

**QUARTERLY STATEMENT**

**OF THE**

**Stonetrust Commercial Insurance  
Company**

Of

**Omaha**

**In The State Of**

**NEBRASKA**

**To The Insurance Department**

**Of The State Of**

**NEBRASKA**

For the Period Ended  
September 30, 2019

**2019**



# QUARTERLY STATEMENT

As of September 30, 2019  
of the Condition and Affairs of the

## Stonetrust Commercial Insurance Company

NAIC Group Code.....4949, 4949 (Current Period) (Prior Period)	NAIC Company Code..... 11042	Employer's ID Number..... 72-1478054
Organized under the Laws of NE	State of Domicile or Port of Entry NE	Country of Domicile US
Incorporated/Organized..... March 22, 2000	Commenced Business..... July 1, 2000	
Statutory Home Office	13810 FNB Pkwy Suite 102 .. Omaha .. NE .. US .. 68154 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	
Main Administrative Office	5615 Corporate Boulevard, Suite 700 .. Baton Rouge .. LA .. US .. 70808 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	225-201-8000 <i>(Area Code) (Telephone Number)</i>
Mail Address	5615 Corporate Boulevard, Suite 700 .. Baton Rouge .. LA .. US .. 70808 <i>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</i>	
Primary Location of Books and Records	5615 Corporate Boulevard, Suite 700 .. Baton Rouge .. LA .. US .. 70808 <i>(Street and Number) (City or Town, State, Country and Zip Code)</i>	225-201-8000 <i>(Area Code) (Telephone Number)</i>
Internet Web Site Address	www.stonetrustinsurance.com	
Statutory Statement Contact	Cathy Gauthier <i>(Name)</i> cathy.gauthier@stonetrustinsurance.com <i>(E-Mail Address)</i>	225-201-8041 <i>(Area Code) (Telephone Number) (Extension)</i> 225-923-1871 <i>(Fax Number)</i>

### OFFICERS

Name	Title	Name	Title
1. Michael G Dileo	President	2. Michael S. Treigle	Treasurer/CFO
3. Cathy B Gauthier	Assistant Treasurer/Controller	4.	

### OTHER

Melanie Forbes	Secretary	Robert Wolf	Chief Actuary
Chris Neyrey	VP of Underwriting and Marketing		

### DIRECTORS OR TRUSTEES

Francis Chou	David Fluker	Grady Hazel	Lawrence Harr
Michael Dileo			

State of..... Louisiana  
County of..... East Baton Rouge Parish

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) Michael G Dileo 1. (Printed Name) _____ President (Title)	_____ (Signature) Michael S. Treigle 2. (Printed Name) _____ Treasurer/CFO (Title)	_____ (Signature) Cathy B Gauthier 3. (Printed Name) _____ Assistant Treasurer/Controller (Title)
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Subscribed and sworn to before me  
This \_\_\_\_\_ day of \_\_\_\_\_

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

**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.....	46,519,199		46,519,199	55,352,237
2. Stocks:				
2.1 Preferred stocks.....	8,299,559		8,299,559	9,194,139
2.2 Common stocks.....	67,668,521		67,668,521	47,064,978
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).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....38,686,322), cash equivalents (\$.....10,034) and short-term investments (\$.....378,000).....	39,074,356		39,074,356	32,806,465
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	443,600
9. Receivables for securities.....	15,468		15,468	4,852,374
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).....	161,577,103	0	161,577,103	149,713,793
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	742,361		742,361	971,272
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	1,349,493	73,408	1,276,085	1,221,375
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....1,946,330 earned but unbilled premiums).....	16,543,854	213,001	16,330,853	15,703,042
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	
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	1,123,754
18.2 Net deferred tax asset.....			0	177,704
19. Guaranty funds receivable or on deposit.....	140,152		140,152	168,373
20. Electronic data processing equipment and software.....	1,106,523	1,106,523	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.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	1,383,558	517,614	865,944	1,197,036
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	182,843,044	1,910,546	180,932,498	170,276,349
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	182,843,044	1,910,546	180,932,498	170,276,349

**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. Prepaid Expenses.....	427,873	427,873	0	
2502. Receivables from Second Injury Fund.....	865,944		865,944	1,171,010
2503. Funds on Deposit with Nebraska DOI.....			0	10,000
2598. Summary of remaining write-ins for Line 25 from overflow page.....	89,741	89,741	0	16,026
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,383,558	517,614	865,944	1,197,036

Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**LIABILITIES, SURPLUS AND OTHER FUNDS**

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....14,672,469).....	64,568,719	64,598,076
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....	8,964,288	8,503,484
4. Commissions payable, contingent commissions and other similar charges.....	1,312,716	1,501,762
5. Other expenses (excluding taxes, licenses and fees).....	1,256,683	1,778,806
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	4,075,334	4,031,922
7.1 Current federal and foreign income taxes (including \$.....0 on realized capital gains (losses)).....	50,272	
7.2 Net deferred tax liability.....	502,294	
8. Borrowed money \$.....0 and interest thereon \$.....0.....		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$.....0 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).....	20,688,115	19,117,928
10. Advance premium.....	231,537	778,259
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	(136,095)	44,235
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....		
15. Remittances and items not allocated.....	10,332	21,792
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.....	255,367	239,214
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.....	1,266,925	1,385,196
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	103,046,487	102,000,674
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	103,046,487	102,000,674
29. Aggregate write-ins for special surplus funds.....	(519,080)	(610,682)
30. Common capital stock.....	2,500,000	2,500,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....	4,000,000	4,000,000
34. Gross paid in and contributed surplus.....	32,500,000	32,500,000
35. Unassigned funds (surplus).....	39,405,091	29,886,357
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).....	77,886,011	68,275,675
38. Totals (Page 2, Line 28, Col. 3).....	180,932,498	170,276,349

