507	10,393,001	7,961,122	4,270,874	11,673,965	7,672,522
12.	Hawaii	HI	L	185,814	0	0	0	35,685	0
13.	Idaho	ID	L	438,367	345,843	290,584	71,978	653,689	140,007
14.	Illinois	IL	L	5,234,987	2,825,478	1,362,207	273,278	4,859,629	2,203,623
15.	Indiana	IN	L	1,209,056	1,005,377	477,952	190,677	1,048,214	793,432
16.	Iowa	IA	L	2,235,193	2,017,759	1,101,688	114,550	1,344,265	801,223
17.	Kansas	KS	L	656,612	565,871	114,366	10,371	245,166	120,195
18.	Kentucky	KY	L	19,817	18,722	17,600	108,269	410,819	634,138
19.	Louisiana	LA	L	1,337,990	4,124,610	57,479	55,142	1,139,039	27,195
20.	Maine	ME	L	14,072	0	0	0	3,935	0
21.	Maryland	MD	L	2,431,804	1,803,460	1,786,439	79,622	1,901,974	2,553,586
22.	Massachusetts	MA	L	1,858,974	1,854,248	839,728	342,834	3,604,282	2,696,998
23.	Michigan	MI	L	26,444,059	27,146,936	10,640,332	4,023,320	29,689,806	29,525,079
24.	Minnesota	MN	L	1,450,916	254,095	67,281	12,368	667,239	164,757
25.	Mississippi	MS	L	1,289,149	112,816	97,146	(8,611)	533,978	20,308
26.	Missouri	MO	L	1,210,628	1,454,899	971,184	236,303	1,700,573	1,403,626
27.	Montana	MT	L	449,243	27,394	0	0	106,916	5,768
28.	Nebraska	NE	L	69,599	109,004	0	128,386	34,956	14,469
29.	Nevada	NV	L	1,714,763	1,259,952	11,519	339,487	1,562,640	1,534,502
30.	New Hampshire	NH	L	102,312	47,301	0	499,500	66,592	34,181
31.	New Jersey	NJ	L	6,259,969	6,371,065	3,463,205	3,394,927	14,898,086	12,391,583
32.	New Mexico	NM	L	239,882	114,172	161,166	212,679	2,081,361	2,077,604
33.	New York	NY	L	19,460,854	14,728,857	5,835,297	6,079,179	39,129,001	40,251,990
34.	North Carolina	NC	L	6,082,212	2,096,245	2,237,630	231,384	2,013,192	1,013,144
35.	North Dakota	ND	L	25,116	32,624	2,801	0	119,808	44,808
36.	Ohio	OH	L	1,728,849	816,121	273,184	144,741	783,372	559,346
37.	Oklahoma	OK	L	1,548,484	1,563,982	632,410	1,586,615	1,891,263	1,359,307
38.	Oregon	OR	L	2,693,995	0	166,416	3,461	568,434	0
39.	Pennsylvania	PA	L	9,073,494	8,779,293	4,887,197	3,916,019	13,409,829	8,649,570
40.	Rhode Island	RI	L	1,798,533	1,645,522	554,775	669,262	2,299,425	1,603,736
41.	South Carolina	SC	L	4,239,763	1,014,725	554,833	133,519	1,547,480	597,795
42.	South Dakota	SD	L	349,750	0	29,418	0	85,128	0
43.	Tennessee	TN	L	2,453,291	559,768	798,448	197,507	1,595,013	1,410,364
44.	Texas	TX	L	17,571,162	15,787,627	3,268,027	2,665,193	18,977,789	12,517,806
45.	Utah	UT	L	1,285,252	120,745	228,168	64,401	380,290	162,745
46.	Vermont	VT	L	17,943	42,297	513	0	13,070	8,964
47.	Virginia	VA	L	6,632,851	2,148,104	2,643,232	1,014,360	3,758,595	2,619,652
48.	Washington	WA	L	503,413	116,941	92,451	0	308,502	84,071
49.	West Virginia	WV	L	69,762	567,039	230,215	187,078	472,886	1,253,914
50.	Wisconsin	WI	L	3,519,750	1,284,798	741,829	222,180	2,513,196	696,890
51.	Wyoming	WY	L	224,934	81,125	10,221	0	82,481	22,028
52.	American Samoa	AS	N	0	0	0	0	0	0
53.	Guam	GU	N	0	0	0	0	0	0
54.	Puerto Rico	PR	N	0	0	0	0	0	0
55.	U.S. Virgin Islands	VI	N	0	0	0	0	0	0
56.	Northern Mariana Islands	MP	N	0	0	0	0	0	0
57.	Canada	CAN	N	0	0	0	0	0	0
58.	Aggregate Other Alien	OT	XXX	0	0	0	0	0	0
59.	Totals	XXX		194,651,434	133,634,664	64,734,290	38,886,652	200,900,659	156,813,835
DETAILS OF WRITE-INS									
58001.		XXX							
58002.		XXX							
58003.		XXX							
58998.	Summary of remaining write-ins for Line 58 from overflow page	XXX		0	0	0	0	0	0
58999.	Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX		0	0	0	0	0	0

