

QUARTERLY STATEMENT

OF THE

State National Insurance  
Company, Inc.

Of

Bedford

in the state of TX

to the Insurance Department

of the State of

For the Period Ended

March 31, 2016

2016



# QUARTERLY STATEMENT

As of March 31, 2016  
of the Condition and Affairs of the

## State National Insurance Company, Inc.

NAIC Group Code.....93, 93 (Current Period) (Prior Period)	NAIC Company Code..... 12831	Employer's ID Number..... 75-1980552
Organized under the Laws of TEXAS	State of Domicile or Port of Entry TEXAS	Country of Domicile US
Incorporated/Organized..... August 1, 1984	Commenced Business..... September 1, 1984	
Statutory Home Office	1900 L. Don Dodson Dr..... Bedford ..... TX ..... US ..... 76021 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	1900 L. Don Dodson Dr..... Bedford ..... TX ..... US ..... 76021 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	817-265-2000 <i>(Area Code) (Telephone Number)</i>
Mail Address	1900 L. Don Dodson Dr..... Bedford ..... TX ..... US ..... 76021 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	1900 L. Don Dodson Dr..... Bedford ..... TX ..... US ..... 76021 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	817-265-2000 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.statenational.com	
Statutory Statement Contact	Shelly Dianne McChesney <i>(Name)</i> regulatoryreporting@statenational.com <i>(E-Mail Address)</i>	817-265-2000-1465 <i>(Area Code) (Telephone Number) (Extension)</i> 877-255-0163 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Terry Lee Ledbetter	Chairman of the Board and CEO	2. Matthew Anthony Freeman #	President
3. David Donaldson Hale	Treasurer	4. Lonnie Kossuth Ledbetter III	Secretary

### OTHER

David Martin Cleff	Assistant Secretary
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### DIRECTORS OR TRUSTEES

Mary Brock Billingsley	David Donaldson Hale	Lonnie Kossuth Ledbetter	Lonnie Kossuth Ledbetter III
Terry Lee Ledbetter	Bradford Luke Ledbetter	Ferdinand Herbert Reichelt	

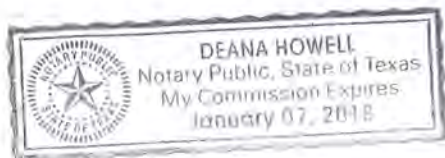
State of..... Texas  
County of..... Tarrant

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

(Signature)	(Signature)	(Signature)
Terry Lee Ledbetter	Matthew Anthony Freeman	David Donaldson Hale
1. (Printed Name)	2. (Printed Name)	3. (Printed Name)
Chairman of the Board and CEO	President	Treasurer
(Title)	(Title)	(Title)

Subscribed and sworn to before me  
This 9th day of May, 2016

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



## ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	121,301,123		121,301,123	117,289,908
2. Stocks:				
2.1 Preferred stocks.....	2,712,852		2,712,852	2,874,958
2.2 Common stocks.....	128,081,663		128,081,663	126,189,025
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....	13,341,385		13,341,385	13,537,562
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....	1,034,000		1,034,000	1,034,000
5. Cash (\$.....5,015,629), cash equivalents (\$.....0) and short-term investments (\$.....3,451,065).....	8,466,694		8,466,694	15,698,301
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....	31,723		31,723	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	274,969,440	0	274,969,440	276,623,753
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	955,661		955,661	858,672
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	12,019,565		12,019,565	16,596,794
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....	10,054,446		10,054,446	9,353,217
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....			0	277,448
18.2 Net deferred tax asset.....	6,256,597		6,256,597	5,709,154
19. Guaranty funds receivable or on deposit.....	46,591		46,591	46,591
20. Electronic data processing equipment and software.....			0	
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....	317,815		317,815	15,974
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	11,674,490	18,906	11,655,584	9,829,518
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	316,294,606	18,906	316,275,700	319,311,121
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	316,294,606	18,906	316,275,700	319,311,121

### DETAILS OF WRITE-INS

1101. ....			0	
1102. ....			0	
1103. ....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Accounts receivable - agents - fees and taxes.....	11,283,052		11,283,052	9,829,518
2502. Prepaid expenses.....	18,906	18,906	0	
2503. Contingent commissions receivable.....	372,533		372,533	
2598. Summary of remaining write-ins for Line 25 from overflow page.....			0	
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	11,674,490	18,906	11,655,584	9,829,518

## LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....2,724,640).....	4,785,737	4,883,514
2. Reinsurance payable on paid losses and loss adjustment expenses.....	2,065,884	2,032,897
3. Loss adjustment expenses.....	892,198	854,850
4. Commissions payable, contingent commissions and other similar charges.....	.....	21,718
5. Other expenses (excluding taxes, licenses and fees).....	720,994	660,596
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	1,451,190	3,634,911
7.1 Current federal and foreign income taxes (including \$....24,321 on realized capital gains (losses)).....	2,662	.....
7.2 Net deferred tax liability.....	.....	.....
8. Borrowed money \$.....0 and interest thereon \$.....0.....	.....	.....
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$....283,497,823 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).....	22,813,217	26,607,407
10. Advance premium.....	.....	.....
11. Dividends declared and unpaid:	.....	.....
11.1 Stockholders.....	.....	.....
11.2 Policyholders.....	.....	.....
12. Ceded reinsurance premiums payable (net of ceding commissions).....	16,559,965	20,860,447
13. Funds held by company under reinsurance treaties.....	3,933,790	3,934,449
14. Amounts withheld or retained by company for account of others.....	.....	.....
15. Remittances and items not allocated.....	844,672	2,261,200
16. Provision for reinsurance (including \$.....0 certified).....	.....	.....
17. Net adjustments in assets and liabilities due to foreign exchange rates.....	.....	.....
18. Drafts outstanding.....	.....	.....
19. Payable to parent, subsidiaries and affiliates.....	6,074,841	4,920,256
20. Derivatives.....	.....	.....
21. Payable for securities.....	.....	.....
22. Payable for securities lending.....	.....	.....
23. Liability for amounts held under uninsured plans.....	.....	.....
24. Capital notes \$.....0 and interest thereon \$.....0.....	.....	.....
25. Aggregate write-ins for liabilities.....	22,522,286	18,809,345
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	82,667,437	89,481,590
27. Protected cell liabilities.....	.....	.....
28. Total liabilities (Lines 26 and 27).....	82,667,437	89,481,590
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	3,500,000	3,500,000
31. Preferred capital stock.....	.....	.....
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	.....	.....
34. Gross paid in and contributed surplus.....	85,998,230	85,998,230
35. Unassigned funds (surplus).....	144,110,033	140,331,302
36. Less treasury stock, at cost:	.....	.....
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....	.....	.....
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....	.....	.....
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	233,608,263	229,829,531
38. Totals (Page 2, Line 28, Col. 3).....	316,275,700	319,311,121

### DETAILS OF WRITE-INS

2501. Deferred ceding fees.....	13,444,502	13,103,519
2502. Premiums and agents' balances payable.....	3,714,322	756,298
2503. Other amounts payable under reinsurance contracts.....	510,615	458,912
2598. Summary of remaining write-ins for Line 25 from overflow page.....	4,852,846	4,490,616
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	22,522,286	18,809,345
2901. ....	.....	.....
2902. ....	.....	.....
2903. ....	.....	.....
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201. ....	.....	.....
3202. ....	.....	.....
3203. ....	.....	.....
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

## STATEMENT OF INCOME

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$.....145,069,103).....	141,128,116	122,503,515	522,847,915
1.2 Assumed..... (written \$.....2,618,333).....	3,498,311	3,008,998	13,713,970
1.3 Ceded..... (written \$.....137,971,126).....	131,115,927	112,674,074	482,379,387
1.4 Net..... (written \$.....9,716,310).....	13,510,500	12,838,439	54,182,499
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....6,076,098):			
2.1 Direct.....	59,786,864	50,477,572	260,527,799
2.2 Assumed.....	2,187,716	1,024,378	7,566,220
2.3 Ceded.....	55,616,485	45,940,947	244,972,933
2.4 Net.....	6,358,095	5,561,003	23,121,085
3. Loss adjustment expenses incurred.....	942,375	858,603	3,496,217
4. Other underwriting expenses incurred.....	4,196,480	4,713,295	21,173,418
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	11,496,951	11,132,901	47,790,720
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	2,013,549	1,705,538	6,391,779
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	563,920	399,678	1,738,297
10. Net realized capital gains (losses) less capital gains tax of \$.....24,321.....	62,921	211,532	1,011,469
11. Net investment gain (loss) (Lines 9 + 10).....	626,841	611,210	2,749,765
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....0 amount charged off \$.....0).....	0		
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	0	7	45
15. Total other income (Lines 12 through 14).....	0	7	45
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	2,640,390	2,316,755	9,141,590
17. Dividends to policyholders.....			
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).....	2,640,390	2,316,755	9,141,590
19. Federal and foreign income taxes incurred.....	1,343,413	888,413	3,586,380
20. Net income (Line 18 minus Line 19) (to Line 22).....	1,296,976	1,428,341	5,555,210
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	229,829,531	215,841,845	215,841,845
22. Net income (from Line 20).....	1,296,976	1,428,341	5,555,210
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....(94,871).....	2,048,090	2,166,608	7,560,240
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	452,571	108,583	858,903
27. Change in nonadmitted assets.....	(18,906)	6,262	13,333
28. Change in provision for reinsurance.....			
29. Change in surplus notes.....			
30. Surplus (contributed to) withdrawn from protected cells.....			
31. Cumulative effect of changes in accounting principles.....			
32. Capital changes:			
32.1 Paid in.....			
32.2 Transferred from surplus (Stock Dividend).....			
32.3 Transferred to surplus.....			
33. Surplus adjustments:			
33.1 Paid in.....			
33.2 Transferred to capital (Stock Dividend).....			
33.3 Transferred from capital.....			
34. Net remittances from or (to) Home Office.....			
35. Dividends to stockholders.....			
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	3,778,732	3,709,794	13,987,686
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	233,608,263	219,551,639	229,829,531

### 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 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Miscellaneous Income.....		7	45
1402. ....			
1403. ....			
1498. Summary of remaining write-ins for Line 14 from overflow page.....	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	0	7	45
3701. ....			
3702. ....			
3703. ....			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	9,993,057	9,293,907	56,463,521
2. Net investment income.....	927,281	1,031,637	3,478,160
3. Miscellaneous income.....			
4. Total (Lines 1 through 3).....	10,920,339	10,325,544	59,941,681
5. Benefit and loss related payments.....	7,124,115	5,610,996	23,257,727
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	5,943,023	3,528,248	17,492,521
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....24,321 tax on capital gains (losses).....	1,087,624	394,572	3,834,202
10. Total (Lines 5 through 9).....	14,154,761	9,533,815	44,584,450
11. Net cash from operations (Line 4 minus Line 10).....	(3,234,422)	791,729	15,357,231
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	6,271,434	5,044,160	24,674,596
12.2 Stocks.....	531,635	500,026	1,553,340
12.3 Mortgage loans.....			
12.4 Real estate.....			
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....		43,182	45,768
12.7 Miscellaneous proceeds.....		1,150,101	
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	6,803,069	6,737,469	26,273,703
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	10,697,873	9,845,966	37,431,721
13.2 Stocks.....	70,657	548,114	1,538,065
13.3 Mortgage loans.....			
13.4 Real estate.....			107,012
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....	31,723		112,189
13.7 Total investments acquired (Lines 13.1 to 13.6).....	10,800,254	10,394,080	39,188,987
14. Net increase or (decrease) in contract loans and premium notes.....			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14).....	(3,997,184)	(3,656,611)	(12,915,284)
<b>CASH FROM FINANCING AND MISCELLANEOUS SOURCES</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes.....			
16.2 Capital and paid in surplus, less treasury stock.....			
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....			
16.6 Other cash provided (applied).....	0	0	0
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	0	0	0
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	(7,231,607)	(2,864,882)	2,441,947
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	15,698,301	13,256,354	13,256,354
19.2 End of period (Line 18 plus Line 19.1).....	8,466,694	10,391,471	15,698,301
<b>Note: Supplemental disclosures of cash flow information for non-cash transactions:</b>			
20.0001 Non-cash exchange of corporate bonds.....		560,344	258,180
20.0002 Non-cash conversion of bonds to common stocks.....		483,598	739,420
20.0003 Non-cash exchange of preferred stocks.....			627,557
20.0004 Non-cash conversion of preferred stocks to common stocks.....			256,422

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## NOTES TO FINANCIAL STATEMENTS

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**1. Summary of Significant Accounting Policies****A. Accounting Practices**

The financial statements of State National Insurance Company, Inc. (the "Company") are presented on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance ("TDI") except for the departure noted below.