**DETAILS OF WRITE-INS**

2501. ....		
2502. Policyholder Security Deposits.....	1,252,324	1,371,260
2503. Liability on Amounts Due under Loss Portfolio Transfer.....	14,601	13,936
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	1,266,925	1,385,196
2901. Sale/leaseback adjustment for realized loss on sale of real estate.....	(519,080)	(610,682)
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).....	(519,080)	(610,682)
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 for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
<b>UNDERWRITING INCOME</b>			
1. Premiums earned:			
1.1 Direct..... (written \$....35,824,939).....	34,231,793	36,395,811	48,525,527
1.2 Assumed..... (written \$....610,837).....	633,796	681,122	925,150
1.3 Ceded..... (written \$....1,688,654).....	1,688,654	1,819,791	2,424,335
1.4 Net..... (written \$....34,747,122).....	33,176,935	35,257,142	47,026,342
DEDUCTIONS:			
2. Losses incurred (current accident year \$....19,161,146):			
2.1 Direct.....	17,537,121	18,016,433	21,328,850
2.2 Assumed.....	226,319	465,036	558,711
2.3 Ceded.....	1,037,102	1,127,371	920,707
2.4 Net.....	16,726,338	17,354,098	20,966,854
3. Loss adjustment expenses incurred.....	1,783,254	4,214,211	6,527,042
4. Other underwriting expenses incurred.....	10,772,861	13,242,827	17,782,078
5. Aggregate write-ins for underwriting deductions.....	0	0	0
6. Total underwriting deductions (Lines 2 through 5).....	29,282,453	34,811,136	45,275,974
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	3,894,482	446,006	1,750,368
<b>INVESTMENT INCOME</b>			
9. Net investment income earned.....	3,209,894	2,212,187	2,636,747
10. Net realized capital gains (losses) less capital gains tax of \$.....0.....	(304,062)	3,926,216	846,574
11. Net investment gain (loss) (Lines 9 + 10).....	2,905,832	6,138,403	3,483,321
<b>OTHER INCOME</b>			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$....123,990 amount charged off \$....295,262).....	(171,272)	(238,348)	(350,926)
13. Finance and service charges not included in premiums.....	168,711		259,658
14. Aggregate write-ins for miscellaneous income.....	0	195,294	0
15. Total other income (Lines 12 through 14).....	(2,561)	(43,054)	(91,268)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	6,797,753	6,541,355	5,142,421
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).....	6,797,753	6,541,355	5,142,421
19. Federal and foreign income taxes incurred.....	1,674,026	396,486	605,076
20. Net income (Line 18 minus Line 19) (to Line 22).....	5,123,727	6,144,869	4,537,345
<b>CAPITAL AND SURPLUS ACCOUNT</b>			
21. Surplus as regards policyholders, December 31 prior year.....	68,275,675	72,060,094	72,060,094
22. Net income (from Line 20).....	5,123,727	6,144,869	4,537,345
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$....1,057,617.....	3,970,115	(1,488,936)	(8,137,245)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	377,619	(178,159)	(294,409)
27. Change in nonadmitted assets.....	138,875	504,350	720,572
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	(610,682)
38. Change in surplus as regards policyholders (Lines 22 through 37).....	9,610,336	4,982,124	(3,784,419)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	77,886,011	77,042,218	68,275,675
<b>DETAILS OF WRITE-INS</b>			
0501. ....			
0502. ....			
0503. ....			
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	0	0	0
1401. Lines 23 and 29 from 2000 Annual Statement.....			
1402. Other Income.....		195,294	
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	195,294	0
3701. Lines 23 and 29 from 2000 Annual Statement.....			
3702. Sale/leaseback adjustment for realized loss on sale of real estate.....			(610,682)
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	(610,682)

Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**CASH FLOW**

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>CASH FROM OPERATIONS</b>			
1. Premiums collected net of reinsurance.....	33,342,163	35,759,910	47,241,961
2. Net investment income.....	3,492,409	2,050,703	2,490,676
3. Miscellaneous income.....	(2,561)	(43,054)	(91,268)
4. Total (Lines 1 through 3).....	36,832,011	37,767,559	49,641,369
5. Benefit and loss related payments.....	16,755,695	14,087,155	20,478,523
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	12,256,204	17,204,570	21,900,800
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	500,000	1,000,000	1,400,000
10. Total (Lines 5 through 9).....	29,511,899	32,291,725	43,779,323
11. Net cash from operations (Line 4 minus Line 10).....	7,320,112	5,475,834	5,862,046
<b>CASH FROM INVESTMENTS</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	10,048,106	4,634,334	5,182,262
12.2 Stocks.....	2,129,320	13,330,790	30,207,405
12.3 Mortgage loans.....			
12.4 Real estate.....			4,630,692
12.5 Other invested assets.....			
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments.....	(217,037)		
12.7 Miscellaneous proceeds.....	4,836,906		
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	16,797,295	17,965,124	40,020,359
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	1,492,822	10,268,638	14,107,398
13.2 Stocks.....	15,059,321	7,559,263	17,639,907
13.3 Mortgage loans.....			
13.4 Real estate.....		80,622	137,658
13.5 Other invested assets.....	1,122,211		475,743
13.6 Miscellaneous applications.....		10,635	4,845,459
13.7 Total investments acquired (Lines 13.1 to 13.6).....	17,674,354	17,919,158	37,206,165
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).....	(877,059)	45,966	2,814,194
<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).....	(175,162)	362,950	431,288
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	(175,162)	362,950	431,288
<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).....	6,267,891	5,884,750	9,107,528
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	32,806,465	23,698,937	23,698,937
19.2 End of period (Line 18 plus Line 19.1).....	39,074,356	29,583,687	32,806,465

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

20.0001 .....			
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**NOTES TO FINANCIAL STATEMENTS****Note 1 – Summary of Significant Accounting Policies and Going Concern**

## A. Accounting Practices

The accompanying financial statements of Stonetrust Commercial Insurance Company (The Company) are presented on the basis of accounting practices prescribed or permitted by the Nebraska Department of Insurance. The State of Nebraska requires insurance companies domiciled in the State of Nebraska to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) Accounting Practices and Procedures Manual subject to any deviations prescribed or permitted by the Nebraska Department of Insurance.

The Company has no differences between Nebraska prescribed and permitted practices and NAIC SAP at September 30, 2019 or December 31, 2018. Reconciliations of net income and policyholders' surplus between the amounts reported in the accompanying financial statements and NAIC SAP follow:

	SSAP #	F/S Page	F/S Line #	Current Year to Date	2018
<b>NET INCOME</b>					
(1) The Company state basis (Page 4, Line 20, Columns 1 & 3)	XXX	XXX	XXX	\$ 5,123,727	\$ 4,537,345
(2) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(3) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(4) NAIC SAP (1 – 2 – 3 = 4)	XXX	XXX	XXX	\$ 5,123,727	\$ 4,537,345
<b>SURPLUS</b>					
(5) The Company state basis (Page 3, line 37, Columns 1 & 2)	XXX	XXX	XXX	\$ 77,886,011	\$ 68,275,675
(6) State Prescribed Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(7) State Permitted Practice that are an increase/(decrease) from NAIC SAP				\$	\$
(8) NAIC SAP (5 – 6 – 7 = 8)	XXX	XXX	XXX	\$ 77,886,011	\$ 68,275,675

## C. Accounting Policy

## (2) Basis for Bonds, Mandatory Convertible Securities, SVO-Identified Investments and Amortization Method

Investment grade non-loan-backed bonds with NAIC designations of 1 or 2 are stated at amortized value using the interest method. Non-investment grade non-loan-backed bonds with NAIC designations of 3 through 6 are stated at the lower of amortized value or fair value.

## (6) Basis for Loan-Backed Securities and Adjustment Methodology

U.S. government agency loan-backed and structured securities are valued at amortized value. Other loan-backed and structured securities are valued at either amortized value or fair value, depending on many factors including: the type of underlying collateral, whether modeled by NAIC vendor, whether rated (by either NAIC approved rating organization or NAIC Securities Valuation Office), and relationship of amortized value to par value and amortized value to fair value.

## D. Going Concern

Based upon its evaluation of relevant conditions and events, management does not have substantial doubt about the Company's ability to continue as a going concern.