(a) Active Status Counts:

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

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

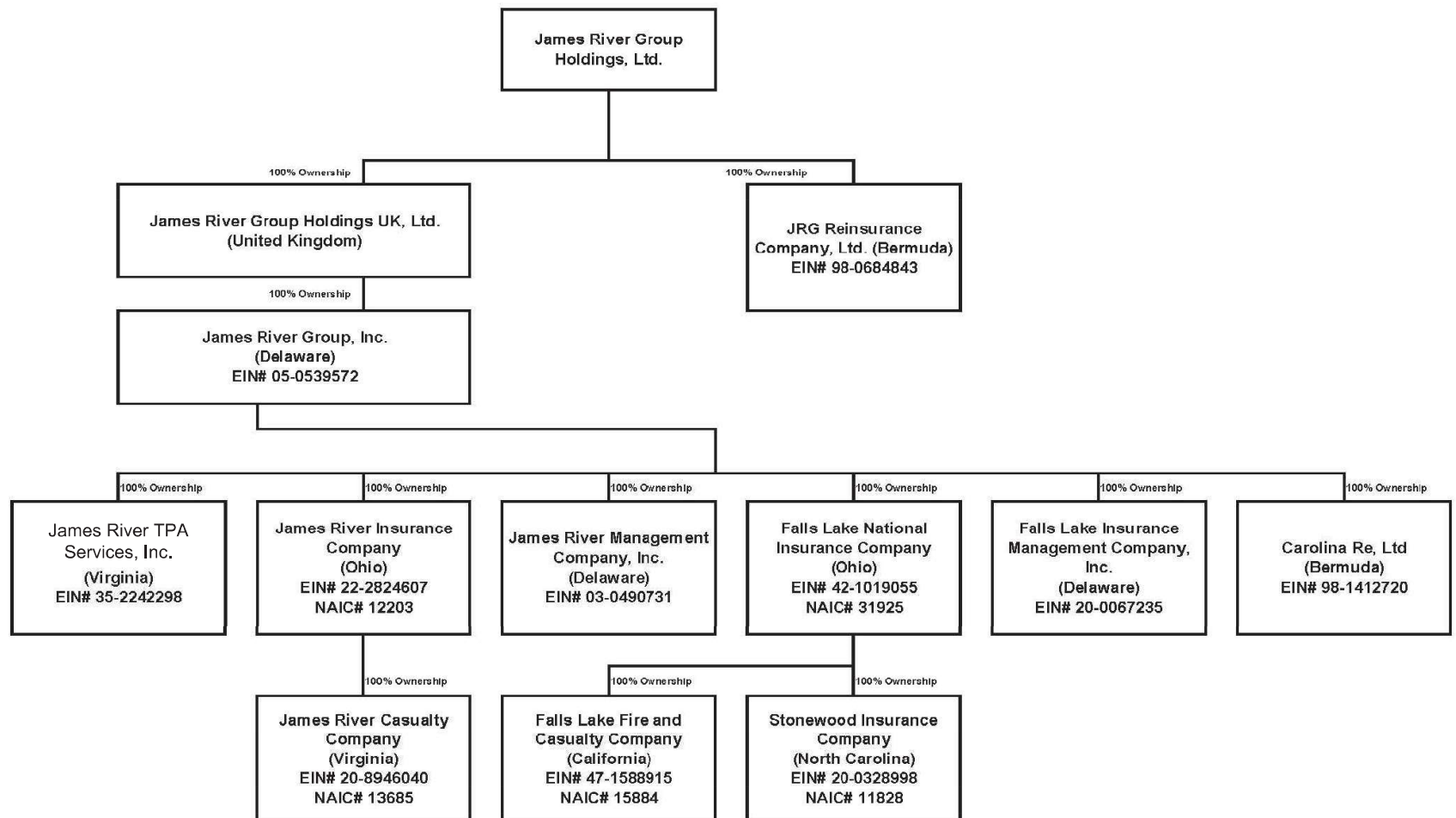
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....0