TDI recognizes only statutory accounting practices prescribed or permitted by the state of Texas ("SAP") for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the Texas Insurance Code. The National Association of Insurance Commissioners' ("NAIC") Accounting Practices and Procedures manual ("NAIC SAP") has been adopted as a component of prescribed or permitted practices by the state of Texas.

The Company has received permission from TDI for recording fees receivable from General Agents or MGAs in a manner that differs from NAIC SAP. According to the permitted practice, fees that are due from General Agents and MGAs not associated with premium are recorded as an aggregate write-in for other than invested assets. There is no monetary effect on net income or statutory surplus from using this accounting practice.

**C. Accounting Policy**

(6) Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value as determined by the NAIC designation of the security. The prospective adjustment method is used to value all such securities.

**D. Going Concern**

Not applicable until December 31, 2016.

**2. Accounting Changes and Corrections of Errors**

No significant change.

**3. Business Combinations and Goodwill**

Not applicable.

**4. Discontinued Operations**

Not applicable.

**5. Investments****A. Mortgage Loans, including Mezzanine Real Estate Loans**

Not applicable.

**B. Debt Restructuring**

Not applicable.

**C. Reverse Mortgages**

Not applicable.

**D. Loan-Backed Securities**

(1) Prepayment assumptions for mortgage-backed/asset-backed securities were obtained from broker dealer survey values and are based on the current interest rate and economic environment.

(2) There have been no impairments in 2016.

(3) There have been no impairments in 2016.

(4) The following shows the Company's loan-backed investments' gross unrealized losses and fair value and length of time the securities have been in a continuous loss position at March 31, 2016:

a. The aggregate amount of unrealized losses:

1. Less than 12 Months	16,142
2. 12 Months or Longer	73,382

b. The aggregate related fair value of securities with unrealized losses:

1. Less than 12 Months	2,854,626
2. 12 Months or Longer	4,779,237

(5) Management of the Company believes that the temporary impairments for bonds are primarily the result of interest rate fluctuations, current conditions in capital markets and the impact of those conditions on market liquidity and prices. In reviewing for other-than-temporary impairment, the Company evaluated information regarding creditworthiness, future outlook and the extent to which each security was impaired.

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**NOTES TO FINANCIAL STATEMENTS**

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There are twenty-five securities in an unrealized loss position at March 31, 2016. All of these securities are considered investment-grade, based on their NAIC rating at March 31, 2016. The Company does not have the intent to sell these bonds before recovery of the amortized cost and has the ability to hold these investments until maturity or until fair value recovers above amortized cost. Therefore, the Company does not consider these investments to be other-than-temporarily impaired at March 31, 2016.

- E. Repurchase Agreements and/or Securities Lending Transactions  
Not applicable.
  - F. Real Estate  
Not applicable.
  - G. Low-Income Housing Tax Credits  
Not applicable.
  - H. Restricted Assets  
No significant change.
  - I. Working Capital Finance Investments  
Not applicable.
  - J. Offsetting and Netting of Assets and Liabilities  
Not applicable.
  - K. Structured Notes  
No significant change.
- 6. Joint Ventures, Partnerships and Limited Liability Companies**  
Not applicable.
- 7. Investment Income**  
No significant change.
- 8. Derivative Instruments**  
Not applicable.
- 9. Income Taxes**  
No significant change.
- 10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**  
No significant change.
- 11. Debt**  
Not applicable.
- 12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**  
No significant change.
- 13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations**  
No significant change.
- 14. Contingencies**  
No significant change.
- 15. Leases**  
No significant change.
- 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**
- C. Wash Sales - None
- 18. Gain or Loss to the Reporting Entity from Uninsured A&H 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 change.



## NOTES TO FINANCIAL STATEMENTS

### 20. Fair Value Measurements

- A. (1) Assets and liabilities reported in the financial statements at fair value are required to be classified according to a fair value hierarchy that prioritizes the use of inputs used in valuation methodologies into three levels. The hierarchy gives the highest ranking to fair values determined using unadjusted quoted prices in active markets for identical assets and liabilities (Level 1) and the lowest ranking to fair values determined using methodologies and models with unobservable inputs (Level 3). An asset's or liability's classification is based on the lowest level input that is significant to its measurement. For example, a Level 3 fair value measurement may include inputs that are both observable (Level 1 and 2) and unobservable (Level 3). The levels of the fair value hierarchy are as follows:

Level 1: Inputs are quoted prices for identical assets or liabilities in active markets that are accessible at the measurement date.

Level 2: Inputs include quoted prices for similar assets or liabilities in active markets, quoted prices from those willing to trade in markets that are not active, or other inputs that are observable or can be corroborated by market data for the term of the instrument. These inputs include market interest rates and volatilities, spreads, and yield curves.

Level 3: Inputs are unobservable. Unobservable inputs reflect the Company's own assumptions about the assumptions market participants would use in pricing the asset or liability based on the best information available in the circumstances.

Based on an analysis of the inputs, the Company's financial assets measured at fair value on a recurring basis at March 31, 2016 have been categorized as follows:

	Level 1	Level 2	Level 3	Total
Assets at Fair Value:				
Perpetual Preferred Stock:				
Industrial and miscellaneous	–	1,482,724	–	1,482,724
Total Perpetual Preferred Stock		1,482,724		1,482,724
Redeemable Preferred Stock:				
Industrial and miscellaneous	–	429,608	–	429,608
Total Redeemable Preferred Stock		429,608		429,608
Bonds:				
Industrial and miscellaneous	–	4,230,778	–	4,230,778
Total Bonds		4,230,778		4,230,778
CMO:				
Industrial and miscellaneous	–	233,591	–	233,591
Total CMO		233,591		233,591
Common Stock:				
Industrial and miscellaneous	–	2,961	–	2,961
Total Common Stock		2,961		2,961
Total Assets at Fair Value	–	6,379,662	–	6,379,662

There were no transfers between Level 1, Level 2 and Level 3 at March 31, 2016.

- (2) There were no securities valued using Level 3 inputs at March 31, 2016.
- (3) Transfers between levels are recognized at the end of the reporting period.
- (4) A description of the Company's valuation techniques used to measure its assets at fair value is as follows:

**Bonds:** All bonds are reported at fair value utilizing Level 2 inputs. For these securities, the Company obtains fair value measurements from either an independent pricing service using quoted prices or from its third-party investment managers. These Level 2 inputs are valued by either the pricing service or the third-party investment managers utilizing observable data that may include dealer quotes, market spreads, cash flows, yield curves, live trading levels, trade execution data, market consensus, prepayment speeds, credit information, and the security's terms and conditions, among other information.

**Equity Securities:** Equity securities are reported at fair value utilizing Level 2 inputs. For these securities, the Company obtains fair value measurements from an independent pricing service using quoted prices or from its third-party investment managers.

- (5) Not applicable.

- B. The Company had no other assets or liabilities subject to fair value measurement at March 31, 2016 other than those discussed in Note 20(A).
- C. The aggregate fair value and related hierarchy for the Company's marketable financial instruments at March 31, 2016 is as follows:

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## NOTES TO FINANCIAL STATEMENTS

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	Aggregate Fair					Not Practicable (Carrying Value)
	Value	Admitted Assets	Level 1	Level 2	Level 3	
Investments:						
Bonds	125,296,651	121,301,123	–	125,296,651	–	–
Preferred Stock	2,733,943	2,712,852	–	2,733,943	–	–
Common Stock	2,961	2,961	–	2,961	–	–
Short-Term Securities	3,451,065	3,451,065	–	3,451,065	–	–
	<u>131,484,620</u>	<u>127,468,001</u>	<u>–</u>	<u>131,484,620</u>	<u>–</u>	<u>–</u>

D. The company had no financial instruments in which it was not practicable to determine the fair value at March 31, 2016.

**21. Other Items**

No significant change.

**22. Events Subsequent**

The Company currently has a significant program with Nephila Capital, Ltd. (“Nephila”) under which the Company granted Nephila the exclusive right to utilize the Company as issuing carrier for U.S. catastrophe exposed property insurance from 2015 through 2019. The Company entered into an agreement with Nephila under which the Company will use commercially reasonable efforts to acquire one admitted and one non-admitted property and casualty insurance shell company, which will be used exclusively to write the direct business produced by Nephila. Nephila will have a three year option to purchase these companies beginning three years after the shell companies first write premium. In the event that the option is exercised, contractual minimum payments to the Company will extend for an additional two years. On May 12, 2016, the Company entered into an agreement to acquire United National Specialty Insurance Company (“UNSIC”) from Diamond State Insurance Company for \$7,350,000, excluding capital and surplus. UNSIC is an admitted shell company with licenses in 49 states. Subject to regulatory approvals and customary closing conditions, the transaction is expected to close by the end of the third quarter of 2016.

**23. Reinsurance**

No significant change.

**24. Retrospectively Rated Contracts & Contracts Subject to Redetermination**

Not applicable.

**25. Change in Incurred Losses and Loss Adjustment Expenses**

Reserves for incurred losses and loss adjustment expenses attributable to insured events of prior years have increased by approximately \$324,000 as a result of re-estimation of unpaid losses and loss adjustment expenses, principally on collateral protection, general liability and product liability. The net increase is the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

**26. Intercompany Pooling Arrangements**

No significant change.

**27. Structured Settlements**

Not applicable.

**28. Health Care Receivable**

Not applicable.

**29. Participating Accident and Health Policies**

Not applicable.

**30. Premium Deficiency Reserves**

Not applicable.

**31. High Deductibles**

No significant change.

**32. Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses**

Not applicable.

**33. Asbestos/Environmental Reserves**

Not applicable.

**34. Subscriber Savings Accounts**

Not applicable.

**35. Multiple Peril Crop Insurance**

Not applicable.

**36. Financial Guaranty Insurance**

Not applicable.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [ ] No [ X ]
- 1.2 If yes, has the report been filed with the domiciliary state? Yes [ ] No [ ]
- 2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [ ] No [ X ]
- 2.2 If yes, date of change: \_\_\_\_\_
- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [ X ] No [ ]
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [ X ]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [ ] No [ X ]
- 4.2 If yes, provide name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1 Name of Entity	2 NAIC Company Code	3 State of Domicile

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. Yes [ ] No [ X ] N/A [ ]

- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2015
- 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. 12/31/2010
- 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). 05/14/2012

- 6.4 By what department or departments?  
Texas Department of Insurance, Delaware Department of Insurance
- 6.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments? Yes [ ] No [ ] N/A [ X ]
- 6.6 Have all of the recommendations within the latest financial examination report been complied with? Yes [ X ] 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 [ X ]
- 7.2 If yes, give full information:

- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [ ] No [ X ]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

- 8.3 Is the company affiliated with one or more banks, thrifts or securities firms? Yes [ ] No [ X ]
- 8.4 If the response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator].

1 Affiliate Name	2 Location (City, State)	3 FRB	4 OCC	5 FDIC	6 SEC

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [ X ] No [ ]
- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [ ] No [ X ]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).

- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [ ] No [ X ]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

### FINANCIAL

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

- 10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes  No
- 10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes  No
- 11.2 If yes, give full and complete information relating thereto:
12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes  No
- 14.2 If yes, please complete the following:

- 14.21 Bonds
- 14.22 Preferred Stock
- 14.23 Common Stock
- 14.24 Short-Term Investments
- 14.25 Mortgage Loans on Real Estate
- 14.26 All Other
- 14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)
- 14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above

	1 Prior Year-End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
\$	0	\$ 0
	0	0
	125,854,422	128,078,701
	0	0
	0	0
	0	0
\$	125,854,422	\$ 128,078,701
\$	0	\$ 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes  No
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes  No
- If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0
- 16.3 Total payable for securities lending reported on the liability page: \$ 0

17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*?  
Yes  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
Frost Bank	Fort Worth, Texas

- 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)

- 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 and complete information relating thereto:

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

- 17.5 Identify all investment advisors, broker/dealers or individuals acting on behalf of broker/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository	2 Name(s)	3 Address
109875	Asset Allocation & Management Company, LLC (AAM)	Chicago, Illinois

- 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:

## GENERAL INTERROGATORIES (continued)

### PART 2 – PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? Yes [ ] No [X] N/A [ ]  
 If yes, attach an explanation.

2. Has the reporting entity reinsured any risk with any other reporting entity and agreed to release such entity from liability, in whole or in part, from any loss that may occur on the risk, or portion thereof, reinsured? Yes [ ] No [X]  
 If yes, attach an explanation.

3.1 Have any of the reporting entity's primary reinsurance contracts been canceled? Yes [ ] No [X]

3.2 If yes, give full and complete information thereto:

4.1 Are any of the liabilities for unpaid losses and loss adjustment expenses other than certain workers' compensation tabular reserves (see *Annual Statement Instructions* pertaining to disclosure of discounting for definition of "tabular reserves,") discounted at a rate of interest greater than zero? Yes [ ] No [X]

4.2 If yes, complete the following schedule:

1 Line of Business	2 Maximum Interest	3 Disc. Rate	Total Discount				Discount Taken During Period			
			4 Unpaid Losses	5 Unpaid LAE	6 IBNR	7 Total	8 Unpaid Losses	9 Unpaid LAE	10 IBNR	11 Total
	0.000	0.000	0	0	0	0	0	0	0	0
<b>Total</b>	XXX	XXX	0	0	0	0	0	0	0	0

5.1 Operating Percentages:

5.1 A&H loss percent	0.000%
5.2 A&H cost containment percent	0.000%
5.3 A&H expense percent excluding cost containment expenses	0.000%

6.1 Do you act as a custodian for health savings accounts? Yes [ ] No [X]

6.2 If yes, please provide the amount of custodial funds held as of the reporting date. \$ 0

6.3 Do you act as an administrator for health savings accounts? Yes [ ] No [X]

6.4 If yes, please provide the amount of funds administered as of the reporting date. \$ 0

**SCHEDULE F - CEDED REINSURANCE**

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
All Other Insurers						
00000.....	AA-3194139.....	AXIS Specialty Limited.....	BMU.....	Authorized.....	.....	.....
00000.....	AA-1127414.....	Lloyd's Syndicate 1414.....	GBR.....	Authorized.....	.....	.....
00000.....	AA-1120152.....	Lloyd's Syndicate 2357.....	GBR.....	Authorized.....	.....	.....
00000.....	AA-3190978.....	AlphaCat Reinsurance Ltd.....	BMU.....	Unauthorized...	.....	.....
00000.....	AA-3191190.....	Hamilton Re, Ltd.....	BMU.....	Unauthorized...	.....	.....
00000.....	AA-3190875.....	Hiscox Insurance Company (Bermuda) Limited.....	BMU.....	Unauthorized...	.....	.....
00000.....	AA-3190347.....	Kane SAC Ltd.....	BMU.....	Unauthorized...	.....	.....
00000.....	AA-3190757.....	XL Re Limited.....	BMU.....	Unauthorized...	.....	.....

## SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
States, Etc.	Active Status	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date	Current Year to Date	Prior Year to Date
1. Alabama.....	AL.....L.....	2,455,654	2,101,393	922,483	1,240,340	2,785,235	2,845,428
2. Alaska.....	AK.....L.....	21,345	15,922	(800)	20,858	929	78,277
3. Arizona.....	AZ.....L.....	4,596,397	4,894,523	827,911	2,130,161	27,654,436	25,139,063
4. Arkansas.....	AR.....L.....	154,338	277,059	65,466	113,698	678,430	795,734
5. California.....	CA.....L.....	22,155,986	21,571,033	9,805,135	13,036,765	66,319,472	81,202,191
6. Colorado.....	CO.....L.....	1,765,456	775,901	645,010	635,439	3,633,332	1,364,422
7. Connecticut.....	CT.....L.....	345,498	147,506	62,528	187,202	4,620,949	5,400,940
8. Delaware.....	DE.....L.....	223,884	174,317	24,082	86,384	1,425,680	399,303
9. District of Columbia.....	DC.....L.....	114,774	129,666	65,993	31,251	754,322	950,551
10. Florida.....	FL.....L.....	12,713,709	6,774,909	3,604,460	5,522,467	93,877,767	89,511,961
11. Georgia.....	GA.....L.....	1,399,955	2,143,140	2,350,619	1,616,204	10,759,766	18,451,950
12. Hawaii.....	HI.....L.....	665,502	222,019	156,535	91,136	253,375	277,650
13. Idaho.....	ID.....L.....	51,402	102,126	121,947	70,516	80,219	120,689
14. Illinois.....	IL.....L.....	9,330,396	8,228,174	1,714,506	2,049,938	19,317,209	12,377,245
15. Indiana.....	IN.....L.....	911,756	935,853	523,033	251,351	1,345,651	1,804,274
16. Iowa.....	IA.....L.....	1,282,018	880,255	633,524	663,973	661,698	1,511,399
17. Kansas.....	KS.....L.....	748,837	1,416,579	737,922	710,196	466,534	731,491
18. Kentucky.....	KY.....L.....	(73,451)	428,940	62,153	183,883	1,573,582	2,008,077
19. Louisiana.....	LA.....L.....	4,703,445	2,199,190	2,549,764	76,181	20,977,317	22,940,027
20. Maine.....	ME.....L.....	140,516	215,285	(204,072)	13,925	31,827	915,737
21. Maryland.....	MD.....L.....	844,591	1,050,513	442,448	356,200	3,535,973	1,794,712
22. Massachusetts.....	MA.....L.....	464,331	1,311,132	1,459,796	1,672,460	11,986,020	18,706,806
23. Michigan.....	MI.....L.....	1,546,955	1,499,964	897,506	700,115	2,550,640	1,463,923
24. Minnesota.....	MN.....L.....	988,260	3,010,337	579,167	372,104	2,966,405	2,910,111
25. Mississippi.....	MS.....L.....	1,069,585	1,799,863	532,815	778,075	9,333,170	6,799,373
26. Missouri.....	MO.....L.....	1,924,442	1,619,559	1,139,962	1,022,089	2,097,576	1,163,223
27. Montana.....	MT.....L.....	541,202	399,820	194,137	199,537	116,236	95,035
28. Nebraska.....	NE.....L.....	504,245	249,549	(4,305)	269,908	6,030	152,462
29. Nevada.....	NV.....L.....	3,559,559	2,934,818	766,177	111,485	7,998,280	4,633,302
30. New Hampshire.....	NH.....L.....	187,921	346,979	125,064	67,886	196,530	371,553
31. New Jersey.....	NJ.....L.....	2,875,804	2,720,288	4,485,008	7,018,894	47,256,483	53,271,114
32. New Mexico.....	NM.....L.....	980,862	742,219	226,798	216,071	3,593,780	512,262
33. New York.....	NY.....L.....	24,794,747	28,931,763	4,081,660	1,175,595	132,254,062	103,748,651
34. North Carolina.....	NC.....L.....	9,728,228	9,899,833	6,531,702	4,083,093	12,452,912	16,028,839
35. North Dakota.....	ND.....L.....	970,779	1,043,747	70,828	383,724	3,014,113	2,477,192
36. Ohio.....	OH.....L.....	2,522,430	1,210,061	180,542	134,420	7,967,397	4,640,562
37. Oklahoma.....	OK.....L.....	1,778,187	1,392,568	761,232	448,679	1,357,599	4,257,985
38. Oregon.....	OR.....L.....	685,708	1,968,829	628,620	340,745	8,675,857	9,153,110
39. Pennsylvania.....	PA.....L.....	6,311,523	5,009,550	4,827,454	3,108,807	20,204,901	25,852,047
40. Rhode Island.....	RI.....L.....	82,499	285,721	178,100	218,427	1,800,174	3,298,377
41. South Carolina.....	SC.....L.....	598,157	678,398	253,108	812,546	2,546,315	2,954,951
42. South Dakota.....	SD.....L.....	109,210	125,415	11,954	18,369	42,894	25,086
43. Tennessee.....	TN.....L.....	624,987	786,602	69,848	193,879	9,769,443	3,024,853
44. Texas.....	TX.....L.....	12,876,472	7,060,715	5,194,551	4,337,471	42,881,623	38,203,589
45. Utah.....	UT.....L.....	1,354,212	350,531	447,975	612,701	980,572	2,356,498
46. Vermont.....	VT.....L.....	122,543	186,289	44,782	36,071	286,200	505,161
47. Virginia.....	VA.....L.....	1,052,444	407,029	355,479	357,186	1,887,402	902,463
48. Washington.....	WA.....L.....	1,605,149	1,321,190	397,338	168,553	1,186,838	1,622,228
49. West Virginia.....	WV.....L.....	157,266	255,763	154,661	123,280	552,274	545,197
50. Wisconsin.....	WI.....L.....	154,290	494,537	124,529	275,707	2,487,389	858,058
51. Wyoming.....	WY.....L.....	345,099	758,995	479,247	107,300	770,340	38,144
52. American Samoa.....	AS.....N.....						
53. Guam.....	GU.....N.....						
54. Puerto Rico.....	PR.....N.....						
55. US Virgin Islands.....	VI.....N.....						
56. Northern Mariana Islands.....	MP.....N.....						
57. Canada.....	CAN.....N.....						
58. Aggregate Other Alien.....	OT.....XXX..	0	0	0	0	0	0
59. Totals.....	(a).....51	145,069,103	133,486,366	60,306,381	58,453,244	599,973,161	581,193,273