**Note 2 – Accounting Changes and Corrections of Errors**

Not Applicable

**Note 3 – Business Combinations and Goodwill**

Not Applicable

**Note 4 – Discontinued Operations**

Not Applicable

**Note 5 – Investments**

## D. Loan-Backed Securities

## (1) Description of Sources Used to Determine Prepayment Assumptions

Prepayment assumptions for loan backed and structured securities are obtained from Clearwater Analytics.

## (2) Securities with Recognized Other-Than-Temporary Impairment

The Company did not recognize any other-than-temporary impairments on loan-backed securities during the reporting period.

**NOTES TO FINANCIAL STATEMENTS**

## (3) Recognized OTTI securities

The Company did not recognize any other-than-temporary impairments on loan-backed securities during the reporting period.

## (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a. The aggregate amount of unrealized losses:	1. Less than 12 Months	\$	
	2. 12 Months or Longer	\$	56,293
b. The aggregate related fair value of securities with unrealized losses:	1. Less than 12 Months	\$	
	2. 12 Months or Longer	\$	1,155,649

## (5) Information Investor Considered in Reaching Conclusion that Impairments are Not Other-Than-Temporary

All loan-backed and structured securities in an unrealized loss position were reviewed to determine whether other-than-temporary impairments should be recognized. The Company asserts that it has the intent and ability to hold these securities long enough to allow the cost basis of these securities to be recovered. It is possible that the Company could recognize other-than-temporary impairments in the future if events, information and the passage of time cause us to conclude that declines in value are other-than-temporary.

## E. Dollar Repurchase Agreements and/or Securities Lending Transactions

Not Applicable

## F. Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

## G. Reverse Repurchase Agreements Transactions Accounted for as Secured Borrowing

Not Applicable

## H. Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

## I. Reverse Repurchase Agreements Transactions Accounted for as a Sale

Not Applicable

## M. Working Capital Finance Investments

Not Applicable

## N. Offsetting and Netting of Assets and Liabilities

Not Applicable

**Note 6 – Joint Ventures, Partnerships and Limited Liability Companies**

Not Applicable

**Note 7 – Investment Income**

No significant changes

**Note 8 – Derivative Instruments**

## H. Total Premium Costs for Contracts

None

**Note 9 – Income Taxes**

No significant changes

**Note 10 – Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties**

No significant changes

**Note 11 – Debt**

Not Applicable

**Note 12 – Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**

## A. Defined Benefit Plan



**NOTES TO FINANCIAL STATEMENTS**

- (4) Components of Net Periodic Benefit Cost

Not Applicable

**Note 13 – Capital and Surplus, Shareholder's Dividend Restrictions and Quasi-Reorganizations**

No significant changes

**Note 14 – Liabilities, Contingencies and Assessments**

No significant changes

**Note 15 – Leases**

No significant changes

**Note 16 – Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentrations of Credit Risk**

No significant changes

**Note 17 – Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**

## B. Transfer and Servicing of Financial Assets

- (2) Servicing Assets and Servicing Liabilities

Not Applicable

- (4) Securitizations, Asset-Based Financing Arrangements and Similar Transfers Accounted for as Sales

Not Applicable

## C. Wash Sales

Not Applicable

**Note 18 – Gain or Loss to the Reporting Entity from Uninsured Plans and the Portion of Partially Insured Plans**

Not Applicable

**Note 19 – Direct Premium Written/Produced by Managing General Agents/Third Party Administrators**

Not Applicable

**Note 20 – Fair Value Measurements**

## A. Fair Value Measurements

- (1) Fair Value Measurements at Reporting Date

The Company has categorized its assets and liabilities that are reported on the balance sheet at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The three levels are defined as follows.

Level 1 - Quoted Prices in Active Markets for Identical Assets and Liabilities: This category, for items measured at fair value on a recurring basis, includes exchange-traded common and preferred stocks and money market mutual funds. The estimated fair value of the equity securities within this category are based on quoted prices in active markets and are thus classified as Level 1.

Level 2 - Significant Other Observable Inputs: This category, for items measured at fair value on a recurring basis, includes bonds and common stocks of a non-publicly traded entity. The estimated fair value of items included in Level 2 were determined by independent pricing services using observable inputs and other means as necessary to be included in Level 2 category.

Level 3 - Significant Unobservable Inputs: The Company has no assets or liabilities measured and reported at fair value in this category.

Description for Each Type of Asset or Liability	Level 1	Level 2	Level 3	Net Asset Value (NAV)	Total
Assets at Fair Value					
Bonds	\$	\$ 5,173,381	\$	\$	\$ 5,173,381
Preferred Stocks	\$ 4,376,336	\$	\$	\$	\$ 4,376,336
Common Stocks	\$ 65,870,457	\$ 1,269,000	\$	\$ 529,064	\$ 67,668,521
Short Term Investments	\$	\$ 378,000	\$	\$	\$ 378,000
Cash Equivalents	\$ 10,034	\$	\$	\$	\$ 10,034
Total	\$ 70,256,827	\$ 6,820,381	\$	\$ 529,064	\$ 77,606,272
Liabilities at Fair Value					
	\$	\$	\$	\$	\$
Total	\$	\$	\$	\$	\$

At the end of each reporting period, the Company evaluates whether or not any event has occurred that would cause an instrument to be transferred between levels 1, 2 and 3. During 2019, there were no transfers between levels.

- (2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy

**NOTES TO FINANCIAL STATEMENTS**

The Company has no assets or liabilities measured at fair value in the Level 3 category.

## (3) Policies when Transfers Between Levels are Recognized

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. There were no transfers required during the year.

## (4) Description of Valuation Techniques and Inputs Used in Fair Value Measurement

The Company has bonds measured at fair value in the Level 2 category. Bonds carried at fair value categorized as Level 2 were valued by independent pricing services using a market approach. The market approach uses prices and other relevant information generated by market transactions involving identical or comparable assets. The pricing services incorporate a variety of information observable in the market in its valuation techniques, including reported trade prices, benchmark yields, broker-dealer prices, credit information and other relevant data. The pricing services provide quoted market prices when available. When sufficient information is not available from the pricing services, the market pricing is obtained from the custodian of the asset.

Common stocks carried at fair value categorized as Level 2 were valued by independent pricing services using observable inputs and other means necessary to determine the reported fair value.

## (5) Fair Value Disclosures

Not Applicable

## B. Fair Value Reporting under SSAP 100 and Other Accounting Pronouncements

None

## C. Fair Value Level

The table below reflects the fair and admitted values of all admitted assets and liabilities that are financial instruments. The fair values are categorized into the three-level value hierarchy as described in Note 20A.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Net Asset Value (NAV)	Not Practicable (Carrying Value)
Bonds	\$ 47,824,075	\$ 46,519,199	\$	\$ 47,824,075	\$	\$	\$
Preferred Stocks	\$ 8,501,536	\$ 8,299,559	\$ 8,501,536	\$	\$	\$	\$
Common Stocks Unaffiliated	\$ 62,177,061	\$ 62,177,061	\$ 60,378,997	\$ 1,269,000	\$	\$ 529,064	\$
Common Stocks Affiliated	\$	\$ 5,491,460	\$	\$	\$	\$	\$ 5,491,460
Cash, Cash Equivalents and Short Term Investments	\$ 39,074,356	\$ 39,074,356	\$ 38,696,356	\$ 378,000	\$	\$	\$

## D. Not Practicable to Estimate Fair Value

The Company's investment in its wholly-owned insurance company subsidiary, shown in 20C above as an affiliated common stock, is recorded on the balance sheet at statutory net book value. The investment is not publicly traded and has no readily determinable fair value. Accordingly, the investment is shown as not practicable to estimate the fair value column in 20C above.