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

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

N - None of the above - Not allowed to write business in the state.....6

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



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

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

[illegible]

NONE

Asterisk
NONE

PART 1 - LOSS EXPERIENCE

Line of Business		Current Year to Date			4 Prior Year to Date Direct Loss Percentage
		1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1.	Fire	4,044,289	1,872,011	46.3	101.0
2.	Allied Lines	6,206,600	4,538,342	73.1	24.5
3.	Farmowners multiple peril	0	0	0.0	0.0
4.	Homeowners multiple peril	0	0	0.0	0.0
5.	Commercial multiple peril	15,968,185	12,954,137	81.1	51.6
6.	Mortgage guaranty	0	0	0.0	0.0
8.	Ocean marine	0	0	0.0	0.0
9.	Inland marine	2,875,351	1,094,086	38.1	52.0
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	6,165	536	8.7	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	7,452,074	7,038,774	94.5	103.5
17.1	Other liability - occurrence	20,462,590	11,506,391	56.2	31.1
17.2	Other liability - claims-made	24,318	(90,059)	(370.3)	(5,999.5)
17.3	Excess workers' compensation	0	0	0.0	0.0
18.1	Products liability - occurrence	105,077	73,855	70.3	4.7
18.2	Products liability - claims-made	0	0	0.0	0.0
19.1,19.2	Private passenger auto liability	26,912,461	13,648,156	50.7	45.5
19.3,19.4	Commercial auto liability	48,291,712	26,139,603	54.1	67.7
21.	Auto physical damage	13,302,366	6,999,996	52.6	62.3
22.	Aircraft (all perils)	13,111,847	4,729,201	36.1	64.7
23.	Fidelity	0	0	0.0	0.0
24.	Surety	0	0	0.0	0.0
26.	Burglary and theft	637,380	142,612	22.4	23.4
27.	Boiler and machinery	1,551,572	529,305	34.1	34.7
28.	Credit	4,557,631	2,647,970	58.1	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	165,509,618	93,824,916	56.7	56.4
DETAILS OF WRITE-INS					
3401.	.....			
3402.	.....			
3403.	.....			
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1	2	3
		Current Quarter	Current Year to Date	Prior Year Year to Date
1.	Fire	1,155,291	4,816,034	1,976,588
2.	Allied Lines	1,464,288	7,132,765	6,221,262
3.	Farmowners multiple peril	0	0	0
4.	Homeowners multiple peril	0	0	0
5.	Commercial multiple peril	5,132,155	15,949,680	17,094,654
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	1,094,866	3,620,065	1,232,006
10.	Financial guaranty	0	0	0
11.1	Medical professional liability - occurrence	0	0	0
11.2	Medical professional liability - claims-made	0	0	0
12.	Earthquake	5,416	7,207	6,854
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	1,934,671	7,612,441	10,377,172
17.1	Other liability - occurrence	8,538,049	28,848,858	13,984,952
17.2	Other liability - claims-made	7,073	33,180	5,593
17.3	Excess workers' compensation	0	0	0
18.1	Products liability - occurrence	55,801	151,230	52,066
18.2	Products liability - claims-made	0	0	0
19.1,19.2	Private passenger auto liability	9,310,245	28,791,426	30,691,709
19.3,19.4	Commercial auto liability	18,520,727	60,696,997	30,610,630
21.	Auto physical damage	2,822,435	15,438,740	9,735,596
22.	Aircraft (all perils)	10,133,007	14,667,854	9,791,697
23.	Fidelity	0	0	0
24.	Surety	0	0	0
26.	Burglary and theft	176,834	699,159	456,099
27.	Boiler and machinery	522,536	1,628,167	1,397,786
28.	Credit	2,193,121	4,557,631	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	63,066,515	194,651,434	133,634,664
DETAILS OF WRITE-INS				
3401.	.....		
3402.	.....		
3403.	.....		
3498.	Summary of remaining write-ins for Line 34 from overflow page	0	0	0
3499.	Totals (Lines 3401 through 3403 plus 3498)(Line 34 above)	0	0	0