**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 thru 58003+ Line 58998) (Line 58 above).....	XXX..	0	0	0	0	0	0

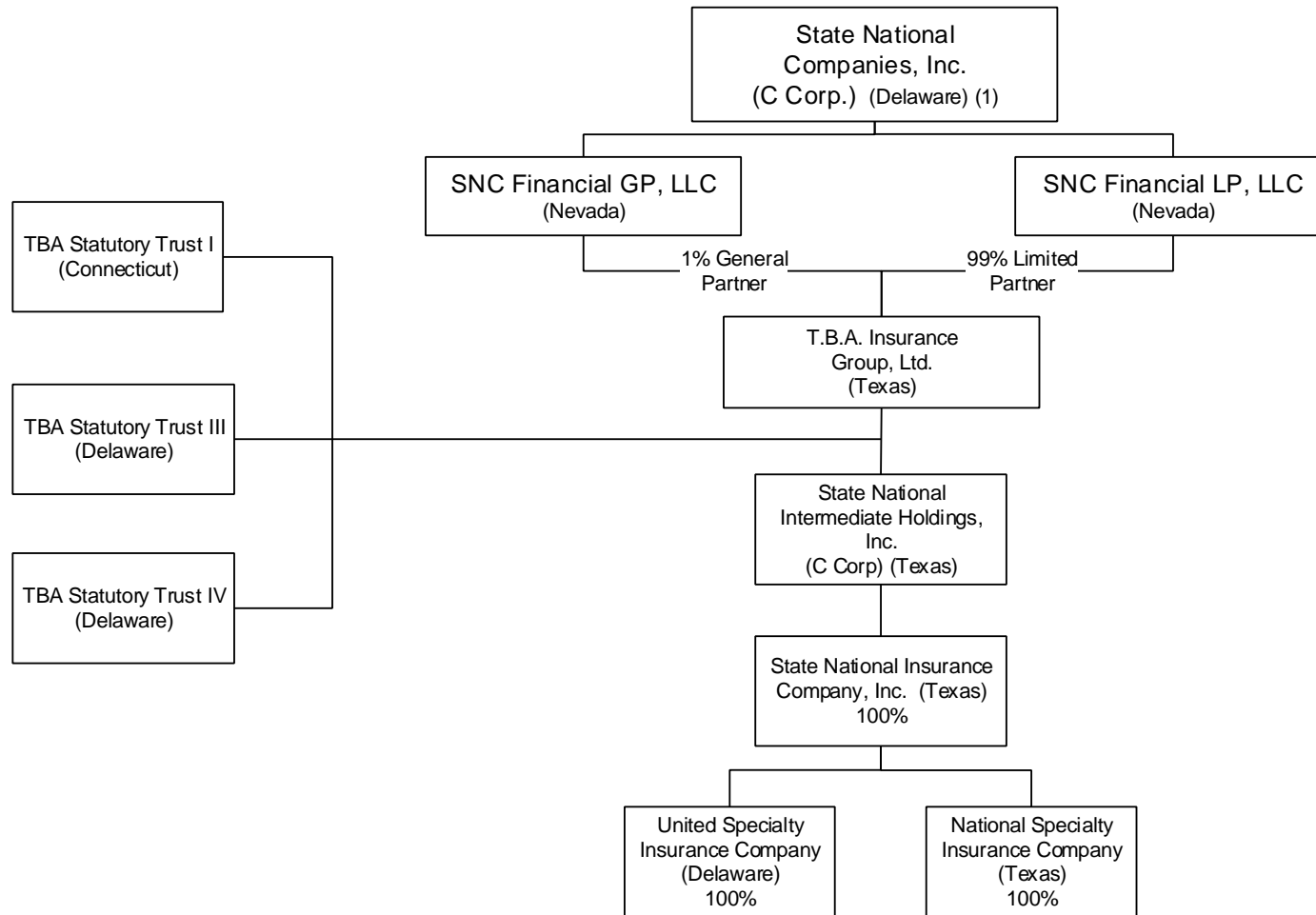
(L) - Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) - Registered - Non-domiciled RRGs; (Q) - Qualified - Qualified or Accredited Reinsurer;

(E) - Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) - None of the above - Not allowed to write business in the state.

(a) Insert the number of L responses except for Canada and Other Alien.

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

**PART 1 – ORGANIZATIONAL CHART**



(1) 28.771% of the outstanding common stock of State National Companies, Inc. represents shares held by Terry Ledbetter individually and by trusts and a private foundation for which Terry Ledbetter is the grantor. All other investors individually hold less than 10% of the outstanding common stock of State National Companies, Inc.



**SCHEDULE Y**

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Public Traded (U.S. or International)	Name of Parent, Subsidiaries or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity/Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
<b>Members</b>														
.....	.....	00000.....	26-0017421..	.....	0001610793	NASDAQ.....	State National Companies, Inc.....	DE.....	UIP.....	Ledbetter Family Trusts and Private Foundation...	Ownership.....	....28.771	Terry Ledbetter.....	.....
.....	.....	00000.....	27-0043882..	.....	.....	.....	SNC Financial GP, LLC.....	NV.....	UIP.....	State National Companies, Inc.....	Ownership.....	....100.000	Terry Ledbetter.....	.....
.....	.....	00000.....	02-0532251..	.....	.....	.....	SNC Financial LP, LLC.....	NV.....	UIP.....	State National Companies, Inc.....	Ownership.....	....100.000	Terry Ledbetter.....	.....
.....	.....	00000.....	75-1411613..	.....	.....	.....	T.B.A. Insurance Group, Ltd.....	TX.....	UIP.....	SNC Financial GP, LLC.....	Ownership.....	....1.000	Terry Ledbetter.....	.....
.....	.....	00000.....	75-1411613..	.....	.....	.....	T.B.A. Insurance Group, Ltd.....	TX.....	UIP.....	SNC Financial LP, LLC.....	Ownership.....	....99.000	Terry Ledbetter.....	.....
.....	.....	00000.....	41-6516842..	.....	.....	.....	TBA Statutory Trust I.....	CT.....	NIA.....	T.B.A. Insurance Group, Ltd.....	Sponsor.....	.....	Terry Ledbetter.....	.....
.....	.....	00000.....	13-7406983..	.....	.....	.....	TBA Statutory Trust III.....	DE.....	NIA.....	T.B.A. Insurance Group, Ltd.....	Sponsor.....	.....	Terry Ledbetter.....	.....
.....	.....	00000.....	75-6746478..	.....	.....	.....	TBA Statutory Trust IV.....	DE.....	NIA.....	T.B.A. Insurance Group, Ltd.....	Sponsor.....	.....	Terry Ledbetter.....	.....
.....	.....	00000.....	83-0337915..	.....	.....	.....	State National Intermediate Holdings, Inc.....	TX.....	UDP.....	T.B.A. Insurance Group, Ltd.....	Ownership.....	....100.000	Terry Ledbetter.....	.....
0093...	State National Companies.....	12831.....	75-1980552..	.....	.....	.....	State National Insurance Company, Inc.....	TX.....	.....	State National Intermediate Holdings, Inc.....	Ownership.....	....100.000	Terry Ledbetter.....	.....
0093...	State National Companies.....	22608.....	75-2816775..	.....	.....	.....	National Specialty Insurance Company.....	TX.....	DS.....	State National Insurance Company, Inc.....	Ownership.....	....100.000	Terry Ledbetter.....	.....
0093...	State National Companies.....	12537.....	20-3145738..	.....	.....	.....	United Specialty Insurance Company.....	DE.....	DS.....	State National Insurance Company, Inc.....	Ownership.....	....100.000	Terry Ledbetter.....	.....

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**PART 1 - LOSS EXPERIENCE**

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....	188,528	68,426	36.3	(20.8)
2. Allied lines.....	46,973	39,191	83.4	(2,492.8)
3. Farmowners multiple peril.....			0.0	
4. Homeowners multiple peril.....	51,607	1,015,286	1,967.3	
5. Commercial multiple peril.....	21,352,285	12,653,167	59.3	61.2
6. Mortgage guaranty.....			0.0	
8. Ocean marine.....	1,706,181	(2,946,984)	(172.7)	(36.2)
9. Inland marine.....	2,750,863	1,519,750	55.2	47.5
10. Financial guaranty.....			0.0	
11.1. Medical professional liability - occurrence.....	(3,668)	(204)	5.6	
11.2. Medical professional liability - claims-made.....	(364)	(145,565)	39,990.4	(98.7)
12. Earthquake.....			0.0	
13. Group accident and health.....			0.0	
14. Credit accident and health.....			0.0	
15. Other accident and health.....			0.0	
16. Workers' compensation.....	8,262,293	1,747,747	21.2	(65.4)
17.1. Other liability-occurrence.....	26,452,388	8,910,296	33.7	85.8
17.2. Other liability-claims made.....	464,554	1,314,028	282.9	(454.7)
17.3. Excess workers' compensation.....	13,112,317	7,725,996	58.9	62.2
18.1. Products liability-occurrence.....	1,664,268	(384,013)	(23.1)	15.6
18.2. Products liability-claims made.....	18,287	(14,000)	(76.6)	65.7
19.1, 19.2 Private passenger auto liability.....	2,823,079	3,093,469	109.6	66.6
19.3, 19.4 Commercial auto liability.....	17,830,918	4,471,273	25.1	(9.8)
21. Auto physical damage.....	39,896,330	19,303,587	48.4	(131.9)
22. Aircraft (all perils).....	1,980,612	754,663	38.1	60.4
23. Fidelity.....		0	0.0	
24. Surety.....	2,192,755	411,806	18.8	(30.8)
26. Burglary and theft.....		0	0.0	
27. Boiler and machinery.....		0	0.0	
28. Credit.....	337,910	248,946	73.7	(11.8)
29. International.....			0.0	
30. Warranty.....			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	
35. Totals.....	141,128,116	59,786,864	42.4	41.2

**DETAILS OF WRITE-INS**

3401. ....			0.0	
3402. ....			0.0	
3403. ....			0.0	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0.0	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0.0	

**PART 2 - DIRECT PREMIUMS WRITTEN**

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....	172,243	172,243	(18,551)
2. Allied lines.....	395,947	395,947	.966
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....	1,995,122	1,995,122	
5. Commercial multiple peril.....	20,753,444	20,753,444	20,824,988
6. Mortgage guaranty.....			
8. Ocean marine.....	1,453,037	1,453,037	1,187,960
9. Inland marine.....	3,295,357	3,295,357	2,827,059
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....	456	456	
11.2. Medical professional liability - claims made.....	195	195	
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	14,324,949	14,324,949	11,400,549
17.1. Other liability-occurrence.....	23,985,761	23,985,761	27,245,472
17.2. Other liability-claims made.....	286,140	286,140	856,345
17.3. Excess workers' compensation.....	15,227,782	15,227,782	15,623,151
18.1. Products liability-occurrence.....	1,449,518	1,449,518	2,204,618
18.2. Products liability-claims made.....	1,917	1,917	29,076
19.1 19.2 Private passenger auto liability.....	4,505,079	4,505,079	4,401,542
19.3 19.4 Commercial auto liability.....	20,366,716	20,366,716	12,243,912
21. Auto physical damage.....	32,687,180	32,687,180	31,724,587
22. Aircraft (all perils).....	1,646,162	1,646,162	1,991,681
23. Fidelity.....			
24. Surety.....	2,283,755	2,283,755	700,462
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....	238,345	238,345	242,549
29. International.....			
30. Warranty.....			
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.....	145,069,103	145,069,103	133,486,366

**DETAILS OF WRITE-INS**

3401. ....				
3402. ....				
3403. ....				
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	0	0	0	0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	0	0	0	0

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 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. 2013 + Prior.....	.....967	.....846	.....1,813	.....40	.....5	.....44	.....1,044	.....116	.....818	.....1,978	.....116	.....93	.....209
2. 2014.....		.....1	.....1	.....(55)		.....(55)			.....17	.....17	.....(55)	.....16	.....(39)
3. Subtotals 2014 + Prior.....	.....967	.....846	.....1,813	.....(15)	.....5	.....(11)	.....1,044	.....116	.....835	.....1,994	.....61	.....109	.....170
4. 2015.....	.....2,887	.....1,038	.....3,925	.....3,114	.....514	.....3,627		.....323	.....128	.....451	.....227	.....(74)	.....153
5. Subtotals 2015 + Prior.....	.....3,854	.....1,884	.....5,738	.....3,098	.....518	.....3,617	.....1,044	.....439	.....963	.....2,445	.....288	.....36	.....324
6. 2016.....	.....XXX	.....XXX	.....XXX	.....XXX	.....3,744	.....3,744	.....XXX	.....2,314	.....918	.....3,233	.....XXX	.....XXX	.....XXX
7. Totals.....	.....3,854	.....1,884	.....5,738	.....3,098	.....4,263	.....7,361	.....1,044	.....2,753	.....1,881	.....5,678	.....288	.....36	.....324
8. Prior Year-End's Surplus As Regards Policyholders	.....229,830										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. ....7.5 %	2. ....1.9 %	3. ....5.6 %
													Col. 13, Line 7 Line 8
													4. ....0.1 %

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# SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

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

Bar Code:



Statement for March 31, 2016 of the **State National Insurance Company, Inc.**  
**Overflow Page for Write-Ins**

Additional Write-ins for Liabilities:

	1 Current Statement Date	2 December 31, Prior Year
2504. ISO fees payable.....	4,852,846	4,490,616
2597. Summary of remaining write-ins for Line 25.....	4,852,846	4,490,616