## E. NAV Practical Expedient Investments

**Note 21 – Other Items**

No significant changes

**Note 22 – Events Subsequent**

There were no events occurring subsequent to the year end that merited recognition or disclosure in these statements.

**Note 23 – Reinsurance**

No significant changes

**Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination**

Not Applicable

**Note 25 – Change in Incurred Losses and Loss Adjustment Expenses**

## A. Change in Incurred Losses and Loss Adjustment Expenses

Current year changes in estimates of the costs of prior year losses and loss adjustment expenses (LAE) affect the current year Statement of Income. Increases in those estimates increase current year expense and are referred to as unfavorable development or prior year reserve shortages. Decreases in those estimates decrease current year expense and are referred to as favorable development or prior year reserve redundancies. Current year losses and LAE reflected on the Statement of Income decreased by \$2,732,038 due to favorable development of prior year estimates. Increases or decreases of this nature occur as the result of claim settlements and receipt and evaluation of additional information regarding unpaid claims. Recent development trends are also taken into account in evaluating the overall adequacy of reserves.

## B. Information about Significant Changes in Methodologies and Assumptions

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## NOTES TO FINANCIAL STATEMENTS

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None

**Note 26 – Intercompany Pooling Arrangements**

Not Applicable

**Note 27 – Structured Settlements**

No significant changes

**Note 28 – Health Care Receivables**

Not Applicable

**Note 29 – Participating Policies**

Not Applicable

**Note 30 – Premium Deficiency Reserves**

Not Applicable

**Note 31 – High Deductibles**

Not Applicable

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

Not Applicable

**Note 33 – Asbestos/Environmental Reserves**

Not Applicable

**Note 34 – Subscriber Savings Accounts**

Not Applicable

**Note 35 – Multiple Peril Crop Insurance**

Not Applicable

**Note 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 [X] No [ ]
- 2.2 If yes, date of change: 05/07/2019

- 3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? If yes, complete Schedule Y, Parts 1 and 1A. Yes [X] No [ ]
- 3.2 Have there been any substantial changes in the organizational chart since the prior quarter end? Yes [ ] No [X]
- 3.3 If the response to 3.2 is yes, provide a brief description of those changes.

- 3.4 Is the reporting entity publicly traded or a member of a publicly traded group? Yes [ ] No [X]
- 3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group.
- 4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period. 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. 12/31/2016
- 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. 12/31/2016
- 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). 05/02/2018

- 6.4 By what department or departments?  
Nebraska 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).

## GENERAL INTERROGATORIES

### PART 1 - COMMON INTERROGATORIES

#### FINANCIAL

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

#### INVESTMENT

- 11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [ ] No [ X ]
- 11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0
13. Amount of real estate and mortgages held in short-term investments: \$ 0
- 14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [ X ] No [ ]

14.2 If yes, please complete the following:

	1 Prior Year End Book/Adjusted Carrying Value	2 Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ 0	\$ 0
14.22 Preferred Stock	0	0
14.23 Common Stock	0	5,491,460
14.24 Short-Term Investments	0	0
14.25 Mortgage Loans on Real Estate	0	0
14.26 All Other	0	0
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ 0	\$ 5,491,460
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ 0	\$ 0

- 15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [ X ] No [ ]
- 15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [ X ] 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 [ X ] No [ ]

17.1 For all agreements that comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, complete the following:

1 Name of Custodian(s)	2 Custodian Address
Stifel, Nicolaus & Company Inc	501 North Broadway St Louis, MO 63102

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 [ X ]

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

1 Name of Firm or Individual	2 Affiliation
Chou Associates Management Inc/Francis Chou	A

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

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

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

1 Central Registration Depository Number	2 Name of Firm or Individual	3 Legal Entity Identifier (LEI)	4 Registered With	5 Investment Management Agreement (IMA) Filed
	Chou Associates Management Inc/Francis Chou		The corporation number is 663506 and is registered with Ontario Securities Commission	DS

- 18.1 Have all the filing requirements of the *Purposes and Procedures Manual of the NAIC Investment Analysis Office* been followed? Yes [ X ] No [ ]

18.2 If no, list exceptions:

## **GENERAL INTERROGATORIES**

### **PART 1 - COMMON INTERROGATORIES**

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:
- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
  - b. Issuer or obligor is current on all contracted interest and principal payments.
  - c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.
- Has the reporting entity self-designated 5GI securities? Yes [ ] No [X]
20. By self-designating PLGI securities, the reporting entity is certifying the following elements for each self-designated PLGI security:
- a. The security was purchased prior to January 1, 2018.
  - b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
  - c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
  - d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.
- Has the reporting entity self-designated PLGI securities? Yes [ ] No [X]

Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**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 [ ] N/A [X]  
 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
Total	XXX	XXX	0	0	0	0	0	0	0	0

5. Operating Percentages:

5.1 A&H loss percent 0.000%

5.2 A&H cost containment percent 0.000%

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

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes [X] No [ ]

7.1 If no, does the reporting entity assume reinsurance business that covers risks residing in at least one state other than the state of domicile of the reporting entity? Yes [ ] No [ ]

**SCHEDULE F - CEDED REINSURANCE**

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
<b>U.S. Insurers</b>						
00057.....	13-3031176.....	Partner Reinsurance Company of the US.....	NY.....	Authorized.....	.....	.....
09229.....	95-2769232.....	Insurance Company of the West.....	CA.....	Authorized.....	.....	.....