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13	
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1+2)	2021 Loss and LAE Payments on Claims Reported as of Prior Year-End	2021 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2021 Loss and LAE Payments (Cols. 4+5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols.7+8+9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols.4+7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/ Deficiency (Cols. 5+8+9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/ Deficiency (Cols. 11+12)	
1. 2018 + Prior	4,474	5,349	9,823	1,763	284	2,047	4,228	145	4,002	8,375	1,517	(918)	599	
2. 2019	1,512	4,910	6,422	705	146	851	1,813	(133)	3,742	5,422	1,006	(1,155)	(149)	
3. Subtotals 2019 + Prior	5,986	10,259	16,245	2,468	430	2,898	6,041	12	7,744	13,797	2,523	(2,073)	450	
4. 2020	1,218	7,910	9,128	508	518	1,026	322	1,412	5,746	7,480	(388)	(234)	(622)	
5. Subtotals 2020 + Prior	7,204	18,169	25,373	2,976	948	3,924	6,363	1,424	13,490	21,277	2,135	(2,307)	(172)	
6. 2021	XXX	XXX	XXX	XXX	958	958	XXX	944	7,468	8,412	XXX	XXX	XXX	
7. Totals	7,204	18,169	25,373	2,976	1,906	4,882	6,363	2,368	20,958	29,689	2,135	(2,307)	(172)	
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. 29.6	2. (12.7)	3. (0.7)
												Col. 13, Line 7 As a % of Col. 1 Line 8		
														4. (0.2)

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

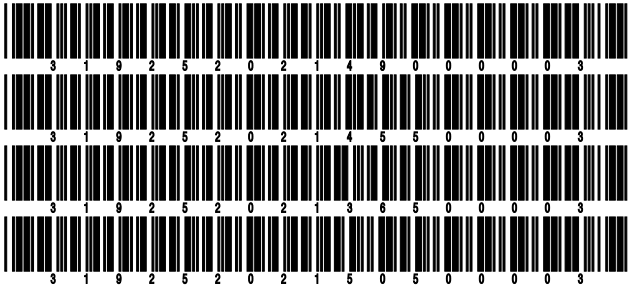
	Response
1. Will the Trusteed Surplus Statement be filed with the state of domicile and the NAIC with this statement?	NO
2. Will Supplement A to Schedule T (Medical Professional Liability Supplement) be filed with this statement?	NO
3. Will the Medicare Part D Coverage Supplement be filed with the state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

Explanations:

- 1. The data for this supplement is not required to be filed.
- 2. The data for this supplement is not required to be filed.
- 3. The data for this supplement is not required to be filed.
- 4. The data for this supplement is not required to be filed.

Bar Codes:

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



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

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Liabilities Line 25

		1	2
		Current Statement Date	December 31, Prior Year
2504.	Other liabilities	254,607	205,952
2597.	Summary of remaining write-ins for Line 25 from overflow page	254,607	205,952

SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Current year change in encumbrances		
4. Total gain (loss) on disposals		
5. Deduct amounts received on disposals		
6. Total foreign exchange change in book/adjusted carrying value		
7. Deduct current year's other than temporary impairment recognized		
8. Deduct current year's depreciation		
9. Book/adjusted carrying value at the end of current period (Lines 1+2+3+4-5+6-7-8)		
10. Deduct total nonadmitted amounts		
11. Statement value at end of current period (Line 9 minus Line 10)		