**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.....	14,571,562	15,247,028
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		107,012
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.....	196,177	782,479
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	14,375,385	14,571,562
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	14,375,385	14,571,562

**SCHEDULE B - VERIFICATION**

Mortgage Loans

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

NONE

**SCHEDULE BA - VERIFICATION**

Other Long-Term Invested Assets

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	
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).....	.0	.0
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	.0	.0

NONE

**SCHEDULE D - VERIFICATION**

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	246,353,890	225,860,526
2. Cost of bonds and stocks acquired.....	10,768,530	40,851,363
3. Accrual of discount.....	24,781	85,712
4. Unrealized valuation increase (decrease).....	1,953,218	7,529,985
5. Total gain (loss) on disposals.....	87,241	1,448,170
6. Deduct consideration for bonds and stocks disposed of.....	6,803,069	28,109,513
7. Deduct amortization of premium.....	288,954	1,312,353
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	252,095,638	246,353,890
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	252,095,638	246,353,890

## 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

	1	2	3	4	5	6	7	8
NAIC Designation	Book/Adjusted Carrying Value Beginning of Current Quarter	Acquisitions During Current Quarter	Dispositions During Current Quarter	Non-Trading Activity During Current Quarter	Book/Adjusted Carrying Value End of First Quarter	Book/Adjusted Carrying Value End of Second Quarter	Book/Adjusted Carrying Value End of Third Quarter	Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	104,890,031	12,470,164	11,910,010	(528,028)	104,922,158			104,890,031
2. NAIC 2 (a).....	12,560,893	1,898,975	768,226	(634,166)	13,057,475			12,560,893
3. NAIC 3 (a).....	4,802,182	721,214	790,558	(24,861)	4,707,977			4,802,182
4. NAIC 4 (a).....	1,519,972	113,998	288,130	718,738	2,064,578			1,519,972
5. NAIC 5 (a).....					0			
6. NAIC 6 (a).....					0			
7. Total Bonds.....	123,773,078	15,204,351	13,756,924	(468,317)	124,752,188	0	0	123,773,078
<b>PREFERRED STOCK</b>								
8. NAIC 1.....					0			
9. NAIC 2.....	1,042,385	70,657	159,621	(50,711)	902,710			1,042,385
10. NAIC 3.....	1,832,573			(22,431)	1,810,141			1,832,573
11. NAIC 4.....					0			
12. NAIC 5.....					0			
13. NAIC 6.....					0			
14. Total Preferred Stock.....	2,874,958	70,657	159,621	(73,142)	2,712,852	0	0	2,874,958
15. Total Bonds and Preferred Stock.....	126,648,035	15,275,008	13,916,546	(541,458)	127,465,040	0	0	126,648,035

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(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of non-rated short-term and cash equivalent bonds by NAIC designation:  
 NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....0; NAIC 6 \$.....0.

## SCHEDULE DA - PART 1

### Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	3,451,065	XXX.....	3,451,065	3,704	

## SCHEDULE DA - VERIFICATION

### Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	2,483,296	4,440,617
2. Cost of short-term investments acquired.....	4,506,478	10,511,269
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		45,768
6. Deduct consideration received on disposals.....	3,538,709	12,421,513
7. Deduct amortization of premium.....		92,846
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	3,451,065	2,483,296
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	3,451,065	2,483,296



**Sch. DB - Pt. A - Verification  
NONE**

**Sch. DB - Pt. B - Verification  
NONE**

**Sch. DB - Pt. C - Sn. 1  
NONE**

**Sch. DB - Pt. C - Sn. 2  
NONE**

**Sch. DB - Verification  
NONE**

## SCHEDULE E- VERIFICATION

### Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	3,999,874	
2. Cost of cash equivalents acquired.....		3,999,874
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	3,999,874	
7. Deduct amortization of premium.....		
8. Total foreign exchange change in book/ adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	3,999,874
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	0	3,999,874

**Sch. A - Pt. 2  
NONE**

**Sch. A - Pt. 3  
NONE**

**Sch. B - Pt. 2  
NONE**

**Sch. B - Pt. 3  
NONE**

**Sch. BA - Pt. 2  
NONE**

**Sch. BA - Pt. 3  
NONE**

## SCHEDULE D - PART 3

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 or Market Indicator (a)
<b>Bonds - U.S. Government</b>									
912828 A4 2	US TREASURY NOTE.....		02/12/2016....	DEUTSCHE BANK SECURITIES.....		1,555,493	1,500,000	6,393	1
0599999. Total Bonds - U.S. Government.....						1,555,493	1,500,000	6,393	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>									
3137B4 WB 8	FHLMC REMIC SERIES K-033.....		01/12/2016....	CITIGROUP.....		830,500	800,000	952	1
463813 ZL 2	IRVING TEX INDPT SCH DIST FOR.....		03/16/2016....	MESIROW.....		679,052	550,000	2,750	1FE
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....						1,509,552	1,350,000	3,702	XXX
<b>Bonds - Industrial and Miscellaneous</b>									
00440E AU 1	ACE INA HLDG INC.....		01/20/2016....	CITIGROUP.....		505,227	500,000	3,243	1FE
004446 AC 4	ACETO CORP.....		02/05/2016....	VARIOUS.....		35,744	40,000	187	3
00912X AK 0	AIR LEASE CORP.....		01/20/2016....	VARIOUS.....		138,760	120,000	672	2
14912L 6J 5	CATERPILLAR FINL SVCS MTNS BE.....		02/09/2016....	BARCLAYS.....		806,048	800,000	6,978	1FE
177376 AD 2	CITRIX SYS INC.....		02/08/2016....	VARIOUS.....		92,164	90,000	144	2
223622 AB 7	COWEN GROUP INC NEW.....		03/24/2016....	NOMURA SEC. INTERNAT'L, I.....		113,998	127,000	886	4
126349 AE 9	CSG SYS INTL INC 144A.....		03/15/2016....	VARIOUS.....		99,696	100,000		3
25468P DJ 2	DISNEY WALT CO MTNS BE.....		02/19/2016....	WELLSBKR.....		1,021,050	1,000,000	2,939	1FE
286082 AC 6	ELECTRONICS FOR IMAGING INC.....		02/02/2016....	BARCLAYS.....		10,010	10,000	32	2
437076 BL 5	HOME DEPOT INC.....		02/12/2016....	JP MORGAN.....		288,968	290,000		1FE
458140 AD 2	INTEL CORP.....		02/09/2016....	CS FIRST BOSTON.....		59,443	50,000	234	1FE
47102X AH 8	JANUS CAP GROUP INC.....		02/02/2016....	BARCLAYS.....		73,213	60,000	25	2FE
531229 AB 8	LIBERTY MEDIA CORP DELAWARE.....		01/07/2016....	BARCLAYS.....		57,115	60,000	199	3
53578A AB 4	LINKEDIN CORP.....		01/04/2016....	MERRILL LYNCH INC.....		20,869	20,000	18	3FE
571748 BA 9	MARSH & MCLENNAN COS INC.....		03/14/2016....	CITIGROUP.....		144,838	145,000		2FE
72345H AA 3	PINNACLE BK NASHVILLE TENN 144A.....		03/03/2016....	SANDLER.....		128,730	130,000	704	2FE
741503 AQ 9	PRICELINE GRP INC.....		02/03/2016....	VARIOUS.....		363,008	290,000	1,144	2FE
74348T AQ 5	PROSPECT CAPITAL CORPORATION.....		02/26/2016....	CITIGROUP.....		92,656	125,000	2,260	2FE
79466L AD 6	SALESFORCE COM INC.....		02/23/2016....	VARIOUS.....		338,575	300,000	278	3
88163V AE 9	TEVA PHARMACEUTICAL FIN LLC.....		03/17/2016....	VARIOUS.....		131,960	100,000	33	2FE
89656F AC 0	TRINITY RAIL LEASE 2013-1.....		01/06/2016....	MERRILL LYNCH INC.....		315,509	313,939	884	1FE
897888 AB 9	TRULIA INC.....		01/14/2016....	JP MORGAN.....		169,216	150,000	338	3
90349D AD 4	UBS-BARCLY COML MTG TR 2012-C3.....		01/14/2016....	JEFFRIES & CO.....		511,094	500,000	816	1
927804 FU 3	VIRGINIA ELEC & PWR CO.....		01/14/2016....	GOLDMAN SACHS.....		744,933	745,000		1FE
EK1258 83 0	QIAGEN NV.....	R	03/23/2016....	DEUTSCHE BANK SECURITIES.....		214,500	200,000	44	2
822582 BP 6	SHELL INTERNATIONAL FIN BV.....	R	03/22/2016....	MITSUBISHI.....		301,770	300,000	2,588	1FE
87020P AG 2	SWEDBANK AB 144A.....		03/10/2016....	WELLSBKR.....		344,600	345,000		1FE
87938W AQ 6	TELEFONICA EMISIONES S A U.....	R	03/11/2016....	HSBC SECURITIES INC.....		509,135	500,000	6,162	2FE
3899999. Total Bonds - Industrial and Miscellaneous.....						7,632,828	7,410,939	30,805	XXX
8399997. Total Bonds - Part 3.....						10,697,873	10,260,939	40,900	XXX
8399999. Total Bonds.....						10,697,873	10,260,939	40,900	XXX
<b>Preferred Stocks - Industrial and Miscellaneous</b>									

QE04

### 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 or Market Indicator (a)
00170F 20 9	AMG CAP TR II.....		03/08/2016....	MERRILL LYNCH INC.....	1,400.000	70,657			P2UFE.....
8499999	Total Preferred Stocks - Industrial and Miscellaneous.....					70,657	XXX	0	XXX
8999997	Total Preferred Stocks - Part 3.....					70,657	XXX	0	XXX
8999999	Total Preferred Stocks.....					70,657	XXX	0	XXX
9899999	Total Preferred and Common Stocks.....					70,657	XXX	0	XXX
9999999	Total Bonds, Preferred and Common Stocks.....					10,768,530	XXX	40,900	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE04.1

## SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
<b>Bonds - U.S. Government</b>																					
30254R	AA 8 FDIC TRUST 2013-R2 A.....		03/25/2016	PRINCIPAL RECEIPT.....		16,809	16,809	16,494	16,540		268		268		16,809			0	15	03/25/2033	1
36202E	VH 9 GNMA II POOL #4216.....		03/20/2016	PRINCIPAL RECEIPT.....		495	495	499	499		(3)		(3)		495			0	3	08/20/2038	1
36179N	MP 0 GNMA PASS-THRU M SINGLE FAMILY.....		03/20/2016	PRINCIPAL RECEIPT.....		7,436	7,436	7,829	7,800		(364)		(364)		7,436			0	30	09/20/2028	1
36230M	EP 8 GNMA PASS-THRU X MATURE LN PRG.....		03/15/2016	PRINCIPAL RECEIPT.....		9,630	9,630	10,421	10,336		(707)		(707)		9,630			0	53	07/15/2025	1
36200M	PW 7 GNMA POOL #604437.....		03/15/2016	PRINCIPAL RECEIPT.....		4,895	4,895	5,017	4,927		(33)		(33)		4,895			0	32	07/15/2018	1
36290S	CK 5 GNMA POOL #615774.....		03/15/2016	PRINCIPAL RECEIPT.....		9,741	9,741	9,512	9,678		63		63		9,741			0	50	09/15/2018	1
38373M	R5 1 GNMA REMIC TRUST 2008-14.....		03/16/2016	PRINCIPAL RECEIPT.....		39,612	39,612	41,728	41,121		(1,509)		(1,509)		39,612			0	348	12/16/2042	1
38376G	TE 0 GNMA REMIC TRUST 2010-110.....		03/16/2016	PRINCIPAL RECEIPT.....		2,757	2,757	2,798	2,787		(30)		(30)		2,757			0	14	09/16/2041	1
38376G	ET 3 GNMA REMIC TRUST 2010-16.....		03/16/2016	PRINCIPAL RECEIPT.....		245,853	245,853	262,295	257,365		(11,512)		(11,512)		245,853			0	1,396	01/16/2042	1
38376X	CT 8 GNMA REMIC TRUST 2010-39.....		03/20/2016	PRINCIPAL RECEIPT.....		23,108	23,108	23,765	23,620		(512)		(512)		23,108			0	76	03/20/2038	1
38377F	2G 5 GNMA REMIC TRUST 2010-73.....		03/20/2016	PRINCIPAL RECEIPT.....		20,526	20,526	21,424	20,868		(343)		(343)		20,526			0	108	02/20/2040	1
38378B	E2 1 GNMA REMIC TRUST 2012-114.....		03/16/2016	PRINCIPAL RECEIPT.....		8,319	8,319	8,550	8,527		(208)		(208)		8,319			0	5	01/16/2053	1
62888V	AB 4 NGN 2010-R1 2A.....		03/08/2016	PRINCIPAL RECEIPT.....		2,330	2,330	2,329	2,330		0		0		2,330			0	6	10/07/2020	1FE
0599999. Total Bonds - U.S. Government.....						391,509	391,509	412,661	406,398	0	(14,890)	0	(14,890)	0	391,509	0	0	0	2,135	XXX	XXX
<b>Bonds - U.S. Political Subdivisions of States, Territories and Possessions</b>																					
159808	EJ 9 CHARLES CNTY MD.....		01/08/2016	CITIGROUP.....		1,164,072	930,000	1,147,667	1,141,771		(488)		(488)		1,141,283		22,789	22,789	10,721	11/01/2023	1
2499999. Total Bonds - U.S. Political Subdivisions of States, Territories and Possessions.....						1,164,072	930,000	1,147,667	1,141,771	0	(488)	0	(488)	0	1,141,283	0	22,789	22,789	10,721	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																					
040654	WH 4 ARIZONA ST TRANSN BRD HWY REV.....		01/08/2016	MESIROW.....		385,315	310,000	383,851	377,509		(162)		(162)		377,346		7,968	7,968	8,267	07/01/2023	1FE
047061	CQ 7 ATHENS-CLARKE CNTY GA UNI GOVT.....		01/14/2016	JEFFRIES & CO.....		337,608	270,000	327,605	324,034		(222)		(222)		323,812		13,796	13,796	7,463	01/01/2024	1FE
3134A4	ZT 4 FEDERAL HOME LN BKS.....		01/19/2016	MATURITY.....		100,000	100,000	94,805	99,965		35		35		100,000			0	2,375	01/19/2016	1
3128KO	NE 7 FGLMC #A40389.....		03/15/2016	PRINCIPAL RECEIPT.....		10,120	10,120	10,203	10,198		(79)		(79)		10,120			0	124	12/20/2035	1
31296S	JG 2 FHLMC PC GOLD #A17463.....		03/15/2016	PRINCIPAL RECEIPT.....		954	954	974	970		(15)		(15)		954			0	7	01/01/2034	1
31292L	HQ 1 FHLMC PC GOLD #C03839.....		03/15/2016	PRINCIPAL RECEIPT.....		6,221	6,221	6,447	6,435		(214)		(214)		6,221			0	23	04/01/2042	1
31292L	W6 8 FHLMC PC GOLD #C04269.....		03/15/2016	PRINCIPAL RECEIPT.....		5,675	5,675	5,963	5,952		(277)		(277)		5,675			0	23	10/01/2042	1
3128M7	V2 9 FHLMC PC GOLD #G05733.....		03/15/2016	PRINCIPAL RECEIPT.....		22,600	22,600	24,550	24,548		(1,948)		(1,948)		22,600			0	147	11/01/2039	1
3128M7	YV 2 FHLMC PC GOLD #G05824.....		03/15/2016	PRINCIPAL RECEIPT.....		6,968	6,968	7,383	7,366		(398)		(398)		6,968			0	35	01/01/2040	1
3128M7	3L 8 FHLMC PC GOLD #G05903.....		03/15/2016	PRINCIPAL RECEIPT.....		17,026	17,026	18,696	18,649		(1,623)		(1,623)		17,026			0	113	03/01/2040	1
3128MJ	OU 7 FHLMC PC GOLD #G08466.....		03/15/2016	PRINCIPAL RECEIPT.....		3,370	3,370	3,433	3,430		(61)		(61)		3,370			0	15	11/01/2041	1
3128MB	VC 8 FHLMC PC GOLD #G13111.....		03/15/2016	PRINCIPAL RECEIPT.....		8,361	8,361	8,682	8,561		(201)		(201)		8,361			0	85	03/01/2023	1
3128MB	XH 5 FHLMC PC GOLD #G13180.....		03/15/2016	PRINCIPAL RECEIPT.....		4,185	4,185	4,183	4,183		2		2		4,185			0	34	06/01/2023	1
3128LX	TV 2 FHLMC PC GOLD #G202364.....		03/15/2016	PRINCIPAL RECEIPT.....		6,279	6,279	6,269	6,269		9		9		6,279			0	33	10/15/2036	1
3132GG	CG 8 FHLMC PC GOLD #Q02771.....		03/15/2016	PRINCIPAL RECEIPT.....		2,184	2,184	2,270	2,265		(81)		(81)		2,184			0	9	08/01/2041	1
3132GJ	EL 9 FHLMC PC GOLD #Q03139.....		03/15/2016	PRINCIPAL RECEIPT.....		9,000	9,000	9,418	9,405		(404)		(404)		9,000			0	64	09/01/2041	1
3132GL	VB 7 FHLMC PC GOLD #Q05410.....		03/15/2016	PRINCIPAL RECEIPT.....		3,018	3,018	3,087	3,084		(66)		(66)		3,018			0	10	01/01/2042	1

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### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)	
3128MJ VR 8	FHLMC PC GOLD COMB 30.....	03/15/2016	PRINCIPAL RECEIPT.....		21,071	21,071	22,138	22,129		(1,058)		(1,058)		21,071			0	109	01/01/2045	1	
3128M7 WL 6	FHLMC PC GOLD COMB 30 YR.....	03/15/2016	PRINCIPAL RECEIPT.....		6,123	6,123	6,635	6,630		(507)		(507)		6,123			0	31	12/01/2039	1	
31395H 4Y 3	FHLMC REMIC SERIES #2866.....	03/15/2016	PRINCIPAL RECEIPT.....		60,654	60,654	63,061	60,654				0		60,654			0	375	10/15/2019	1	
3137AT GC 0	FHLMC REMIC SERIES #4091.....	03/15/2016	PRINCIPAL RECEIPT.....		13,807	13,807	14,160	14,061		(254)		(254)		13,807			0	40	05/15/2041	1	
3137AW 6V 2	FHLMC REMIC SERIES #4125.....	03/15/2016	PRINCIPAL RECEIPT.....		13,765	13,765	14,090	13,970		(205)		(205)		13,765			0	38	08/15/2041	1	
3137A5 MJ 0	FHLMC REMIC SERIES 3795.....	03/15/2016	PRINCIPAL RECEIPT.....		33,193	33,193	35,703	35,483		(2,291)		(2,291)		33,193			0	221	10/15/2039	1	
3137AL 2Z 1	FHLMC REMIC SERIES 3990.....	03/15/2016	PRINCIPAL RECEIPT.....		35,509	35,509	37,451	37,086		(1,576)		(1,576)		35,509			0	171	05/15/2030	1	
3137AM N8 6	FHLMC REMIC SERIES 4012.....	03/15/2016	PRINCIPAL RECEIPT.....		13,883	13,883	14,387	14,308		(424)		(424)		13,883			0	57	06/15/2038	1	
3137B9 P7 4	FHLMC REMIC SERIES 4330.....	03/15/2016	PRINCIPAL RECEIPT.....		21,299	21,299	21,672	21,623		(325)		(325)		21,299			0	57	11/15/2043	1	
31418M KS 0	FNMA #AD0304.....	03/25/2016	PRINCIPAL RECEIPT.....		4,869	4,869	5,259	5,941		(1,072)		(1,072)		4,869			0	48	05/01/2022	1	
3138WF T5 5	FNMA PASS-THRU INT 15 YEAR.....	03/25/2016	PRINCIPAL RECEIPT.....		13,136	13,136	13,546	13,549		(413)		(413)		13,136			0	66	10/01/2030	1	
3138A7 FP 8	FNMA PASS-THRU LNG 30 YEAR.....	03/25/2016	PRINCIPAL RECEIPT.....		12,093	12,093	12,857	12,842		(749)		(749)		12,093			0	70	02/01/2041	1	
3138WF GC 4	FNMA PASS-THRU LNG 30 YEAR.....	03/25/2016	PRINCIPAL RECEIPT.....		11,211	11,211	11,670	11,668		(457)		(457)		11,211			0	63	08/01/2045	1	
31418Q PN 7	FNMA PASS-THRU LNG 30 YEAR.....	03/25/2016	PRINCIPAL RECEIPT.....		24,066	24,066	26,830	26,721		(2,655)		(2,655)		24,066			0	206	04/01/2040	1	
31418B G6 7	FNMA PASS-THRU SHRT 10 YEAR.....	03/25/2016	PRINCIPAL RECEIPT.....		33,778	33,778	34,691	34,602		(824)		(824)		33,778			0	142	09/01/2024	1	
31419A N5 2	FNMA PASS-THRU LNG 30 YR.....	03/25/2016	PRINCIPAL RECEIPT.....		35,134	35,134	38,318	38,335		(3,201)		(3,201)		35,134			0	236	09/01/2040	1	
31417C WR 2	FNMA PASS-THRU INT 15 YR #AB6055.....	03/25/2016	PRINCIPAL RECEIPT.....		14,359	14,359	15,050	14,961		(602)		(602)		14,359			0	62	09/01/2027	1	
31417V PZ 0	FNMA PASS-THRU INT 15 YR #AC8539.....	03/25/2016	PRINCIPAL RECEIPT.....		4,577	4,577	4,794	4,754		(177)		(177)		4,577			0	31	12/01/2024	1	
31418S UT 4	FNMA PASS-THRU INT 15 YR #AD5093.....	03/25/2016	PRINCIPAL RECEIPT.....		10,111	10,111	10,455	10,381		(271)		(271)		10,111			0	55	10/01/2025	1	
3138E0 SF 7	FNMA PASS-THRU INT 15 YR #AJ7717.....	03/25/2016	PRINCIPAL RECEIPT.....		10,302	10,302	10,651	10,599		(298)		(298)		10,302			0	49	12/01/2026	1	
3138A2 W6 2	FNMA PASS-THRU LNG 30 YR.....	03/25/2016	PRINCIPAL RECEIPT.....		9,936	9,936	10,604	10,566		(630)		(630)		9,936			0	66	12/01/2040	1	
3138EG HX 5	FNMA PASS-THRU LNG 30 YR #AL0245.....	03/25/2016	PRINCIPAL RECEIPT.....		9,128	9,128	9,467	9,459		(331)		(331)		9,128			0	67	04/01/2041	1	
31418A BZ 0	FNMA PASS-THRU LNG 30 YR #MA0955.....	03/25/2016	PRINCIPAL RECEIPT.....		8,382	8,382	8,571	8,564		(182)		(182)		8,382			0	46	01/01/2042	1	
31371L DY 2	FNMA POOL #254919.....	03/25/2016	PRINCIPAL RECEIPT.....		5,578	5,578	5,486	5,554		24		24		5,578			0	36	09/01/2018	1	
31402H RC 7	FNMA POOL #729583.....	03/25/2016	PRINCIPAL RECEIPT.....		6,220	6,220	6,214	6,218		2		2		6,220			0	47	07/01/2018	1	
31403D A4 1	FNMA POOL #745327.....	03/25/2016	PRINCIPAL RECEIPT.....		4,334	4,334	4,446	4,441		(107)		(107)		4,334			0	42	03/01/2036	1	
31414F GG 0	FNMA POOL #964699.....	03/25/2016	PRINCIPAL RECEIPT.....		8,719	8,719	8,953	8,893		(174)		(174)		8,719			0	74	08/01/2023	1	
3136A8 V6 4	FNMA REMIC TRUST #2012-113.....	03/25/2016	PRINCIPAL RECEIPT.....		15,796	15,796	16,131	16,023		(227)		(227)		15,796			0	53	10/25/2040	1	
3136AA MP 7	FNMA REMIC TRUST #2012-139.....	03/25/2016	PRINCIPAL RECEIPT.....		13,859	13,859	14,166	14,086		(228)		(228)		13,859			0	49	05/25/2042	1	
3136AB LF 8	FNMA REMIC TRUST #2012-148.....	03/25/2016	PRINCIPAL RECEIPT.....		20,051	20,051	20,477	20,347		(296)		(296)		20,051			0	67	03/25/2042	1	
3136AH 6A 3	FNMA REMIC TRUST 2014-5.....	03/25/2016	PRINCIPAL RECEIPT.....		15,766	15,766	15,869	15,864		(98)		(98)		15,766			0	64	07/25/2043	1	
3136AK 3W 1	FNMA REMIC TRUST 2014-64.....	03/25/2016	PRINCIPAL RECEIPT.....		20,626	20,626	20,849	20,808		(181)		(181)		20,626			0	95	03/25/2044	1	
319999	Total Bonds - U.S. Special Revenue and Special Assessment.....				1,460,216	1,317,293	1,472,468	1,463,942	0	(25,491)	0	(25,491)	0	1,438,452	0	21,764	21,764	21,658	XXX	XXX	
Bonds - Industrial and Miscellaneous																					
00110A	AD 6	AEP TEXAS CTR FDG 2006-2.....	01/01/2016	PRINCIPAL RECEIPT.....		76,606	76,606	82,857	77,217		(611)		(611)		76,606			0		01/01/2018	1FE