# Stonetrust Commercial Insurance Company

## SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status (a)	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama.....	AL.....L						
2. Alaska.....	AK.....L						
3. Arizona.....	AZ.....L						
4. Arkansas.....	AR.....L	3,946,596	4,693,853	1,179,727	1,271,290	8,166,123	8,271,096
5. California.....	CA.....N						
6. Colorado.....	CO.....N						
7. Connecticut.....	CT.....N						
8. Delaware.....	DE.....L						
9. District of Columbia.....	DC.....N						
10. Florida.....	FL.....N						
11. Georgia.....	GA.....L						
12. Hawaii.....	HI.....L						
13. Idaho.....	ID.....N						
14. Illinois.....	IL.....N						
15. Indiana.....	IN.....L						
16. Iowa.....	IA.....L						
17. Kansas.....	KS.....L						
18. Kentucky.....	KY.....L						
19. Louisiana.....	LA.....L	17,552,476	18,399,934	6,556,192	5,871,359	28,468,176	28,849,251
20. Maine.....	ME.....N						
21. Maryland.....	MD.....L						
22. Massachusetts.....	MA.....N						
23. Michigan.....	MI.....N						
24. Minnesota.....	MN.....N						
25. Mississippi.....	MS.....L	4,077,630	4,251,580	1,748,942	2,586,096	11,009,404	12,958,707
26. Missouri.....	MO.....L	292,297	84,262	4,579		23,381	4,512
27. Montana.....	MT.....L						
28. Nebraska.....	NE.....L	1,754,727	1,187,484	333,483	13,766	1,392,848	206,070
29. Nevada.....	NV.....L						
30. New Hampshire.....	NH.....N						
31. New Jersey.....	NJ.....N						
32. New Mexico.....	NM.....N						
33. New York.....	NY.....N						
34. North Carolina.....	NC.....L						
35. North Dakota.....	ND.....L						
36. Ohio.....	OH.....N						
37. Oklahoma.....	OK.....L	7,593,469	10,016,968	5,032,502	4,065,143	18,030,832	18,871,940
38. Oregon.....	OR.....N						
39. Pennsylvania.....	PA.....N						
40. Rhode Island.....	RI.....N						
41. South Carolina.....	SC.....L						
42. South Dakota.....	SD.....L						
43. Tennessee.....	TN.....L	336,081	119,089	12,017		45,138	9,389
44. Texas.....	TX.....L	271,663	275,389	38,153	34,646	583,436	527,550
45. Utah.....	UT.....L						
46. Vermont.....	VT.....N						
47. Virginia.....	VA.....N						
48. Washington.....	WA.....N						
49. West Virginia.....	WV.....L						
50. Wisconsin.....	WI.....N						
51. Wyoming.....	WY.....L						
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.....	...XXX	35,824,939	39,028,559	14,905,595	13,842,300	67,719,338	69,698,515

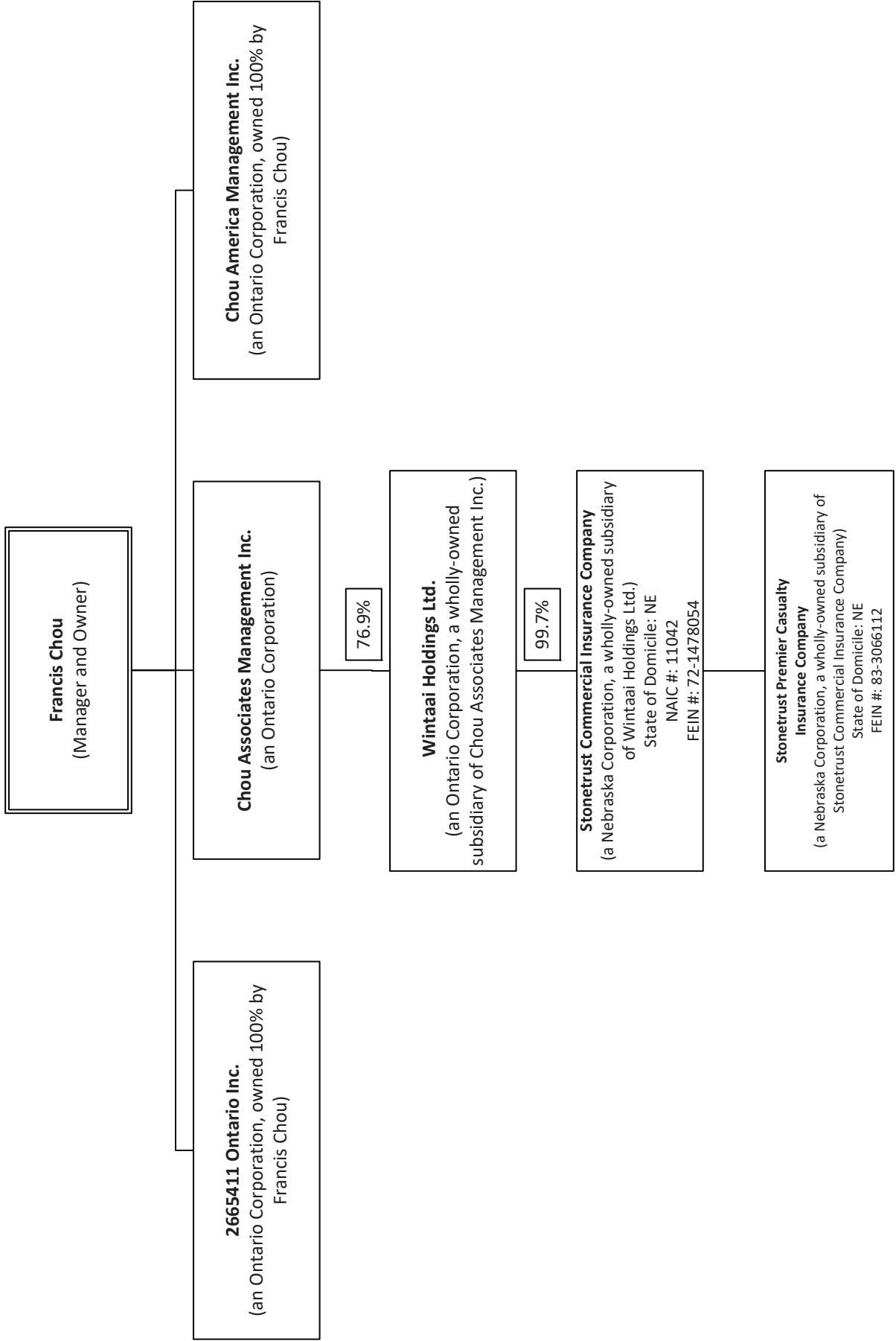
**DETAILS OF WRITE-INS**

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

(a) Active Status Count

L - Licensed or Chartered - Licensed insurance carrier or domiciled RRG.....	28	R - Registered - Non-domiciled RRGs.....	0
E - Eligible - Reporting entities eligible or approved to write surplus lines in the state (other than their state of domicile - See DSLI).....	0	Q - Qualified - Qualified or accredited reinsurer.....	0
D - Domestic Surplus Lines Insurer (DSLI) - Reporting entities authorized to write surplus lines in the state of domicile.....	0	N - None of the above - Not allowed to write business in the state.....	29

**SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP  
PART 1 – ORGANIZATIONAL CHART**



# Stonetrust Commercial Insurance Company

## SCHEDULE Y

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries or Affiliates	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)	Is an SCA Filing Required? (Y/N)	*
<b>Members</b>															
							Chou America Management Inc.....	CAN.....	NIA.....	Francis Chou.....	Ownership.....	...100.000	Francis Chou.....	....N.....	
							2665411 Ontario Inc.....	CAN.....	NIA.....	Francis Chou.....	Ownership.....	...100.000	Francis Chou.....	....N.....	
							Chou Associates Management Inc.....	CAN.....	UIP.....	Francis Chou.....	Ownership.....	...100.000	Francis Chou.....	....N.....	
							Wintai Holdings Ltd.....	CAN.....	UDP.....	Chou Associates Management Inc.....	Ownership.....	...76.900	Francis Chou.....	....N.....	
4949		11042...	72-1478054..				Stonetrust Commercial Insurance Company.....	NE.....	RE.....	Wintai Holdings Ltd.....	Ownership.....	...99.710	Francis Chou.....	....N.....	
4949		16577...	83-3066112..				Stonetrust Premier Casualty Insurance Company	NE.....	DS.....	Stonetrust Commercial Insurance Company....	Ownership.....	...100.000	Francis Chou.....	....N.....	