SCHEDULE B - VERIFICATION

Mortgage Loans

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

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	98,927,105	89,108,095
2. Cost of bonds and stocks acquired	1,305,468	2,645,385
3. Accrual of discount	2,478	3,124
4. Unrealized valuation increase (decrease)	9,921,507	10,799,898
5. Total gain (loss) on disposals	0	(3,963)
6. Deduct consideration for bonds and stocks disposed of	28,130	3,591,381
7. Deduct amortization of premium	25,195	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)	110,103,233	98,927,105
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	110,103,233	98,927,105

STATEMENT AS OF SEPTEMBER 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 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	4,926,633	857,054	219,843	(7,753)	4,884,321	4,926,633	5,556,091	4,451,390
2. NAIC 2 (a)	155,562	0	0	(29)	155,590	155,562	155,533	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	5,082,195	857,054	219,843	(7,782)	5,039,911	5,082,195	5,711,624	4,607,008
PREFERRED STOCK								
8. NAIC 1	0	0	0	0	0	0	0	0
9. NAIC 2	187,500	0	0	0	187,500	187,500	187,500	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	187,500	215,400
15. Total Bonds and Preferred Stock	5,269,695	857,054	219,843	(7,782)	5,227,411	5,269,695	5,899,124	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 \$99,987 ; NAIC 2 \$0 ; NAIC 3 \$0 NAIC 4 \$0 ; NAIC 5 \$0 ; NAIC 6 \$0

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year-to-Date	Paid for Accrued Interest Year-to-Date
9199999 Totals	99,987	xxx	99,987	0	0

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	249,993	0
2. Cost of short-term investments acquired	599,962	751,483
3. Accrual of discount	25	60
4. Unrealized valuation increase (decrease)	0	0
5. Total gain (loss) on disposals	7	0
6. Deduct consideration received on disposals	750,000	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)	99,987	249,993
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	99,987	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	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	3,967,665	3,201,857
2. Cost of cash equivalents acquired	2,617,295	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	3,334,232	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)	3,250,728	3,967,665
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	3,250,728	3,967,665

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

N O N E

Schedule A - Part 3 - Real Estate Disposed

N O N E

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

N O N E

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

N O N E

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

N O N E

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

N O N E

STATEMENT AS OF SEPTEMBER 30, 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	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation, NAIC Designation Modifier and SVO Administrative Symbol
611322-JD-1	MONROE TWP N J BRD ED GLOUCESTER CNTY .....		.09/10/2021	STIFEL, NICOLAUS & COMPANY, INCORPORATED		300,000	300,000	0	1.D FE
68583R-DD-1	OREGON CMNTY COLLEGE DIST		.08/31/2021	GOLDMAN		100,836	100,000	9	1.C FE
2499999. Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						400,836	400,000	9	XXX
04352E-AA-3	ASCENSION HEALTH .....		.09/02/2021	GOLDMAN		106,231	100,000	788	1.B FE
55284A-AA-6	MF1 21FL7 A - CDO	C .....	.09/10/2021	J.P. MORGAN SECURITIES LLC		250,000	250,000	0	1.A FE
3899999. Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)						356,231	350,000	788	XXX
8399997. Total - Bonds - Part 3						757,067	750,000	797	XXX
8399998. Total - Bonds - Part 5						XXX	XXX	XXX	XXX
8399999. Total - Bonds						757,067	750,000	797	XXX
8999997. Total - Preferred Stocks - Part 3						0	XXX	0	XXX
8999998. Total - Preferred Stocks - Part 5						XXX	XXX	XXX	XXX
8999999. Total - Preferred Stocks						0	XXX	0	XXX
9799997. Total - Common Stocks - Part 3						0	XXX	0	XXX
9799998. Total - Common Stocks - Part 5						XXX	XXX	XXX	XXX
9799999. Total - Common Stocks						0	XXX	0	XXX
9899999. Total - Preferred and Common Stocks						0	XXX	0	XXX
.....
.....
.....
.....
9999999 - Totals						757,067	XXX	797	XXX

STATEMENT AS OF SEPTEMBER 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

[illegible]

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

SCHEDULE E - PART 1 - CASH

[illegible]

SCHEDULE E - PART 2 - CASH EQUIVALENTS

[illegible]