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**SCHEDULE D - PART 4**

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

1	2		3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
											11	12	13	14	15							
CUSIP Identification	Description	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)		
152314 MV 9	CENTEX HOME EQUITY.....	03/25/2016.	PRINCIPAL RECEIPT.....		17,229	17,229	17,229	17,229				0		17,229			0	135	03/25/2035	1FM.....		
17319W AA 7	CITIGRP COML MTG TR 2013-SMP.....	03/14/2016.	PRINCIPAL RECEIPT.....		3,267	3,267	3,310	3,299		(31)		(31)		3,267			0	6	01/12/2030	1FM.....		
12625E AA 7	COMM MTG TR 2013-SFS.....	03/14/2016.	PRINCIPAL RECEIPT.....		8,419	8,419	8,214	8,245		174		174		8,419			0	18	04/12/2035	1FM.....		
12667F RY 3	COUNTRYWIDE 04-22CB 1A1.....	03/25/2016.	PRINCIPAL RECEIPT.....		4,909	4,909	5,055	5,003		(94)		(94)		4,909			0	39	10/25/2034	1FM.....		
126650 BP 4	CVS CAREMARK CORPORATION.....	03/11/2016.	SINK.....		2,148	2,148	2,284	2,258		(1)		(1)		2,257		(109)	(109)	22	12/10/2028	2FE.....		
02149V AG 4	CWALT INC 2007-3T1.....	03/28/2016.	PRINCIPAL RECEIPT.....		1,487	2,277	1,532	1,516		(29)		(29)		1,487			0	17	04/25/2037	1FM.....		
23242M AD 3	CWL 2006-S3.....	03/28/2016.	PRINCIPAL RECEIPT.....			(566)	(222)	(252)		252		252					0	(6)	01/25/2029	1FM.....		
12544L AA 9	CWMSB CHL MTG TR 2007-11.....	03/28/2016.	PRINCIPAL RECEIPT.....		2,110	2,419	1,973	1,595		515		515		2,110			0	16	08/25/2037	1FM.....		
36962G 6R 0	GENERAL ELEC CAP CORP MTN BE.....	01/08/2016.	MATURITY.....		710,000	710,000	707,721	709,985		15		15		710,000			0	3,550	01/08/2016	1FE.....		
45772F AA 5	INPHI CORP.....	03/22/2016.	CS FIRST BOSTON.....		61,471	60,000	60,000	57,225	2,775			2,775		60,000		1,471	1,471	206	12/01/2020	3.....		
02261W AB 5	JOHNSON & JOHNSON.....	02/25/2016.	VARIOUS.....		144,612	100,000	69,365	90,512		286		286		90,799		53,814	53,814		07/28/2020	1FE.....		
466247 UX 9	JP MORGAN ACCEPT 2005-S2.....	03/25/2016.	PRINCIPAL RECEIPT.....		22,046	22,046	21,522	21,306	537	202		740		22,046			0	191	09/25/2035	1FM.....		
46643K AC 5	JPMMT 2014-5 A2.....	03/25/2016.	PRINCIPAL RECEIPT.....		6,730	6,730	6,767	6,761		(32)		(32)		6,730			0	19	10/25/2029	1FM.....		
50540R AG 7	LABORATORY CORP AMER HLDGS.....	03/30/2016.	WELLS FARGO.....		31,718	20,000	24,442	16,822		127		127		16,949		14,769	14,769	44	09/11/2021	2FE.....		
530610 AB 0	LIBERTY INTERACTIVE LLC.....	02/01/2016.	BARCLAYS.....		344,000	345,763	360,169	346,489	4,993	(633)		4,359		350,849		(6,849)	(6,849)	378	09/30/2043	3FE.....		
53578A AB 4	LINKEDIN CORP.....	03/08/2016.	CS FIRST BOSTON.....		18,000	20,000	20,869			(41)		(41)		20,828		(2,828)	(2,828)	36	11/01/2019	3FE.....		
60687U AE 7	ML-CFC COML MTG TR 2006-2.....	03/12/2016.	PRINCIPAL RECEIPT.....		163,892	163,892	173,111	166,331		(2,439)		(2,439)		163,892			0	1,268	06/12/2046	1FM.....		
64828Y AR 2	NEW RESI MTG LN TR 2014-2.....	03/25/2016.	PRINCIPAL RECEIPT.....		7,542	7,542	7,723	7,717		(175)		(175)		7,542			0	45	05/25/2054	1FE.....		
67020Y AH 3	NUANCE COMMUNICATIONS INC.....	02/22/2016.	BARCLAYS.....		212,624	230,000	230,000	221,232	8,768			8,768		230,000		(17,376)	(17,376)	489	12/15/2035	3FE.....		
67066G AC 8	NVIDIA CORP.....	03/18/2016.	VARIOUS.....		192,441	115,000	135,772	129,953		(1,072)		(1,072)		128,881		63,560	63,560	340	12/01/2018	3FE.....		
69349L AH 1	PNC BK N A PITTSBURGH PA.....	01/28/2016.	MATURITY.....		250,000	250,000	249,948	249,999		1		1		250,000			0	1,000	01/28/2016	1FE.....		
741503 AS 5	PRICELINE GRP INC.....	02/03/2016.	JEFFRIES & CO.....		350,243	320,000	373,534	372,244		(1,119)		(1,119)		371,124		(20,882)	(20,882)	165	06/15/2020	2FE.....		
74924P AF 9	RES ASSET 04-KS1 A16.....	03/25/2016.	PRINCIPAL RECEIPT.....		9,970	9,970	9,969	9,970		0		0		9,970			0	31	02/25/2034	1FM.....		
76110W QR 0	RESIDENTIAL ASSET SEC 2003-KS2.....	03/25/2016.	PRINCIPAL RECEIPT.....		12,069	12,069	11,579	11,891		177		177		12,069			0	47	04/25/2033	1FM.....		
78028T AA 6	ROYAL GOLD INC.....	02/23/2016.	VARIOUS.....		331,325	360,000	385,329	378,547		(651)		(651)		377,895		(46,570)	(46,570)	1,860	06/15/2019	2.....		
86359B A4 3	STRUCTURED ASSET SECURITIES CORP.....	03/25/2016.	PRINCIPAL RECEIPT.....		2,356	2,356	2,423	2,377		(21)		(21)		2,356			0	11	09/25/2019	1FM.....		
888706 AF 5	TIVO INC.....	03/17/2016.	MSDW.....		30,170	35,000	32,204	32,569		82		82		32,651		(2,481)	(2,481)	333	10/01/2021	4.....		
89656F AC 0	TRINITY RAIL LEASE 2013-1.....	03/15/2016.	PRINCIPAL RECEIPT.....		2,971	2,971	2,986			(15)		(15)		2,971			0	10	07/15/2043	1FE.....		
94986F AF 4	WELLS FARGO MBS 2007-12.....	03/25/2016.	PRINCIPAL RECEIPT.....		7,782	7,782	7,379	7,520		263		263		7,782			0	50	09/25/2037	1FM.....		
893830 AS 8	TRANSOCEAN INC.....	03/15/2016.	BARCLAYS.....		227,500	250,000	268,838	222,500	33,517	(538)		32,979		255,479		(27,979)	(27,979)	7,625	03/15/2018	4FE.....		
3899999	Total Bonds - Industrial and Miscellaneous.....				3,255,638	3,167,829	3,283,884	3,178,060	50,589	(5,407)	0	45,182	0	3,247,097	0	8,541	8,541	17,943	XXX	XXX		
8399997	Total Bonds - Part 4.....				6,271,434	5,806,631	6,316,679	6,190,172	50,589	(46,275)	0	4,314	0	6,218,341	0	53,093	53,093	52,458	XXX	XXX		
8399999	Total Bonds.....				6,271,434	5,806,631	6,316,679	6,190,172	50,589	(46,275)	0	4,314	0	6,218,341	0	53,093	53,093	52,458	XXX	XXX		
Preferred Stocks - Industrial and Miscellaneous																						
15189T	20 6	03/22/2016.	CENTERPOINT ENERGY INC CONVERTIBLE.....		3,850,000	236,602	159,621	219,691	(60,069)			(60,069)		159,621		76,981	76,981	1,616	XXX	P2UFE..		
8499999	Total Preferred Stocks - Industrial and Miscellaneous.....																					
					236,602	XXX	159,621	219,691	(60,069)	0	0	(60,069)	0	159,621	0	76,981	76,981	1,616	XXX	XXX		

QE052



### SCHEDULE D - PART 4

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

1	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than-Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
8999997	Total Preferred Stocks - Part 4					236,602	XXX	159,621	219,691	(60,069)	0	0	(60,069)	0	159,621	0	76,981	76,981	1,616	XXX	XXX
8999999	Total Preferred Stocks					236,602	XXX	159,621	219,691	(60,069)	0	0	(60,069)	0	159,621	0	76,981	76,981	1,616	XXX	XXX
Common Stocks - Industrial and Miscellaneous																					
44107P 10 4	HOST HOTELS & RESORTS INC		03/01/2016	VARIOUS	4,997,003	70,565	XXX	81,515	76,654	4,861			4,861		81,515		(10,949)	(10,949)	1,999	XXX	L
854502 10 1	STANLEY BLACK & DECKER INC		02/03/2016	CITIGROUP	2,368,000	224,467	XXX	256,351	252,737	3,614			3,614		256,351		(31,884)	(31,884)		XXX	L
9099999	Total Common Stocks - Industrial and Miscellaneous					295,033	XXX	337,866	329,391	8,475	0	0	8,475	0	337,866	0	(42,833)	(42,833)	1,999	XXX	XXX
9799997	Total Common Stocks - Part 4					295,033	XXX	337,866	329,391	8,475	0	0	8,475	0	337,866	0	(42,833)	(42,833)	1,999	XXX	XXX
9799999	Total Common Stocks					295,033	XXX	337,866	329,391	8,475	0	0	8,475	0	337,866	0	(42,833)	(42,833)	1,999	XXX	XXX
9899999	Total Preferred and Common Stocks					531,635	XXX	497,487	549,081	(51,594)	0	0	(51,594)	0	497,487	0	34,148	34,148	3,615	XXX	XXX
9999999	Total Bonds, Preferred and Common Stocks					6,803,069	XXX	6,814,166	6,739,253	(1,005)	(46,275)	0	(47,280)	0	6,715,828	0	87,241	87,241	56,073	XXX	XXX

(a) For all common stock bearing the NAIC market indicator "U" provide: the number of such issues:.....0.