# Stonetrust Commercial Insurance Company

## 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.....			0.000	
2. Allied lines.....			0.000	
3. Farmowners multiple peril.....			0.000	
4. Homeowners multiple peril.....			0.000	
5. Commercial multiple peril.....			0.000	
6. Mortgage guaranty.....			0.000	
8. Ocean marine.....			0.000	
9. Inland marine.....			0.000	
10. Financial guaranty.....			0.000	
11.1. Medical professional liability - occurrence.....			0.000	
11.2. Medical professional liability - claims-made.....			0.000	
12. Earthquake.....			0.000	
13. Group accident and health.....			0.000	
14. Credit accident and health.....			0.000	
15. Other accident and health.....			0.000	
16. Workers' compensation.....	34,231,793	17,537,121	51.231	49.501
17.1 Other liability-occurrence.....			0.000	
17.2 Other liability-claims made.....			0.000	
17.3 Excess workers' compensation.....			0.000	
18.1 Products liability-occurrence.....			0.000	
18.2 Products liability-claims made.....			0.000	
19.1, 19.2 Private passenger auto liability.....			0.000	
19.3, 19.4 Commercial auto liability.....			0.000	
21. Auto physical damage.....			0.000	
22. Aircraft (all perils).....			0.000	
23. Fidelity.....			0.000	
24. Surety.....			0.000	
26. Burglary and theft.....			0.000	
27. Boiler and machinery.....			0.000	
28. Credit.....			0.000	
29. International.....			0.000	
30. Warranty.....			0.000	
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	0.000	
35. Totals.....	34,231,793	17,537,121	51.231	49.501
<b>DETAILS OF WRITE-INS</b>				
3401.....			0.000	
3402.....			0.000	
3403.....			0.000	
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	0.000	XXX
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	0.000	

## PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....	11,389,971	35,824,939	39,028,559
17.1 Other liability-occurrence.....			
17.2 Other liability-claims made.....			
17.3 Excess workers' compensation.....			
18.1 Products liability-occurrence.....			
18.2 Products liability-claims made.....			
19.1 19.2 Private passenger auto liability.....			
19.3 19.4 Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....			
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
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.....	11,389,971	35,824,939	39,028,559
<b>DETAILS OF WRITE-INS</b>			
3401.....			
3402.....			
3403.....			
3498. Sum. of remaining write-ins for Line 34 from overflow page.....	.0	.0	.0
3499. Totals (Lines 3401 thru 3403 plus 3498) (Line 34).....	.0	.0	.0

**Stonetrust Commercial Insurance Company**

**PART 3 (000 omitted)**

**LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE**

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2019 Loss and LAE Payments on Claims Reported as of Prior Year-End	2019 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2019 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. 2016 + Prior.....	9,764	25,339	35,103	4,208		4,208	5,367	8	23,152	28,527	(189)	(2,179)	(2,368)
2. 2017.....	5,510	9,814	15,324	2,696	59	2,755	3,121	5	9,369	12,495	307	(381)	(74)
3. Subtotals 2017 + Prior.....	15,274	35,153	50,427	6,904	59	6,963	8,488	13	32,521	41,022	118	(2,560)	(2,442)
4. 2018.....	10,914	11,760	22,674	6,600	426	7,026	5,237	351	9,770	15,358	923	(1,213)	(290)
5. Subtotals 2018 + Prior.....	26,188	46,913	73,101	13,504	485	13,989	13,725	364	42,291	56,380	1,041	(3,773)	(2,732)
6. 2019.....	XXX	XXX	XXX	XXX	4,088	4,088	XXX	8,558	8,595	17,153	XXX	XXX	XXX
7. Totals.....	26,188	46,913	73,101	13,504	4,573	18,077	13,725	8,922	50,886	73,533	1,041	(3,773)	(2,732)
8. Prior Year-End's Surplus As Regards Policyholders	68,276												
											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. ....4.0%	2. ....(8.0)%	3. ....(3.7)%
													Col. 13, Line 7 Line 8
													4. ....(4.0)%

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Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**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.

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

**Explanation:**

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

**Bar Code:**



# Stonetrust Commercial Insurance Company Overflow Page for Write-Ins

**Additional Write-ins for Assets:**

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Miscellaneous.....			0	16,026
2505. Funds on deposit with NCCI.....	89,741	89,741	0	
2597. Summary of remaining write-ins for Line 25.....	89,741	89,741	0	16,026

Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**SCHEDULE A - VERIFICATION**

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	5,255,381
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		
2.2 Additional investment made after acquisition.....		137,658
3. Current year change in encumbrances.....		
4. Total gain (loss) on disposals.....		(610,682)
5. Deduct amounts received on disposals.....		4,630,692
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.....		151,665
9. Book/adjusted carrying value at end of current period (Lines 1+2+3+4-5+6-7-8).....	0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	0	0

**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.....	475,743	
2. Cost of acquired:		
2.1 Actual cost at time of acquisition.....		475,743
2.2 Additional investment made after acquisition.....	1,122,211	
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.....	1,269,000	
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.....	328,954	
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10).....	0	475,743
12. Deduct total nonadmitted amounts.....		32,143
13. Statement value at end of current period (Line 11 minus Line 12).....	0	443,600

**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.....	111,611,354	124,850,515
2. Cost of bonds and stocks acquired.....	17,821,143	31,747,305
3. Accrual of discount.....	143,622	113,565
4. Unrealized valuation increase (decrease).....	5,244,767	(10,300,310)
5. Total gain (loss) on disposals.....	24,892	1,152,570
6. Deduct consideration for bonds and stocks disposed of.....	12,326,496	35,498,518
7. Deduct amortization of premium.....	181,073	402,926
8. Total foreign exchange change in book/adjusted carrying value.....		
9. Deduct current year's other-than-temporary impairment recognized.....		159,698
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees.....	149,070	108,851
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7+8-9+10).....	122,487,279	111,611,354
12. Deduct total nonadmitted amounts.....		
13. Statement value at end of current period (Line 11 minus Line 12).....	122,487,279	111,611,354



**SCHEDULE D - PART 1B**

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	6,435,849	398,317	379,213	(14,873)	7,390,116	6,435,849	6,440,080	7,834,005
2. NAIC 2 (a).....	23,522,176		3,002,596	(15,849)	23,538,109	23,522,176	20,503,731	23,553,673
3. NAIC 3 (a).....	9,036,433	1,094,505		(28,340)	9,044,333	9,036,433	10,102,598	11,146,213
4. NAIC 4 (a).....	11,014,417		1,005,600	(2,231,552)	12,260,431	11,014,417	7,777,265	11,674,596
5. NAIC 5 (a).....	1,080,000			993,525	1,155,000	1,080,000	2,073,525	1,143,750
6. NAIC 6 (a).....							0	
7. Total Bonds.....	51,088,875	1,492,822	4,387,409	(1,297,089)	53,387,989	51,088,875	46,897,199	55,352,237
<b>PREFERRED STOCK</b>								
8. NAIC 1.....							0	
9. NAIC 2.....	6,375,919		474,301	(9,458)	6,374,148	6,375,919	5,892,160	6,213,086
10. NAIC 3.....							0	416,888
11. NAIC 4.....	489,266				489,266	489,266	489,266	489,266
12. NAIC 5.....	2,112,359		194,796	570	2,112,718	2,112,359	1,918,133	2,074,899
13. NAIC 6.....							0	
14. Total Preferred Stock.....	8,977,544	0	669,097	(8,888)	8,976,132	8,977,544	8,299,559	9,194,139
15. Total Bonds and Preferred Stock.....	60,066,419	1,492,822	5,056,506	(1,305,977)	62,364,121	60,066,419	55,196,758	64,546,376

QS102

(a) Book/Adjusted Carrying Value column for the end of the current reporting period includes the following amount of short-term and cash equivalent bonds by NAIC designation:  
NAIC 1 \$.....0; NAIC 2 \$.....0; NAIC 3 \$.....0; NAIC 4 \$.....0; NAIC 5 \$.....378,000; 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.....	.....378,000	.....XXX.....	.....591,755	.....	.....2,925

**SCHEDULE DA - VERIFICATION**

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.....0	.....
2. Cost of short-term investments acquired.....	.....591,755	.....
3. Accrual of discount.....	.....3,282	.....
4. Unrealized valuation increase (decrease).....	.....(217,037)	.....
5. Total gain (loss) on disposals.....	.....	.....
6. Deduct consideration received on disposals.....	.....	.....
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).....	.....378,000	.....0
11. Deduct total nonadmitted amounts.....	.....	.....
12. Statement value at end of current period (Line 10 minus Line 11).....	.....378,000	.....0

**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**

Statement for September 30, 2019 of the **Stonetrust Commercial Insurance Company**  
**SCHEDULE DB - VERIFICATION**

Verification of Book/Adjusted Carrying Value, Fair Value and Potential Exposure of all Open Derivative Contracts

Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14.....	_____	
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance.....	_____	
3. Total (Line 1 plus Line 2).....	_____	0
4. Part D, Section 1, Column 5.....	_____	
5. Part D, Section 1, Column 6.....	_____	
6. Total (Line 3 minus Line 4 minus Line 5).....	_____	0

Fair Value Check

7. Part A, Section 1, Column 16.....	(51,034)	
8. Part B, Section 1, Column 13.....	_____	
9. Total (Line 7 plus Line 8).....	_____	(51,034)
10. Part D, Section 1, Column 8.....	_____	
11. Part D, Section 1, Column 9.....	(51,034)	
12. Total (Line 9 minus Line 10 minus Line 11).....	_____	0

Potential Exposure Check

13. Part A, Section 1, Column 21.....	28,012	
14. Part B, Section 1, Column 20.....	_____	
15. Part D, Section 1, Column 11.....	28,012	
16. Total (Line 13 plus Line 14 minus Line 15).....	_____	0

**Stonetrust Commercial Insurance Company**  
**SCHEDULE E - PART 2 - VERIFICATION**

Cash Equivalents

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	10,047	1,793
2. Cost of cash equivalents acquired.....	5,365	333,027
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	5,378	324,773
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).....	10,034	10,047
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	10,034	10,047

**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**

**QE01, QE02, QE03**

**SCHEDULE D - PART 3**

Showing all Long-Term Bonds and Stocks ACQUIRED During Current Quarter

1	2	3	4	5	6	7	8	9	10
CUSIP Identification	Description	Foreign	Date Acquired	Name of Vendor	Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation and Administrative Symbol/Market Indicator (a)
<b>Bonds - U.S. Government</b>									
912828 7A 2	UNITED STATES TREASURY		07/17/2019	Virtu Americas LLC		398,317	400,000	318	1
0599999	Total - Bonds - U.S. Government					398,317	400,000	318	XXX
<b>Bonds - Industrial and Miscellaneous</b>									
36467W AB 5	GAMESTOP CORP		08/29/2019	Virtu Americas LLC		1,094,505	1,100,000	33,825	3FE
3899999	Total - Bonds - Industrial and Miscellaneous					1,094,505	1,100,000	33,825	XXX
8399997	Total - Bonds - Part 3					1,492,822	1,500,000	34,143	XXX
8399999	Total - Bonds					1,492,822	1,500,000	34,143	XXX
9999999	Total - Bonds, Preferred and Common Stocks					1,492,822	XXX	34,143	XXX