QE05.3

**Sch. DB - Pt. A - Sn. 1**  
**NONE**

**Sch. DB - Pt. B - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 1**  
**NONE**

**Sch. DB - Pt. D - Sn. 2**  
**NONE**

**Sch. DL - Pt. 1**  
**NONE**

**Sch. DL - Pt. 2**  
**NONE**

## SCHEDULE E - PART 1 - CASH

### Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
<b>Open Depositories</b>								
Chase Bank..... New Hyde Park, New York.....					.....2,203,029	.....2,202,408	.....2,201,773	XXX
Frost Bank..... San Antonio, Texas.....					.....11,288,674	.....7,006,832	.....2,813,856	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....13,491,703	.....9,209,240	.....5,015,629	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....13,491,703	.....9,209,240	.....5,015,629	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....13,491,703	.....9,209,240	.....5,015,629	XXX

## SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
------------------	-----------	--------------------	-----------------------	--------------------	-----------------------------------	---------------------------------------	----------------------------------

**NONE**

QE13



Designate the type of health care providers reported on this page.

**SUPPLEMENT "A" TO SCHEDULE T**  
**EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Physicians - Including Surgeons and Osteopaths

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama.....AL								
2. Alaska.....AK								
3. Arizona.....AZ								
4. Arkansas.....AR								
5. California.....CA								
6. Colorado.....CO								
7. Connecticut.....CT								
8. Delaware.....DE								
9. District of Columbia.....DC								
10. Florida.....FL								
11. Georgia.....GA								
12. Hawaii.....HI								
13. Idaho.....ID								
14. Illinois.....IL								
15. Indiana.....IN								
16. Iowa.....IA								
17. Kansas.....KS								
18. Kentucky.....KY								
19. Louisiana.....LA								
20. Maine.....ME								
21. Maryland.....MD								
22. Massachusetts.....MA								
23. Michigan.....MI								
24. Minnesota.....MN								
25. Mississippi.....MS								
26. Missouri.....MO								
27. Montana.....MT								
28. Nebraska.....NE								
29. Nevada.....NV								
30. New Hampshire.....NH								
31. New Jersey.....NJ								
32. New Mexico.....NM								
33. New York.....NY	.651	(4,032)	6,143		(3,769)	123,181		509,244
34. North Carolina.....NC								
35. North Dakota.....ND								
36. Ohio.....OH								
37. Oklahoma.....OK								
38. Oregon.....OR								
39. Pennsylvania.....PA								
40. Rhode Island.....RI								
41. South Carolina.....SC								
42. South Dakota.....SD								
43. Tennessee.....TN								
44. Texas.....TX								
45. Utah.....UT								
46. Vermont.....VT								
47. Virginia.....VA								
48. Washington.....WA								
49. West Virginia.....WV								
50. Wisconsin.....WI								
51. Wyoming.....WY								
52. American Samoa.....AS								
53. Guam.....GU								
54. Puerto Rico.....PR								
55. US Virgin Islands.....VI								
56. Northern Mariana Islands.....MP								
57. Canada.....CAN								
58. Aggregate Other Alien.....OT	.0	.0	.0	.0	.0	.0	.0	.0
59. Totals.....	.651	(4,032)	6,143	.0	(3,769)	123,181	.0	509,244

DETAILS OF WRITE-INS

58001.....								
58002.....								
58003.....								
58998. Summary of remaining write-ins for Line 58 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 thru 58003+ 58998) (Line 58 above).....	.0	.0	.0	.0	.0	.0	.0	.0



**SUPPLEMENT "A" TO SCHEDULE T**  
**EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Hospitals

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama.....AL								
2. Alaska.....AK								
3. Arizona.....AZ								
4. Arkansas.....AR								
5. California.....CA								
6. Colorado.....CO								
7. Connecticut.....CT								
8. Delaware.....DE								
9. District of Columbia.....DC								
10. Florida.....FL								
11. Georgia.....GA								
12. Hawaii.....HI								
13. Idaho.....ID								
14. Illinois.....IL								
15. Indiana.....IN								
16. Iowa.....IA								
17. Kansas.....KS								
18. Kentucky.....KY								
19. Louisiana.....LA								
20. Maine.....ME								
21. Maryland.....MD								
22. Massachusetts.....MA								
23. Michigan.....MI								
24. Minnesota.....MN								
25. Mississippi.....MS								
26. Missouri.....MO								
27. Montana.....MT								
28. Nebraska.....NE								
29. Nevada.....NV								
30. New Hampshire.....NH								
31. New Jersey.....NJ								
32. New Mexico.....NM								
33. New York.....NY					(43,843)	1,049,768	9	49,401
34. North Carolina.....NC								
35. North Dakota.....ND								
36. Ohio.....OH								
37. Oklahoma.....OK								
38. Oregon.....OR								
39. Pennsylvania.....PA								
40. Rhode Island.....RI								
41. South Carolina.....SC								
42. South Dakota.....SD								
43. Tennessee.....TN								
44. Texas.....TX								
45. Utah.....UT								
46. Vermont.....VT								
47. Virginia.....VA								
48. Washington.....WA								
49. West Virginia.....WV								
50. Wisconsin.....WI								
51. Wyoming.....WY								
52. American Samoa.....AS								
53. Guam.....GU								
54. Puerto Rico.....PR								
55. US Virgin Islands.....VI								
56. Northern Mariana Islands.....MP								
57. Canada.....CAN								
58. Aggregate Other Alien.....OT	0	0	0	0	0	0	0	0
59. Totals.....	0	0	0	0	(43,843)	1,049,768	9	49,401

DETAILS OF WRITE-INS

58001.....								
58002.....								
58003.....								
58998. Summary of remaining write-ins for Line 58 from overflow page.....	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ 58998) (Line 58 above).....	0	0	0	0	0	0	0	0



**SUPPLEMENT "A" TO SCHEDULE T**  
**EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Other Health Care Professionals, Including Dentists, Chiropractors and Podiatrists

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama.....AL								
2. Alaska.....AK								
3. Arizona.....AZ								
4. Arkansas.....AR								
5. California.....CA								
6. Colorado.....CO								
7. Connecticut.....CT								
8. Delaware.....DE								
9. District of Columbia.....DC								
10. Florida.....FL								
11. Georgia.....GA								
12. Hawaii.....HI								
13. Idaho.....ID								
14. Illinois.....IL								
15. Indiana.....IN								
16. Iowa.....IA								
17. Kansas.....KS								
18. Kentucky.....KY								
19. Louisiana.....LA								
20. Maine.....ME								
21. Maryland.....MD								
22. Massachusetts.....MA								
23. Michigan.....MI								
24. Minnesota.....MN								
25. Mississippi.....MS								
26. Missouri.....MO								
27. Montana.....MT								
28. Nebraska.....NE								
29. Nevada.....NV								
30. New Hampshire.....NH								
31. New Jersey.....NJ								
32. New Mexico.....NM								
33. New York.....NY								
34. North Carolina.....NC								
35. North Dakota.....ND								
36. Ohio.....OH								
37. Oklahoma.....OK								
38. Oregon.....OR								
39. Pennsylvania.....PA								
40. Rhode Island.....RI								
41. South Carolina.....SC								
42. South Dakota.....SD								
43. Tennessee.....TN								
44. Texas.....TX								
45. Utah.....UT								
46. Vermont.....VT								
47. Virginia.....VA								
48. Washington.....WA								
49. West Virginia.....WV								
50. Wisconsin.....WI								
51. Wyoming.....WY								
52. American Samoa.....AS								
53. Guam.....GU								
54. Puerto Rico.....PR								
55. US Virgin Islands.....VI								
56. Northern Mariana Islands.....MP								
57. Canada.....CAN								
58. Aggregate Other Alien.....OT	.0	.0	.0	.0	.0	.0	.0	.0
59. Totals.....	.0	.0	.0	.0	.0	.0	.0	.0

**NONE**

DETAILS OF WRITE-INS

58001.....								
58002.....								
58003.....								
58998. Summary of remaining write-ins for Line 58 from overflow page.....	.0	.0	.0	.0	.0	.0	.0	.0
58999. Totals (Lines 58001 thru 58003+ 58998) (Line 58 above).....	.0	.0	.0	.0	.0	.0	.0	.0



Designate the type of health care providers reported on this page.

**SUPPLEMENT "A" TO SCHEDULE T**  
**EXHIBIT OF MEDICAL PROFESSIONAL LIABILITY PREMIUMS WRITTEN**  
**ALLOCATED BY STATES AND TERRITORIES**

Other Health Care Facilities

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama.....AL								
2. Alaska.....AK								
3. Arizona.....AZ								
4. Arkansas.....AR								
5. California.....CA								
6. Colorado.....CO								
7. Connecticut.....CT								
8. Delaware.....DE								
9. District of Columbia.....DC								
10. Florida.....FL								
11. Georgia.....GA								
12. Hawaii.....HI								
13. Idaho.....ID								
14. Illinois.....IL								
15. Indiana.....IN								
16. Iowa.....IA								
17. Kansas.....KS								
18. Kentucky.....KY								
19. Louisiana.....LA								
20. Maine.....ME								
21. Maryland.....MD								
22. Massachusetts.....MA								
23. Michigan.....MI								
24. Minnesota.....MN								
25. Mississippi.....MS								
26. Missouri.....MO								
27. Montana.....MT								
28. Nebraska.....NE								
29. Nevada.....NV								
30. New Hampshire.....NH								
31. New Jersey.....NJ								
32. New Mexico.....NM								
33. New York.....NY					(98,157)	2,350,232	5	110,599
34. North Carolina.....NC								
35. North Dakota.....ND								
36. Ohio.....OH								
37. Oklahoma.....OK								
38. Oregon.....OR								
39. Pennsylvania.....PA								
40. Rhode Island.....RI								
41. South Carolina.....SC								
42. South Dakota.....SD								
43. Tennessee.....TN								
44. Texas.....TX								
45. Utah.....UT								
46. Vermont.....VT								
47. Virginia.....VA								
48. Washington.....WA								
49. West Virginia.....WV								
50. Wisconsin.....WI								
51. Wyoming.....WY								
52. American Samoa.....AS								
53. Guam.....GU								
54. Puerto Rico.....PR								
55. US Virgin Islands.....VI								
56. Northern Mariana Islands.....MP								
57. Canada.....CAN								
58. Aggregate Other Alien.....OT	0	0	0	0	0	0	0	0
59. Totals.....	0	0	0	0	(98,157)	2,350,232	5	110,599

DETAILS OF WRITE-INS

58001.....								
58002.....								
58003.....								
58998. Summary of remaining write-ins for Line 58 from overflow page.....	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 thru 58003+ 58998) (Line 58 above).....	0	0	0	0	0	0	0	0





## DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For the Period Ended March 31, 2016

NAIC Group Code.....93

NAIC Company Code.....12831

Company Name: State National Insurance Company, Inc.

If the reporting entity writes any director and officer (D&O) business, please provide the following:

1. Monoline Policies

1 Direct Written Premiums	2 Direct Earned Premiums	3 Direct Losses Incurred
.....156,953	.....26,953	.....(306,446)

2. Commercial Multiple Peril (CMP) Packaged Policies

- 2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? ..... Yes [ ] No [X]
- 2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? ..... Yes [ ] No [X]
- 2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies:
- 2.31 Amount quantified: ..... \_\_\_\_\_
- 2.32 Amount estimated using reasonable assumptions: ..... \_\_\_\_\_
- 2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverages provided in CMP packaged policies: ..... \_\_\_\_\_