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

QE04

**SCHEDULE D - PART 4**

Showing all Long-Term Bonds and Stocks SOLD, REDEEMED or Otherwise DISPOSED OF During 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	F o r e i g n	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 and Administrative Symbol/Market Indicator (a)
<b>Bonds - U.S. Government</b>																					
36202D	X7 1		09/01/2019	Paydown		980	980	1,009	1,006		(26)		(26)		980			0	33	06/20/2033	1
83164L	UC 3		09/01/2019	Paydown		54,553	54,553	59,259	61,551		(6,998)		(6,998)		54,553			0	1,443	11/25/2039	1
83164L	UT 6		09/01/2019	Paydown		19,567	19,567	21,169	21,926		(2,358)		(2,358)		19,567			0	575	12/25/2039	1
83165A	N6 7		09/01/2019	Paydown		1,019	1,019	1,111	1,115		(96)		(96)		1,019			0	31	12/25/2038	1
912828	WS 5		08/15/2019	Maturity @ 100.00									0					0	4,875	06/30/2019	1
0599999	Total - Bonds - U.S. Government					76,119	76,119	82,548	85,598	0	(9,478)	0	(9,478)	0	76,119	0	0	0	6,957	XXX	XXX
<b>Bonds - U.S. Special Revenue and Special Assessment</b>																					
31288H	6W 5		09/01/2019	Paydown		59	59	61	63		(4)		(4)		59			0	2	05/01/2033	1
31288J	Y6 7		09/01/2019	Paydown		229	229	234	233		(4)		(4)		229			0	7	04/01/2033	1
31292H	YA 6		09/01/2019	Paydown		823	823	828	829		(6)		(6)		823			0	24	07/01/2033	1
3138L6	L9 7		09/01/2019	Paydown		1,983	1,983	1,983	1,983				0		1,983			0	37	06/01/2024	1
546458	CK 4		09/03/2019	Maturity @ 100.00		200,000	200,000	215,088	201,053		(1,053)		(1,053)		200,000			0	10,000	09/01/2019	1FE
61107M	CX 1		09/30/2019	Call @ 100.00		100,000	100,000	103,824	100,000				0		100,000			0	5,403	03/01/2025	1FE
3199999	Total - Bonds - U.S. Special Revenue and Special Assessments					303,094	303,094	322,018	304,161	0	(1,067)	0	(1,067)	0	303,094	0	0	0	15,473	XXX	XXX
<b>Bonds - Industrial and Miscellaneous</b>																					
18451Q	AM 0		09/04/2019	Call @ 102.17		1,021,670	1,000,000	1,010,005	1,000,000	6,647	(1,047)		5,600		1,005,600		16,070	16,070	52,181	11/15/2022	4FE
81180W	AH 4		09/18/2019	Tender Call		3,104,268	2,969,000	3,016,982	3,008,470		(5,874)		(5,874)		3,002,596		12,602	12,602	171,565	06/01/2023	2FE
3899999	Total - Bonds - Industrial and Miscellaneous					4,125,938	3,969,000	4,026,987	4,008,470	6,647	(6,921)	0	(274)	0	4,008,196	0	28,672	28,672	223,746	XXX	XXX
8399997	Total - Bonds - Part 4					4,505,151	4,348,213	4,431,553	4,398,229	6,647	(17,466)	0	(10,819)	0	4,387,409	0	28,672	28,672	246,176	XXX	XXX
8399999	Total - Bonds					4,505,151	4,348,213	4,431,553	4,398,229	6,647	(17,466)	0	(10,819)	0	4,387,409	0	28,672	28,672	246,176	XXX	XXX
<b>Preferred Stocks - Industrial and Miscellaneous</b>																					
035710	70 6		08/01/2019	Call @ 25.00		7,778,000	194,450	194,796	194,226	571			571		194,796		(346)	(346)	8,237	XXX	P5L
481246	70 0		09/03/2019	Call @ 25.00		18,367,000	459,175	474,301	465,971	8,330			8,330		474,301		(15,126)	(15,126)	21,696	XXX	P2FEL
8499999	Total - Preferred Stocks - Industrial and Miscellaneous					653,625	XXX	669,097	660,197	8,901	0	0	8,901	0	669,097	0	(15,472)	(15,472)	29,933	XXX	XXX
8999997	Total - Preferred Stocks - Part 4					653,625	XXX	669,097	660,197	8,901	0	0	8,901	0	669,097	0	(15,472)	(15,472)	29,933	XXX	XXX
8999999	Total - Preferred Stocks					653,625	XXX	669,097	660,197	8,901	0	0	8,901	0	669,097	0	(15,472)	(15,472)	29,933	XXX	XXX
9899999	Total - Preferred and Common Stocks					653,625	XXX	669,097	660,197	8,901	0	0	8,901	0	669,097	0	(15,472)	(15,472)	29,933	XXX	XXX
9999999	Total - Bonds, Preferred and Common Stocks					5,158,776	XXX	5,100,650	5,058,426	15,548	(17,466)	0	(1,918)	0	5,056,506	0	13,200	13,200	276,109	XXX	XXX

QE05

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



**SCHEDULE DB - PART A - SECTION 1**

Showing all Options, Caps, Floors, Collars, Swaps and Forwards Open as of Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Cumulative Prior Year(s) Initial Cost of Undiscounted Premium (Received) Paid	Current Year Initial Cost of Undiscounted Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	C o d e	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Hedge Effectiveness at Inception and at Year-end (b)
<b>Swaps - Hedging Effective - Interest Rate</b>																						
Interest Rate Swap.....	Surplus Note Interest.....	N/A.....	Interest	First Tennessee... COOWI3L2W9TPYR3WJX37..	11/21/2011	09/15/2021	1	4,000,000	3Mth L+4/6.36			7,315			(51,034)					28,012		100/100
0859999999. Total-Swaps-Hedging Effective-Interest Rate.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX
0909999999. Total-Swaps-Hedging Effective.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX
1159999999. Total-Swaps-Interest Rate.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX
1209999999. Total-Swaps.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX
1399999999. Total-Hedging Effective.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX
1449999999. TOTAL.....												7,315	0	XX	(51,034)	0	0	0	0	28,012	XXX	XXX

QE06

**SCHEDULE DB - PART B - SECTION 1**

Futures Contracts Open as of the Current Statement Date

1	2	3	4	5	6	7	8	9	10	11	12	13	14	Highly Effective Hedges			18	19	20	21	22
														15	16	17					
Ticker Symbol	Number of Contracts	Notional Amount	Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Date of Maturity or Expiration	Exchange	Trade Date	Transaction Price	Reporting Date Price	Fair Value	Book/Adjusted Carrying Value	Cumulative Variation Margin	Deferred Variation Margin	Change in Variation Margin Gain (Loss) Used to Adjust Basis of Hedged Item	Cumulative Variation Margin for All Other Hedges	Change in Variation Margin Gain (Loss) Recognized in Current Year	Potential Exposure	Hedge Effectiveness at Inception and at Year-end (b)	Value of One (1) Point

**NONE**

QE07

**SCHEDULE DB - PART D - SECTION 1**

Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts with Book/Adjusted Carrying Value > 0	6 Contracts with Book/Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts with Fair Value > 0	9 Contracts with Fair Value < 0	10 Exposure Net of Collateral		
<b>NAIC 2 Designation</b>											
First Tennessee Bank..... COOWI3L2W9TPYR3WJX37	Y.....	Y.....				.....0		.....(51,034)	.....0	.....28,012	.....28,012
0399999999. Total NAIC 2 Designation.....			.....0	.....0	.....0	.....0	.....0	.....(51,034)	.....0	.....28,012	.....28,012
0999999999. Gross Totals.....			.....0	.....0	.....0	.....0	.....0	.....(51,034)	.....0	.....28,012	.....28,012
1. Offset per SSAP No. 64.....											
2. Net after right of offset per SSAP No. 64.....						.....0					.....0

QE08

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

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

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

**QE09, QE10, QE11**

**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>								
HANCOCK WHITNEY BANK.....	BATON ROUGE, LA.....				.....14,349,618	.....15,845,835	.....16,228,236	XXX
STIFEL NICOLAUS & COMPANY.....	DALLAS, TX.....				.....17,238,568	.....16,470,154	.....22,456,086	XXX
US BANK.....	WILMINGTON, DE.....				.....2,000	.....2,000	.....2,000	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....31,590,186	.....32,317,989	.....38,686,322	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....31,590,186	.....32,317,989	.....38,686,322	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....31,590,186	.....32,317,989	.....38,686,322	XXX

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

Show Investments Owned End of Current Quarter

1 CUSIP	2 Description	3 Code	4 Date Acquired	5 Rate of Interest	6 Maturity Date	7 Book/Adjusted Carrying Value	8 Amount of Interest Due & Accrued	9 Amount Received During Year
<b>Exempt Money Market Mutual Funds as Identified by the SVO</b>								
31846V 41 9	FIRST AMER:TRS OBG V.....	SD.....	09/04/2019.....	.....1.690		.....10,034	.....15	.....129
8599999. Total - Exempt Money Market Mutual Funds as Identified by the SVO.....						.....10,034	.....15	.....129
8899999. Total - Cash Equivalents.....						.....10,034	.....15	.....129

QE13