

QUARTERLY STATEMENT

OF THE

HALLMARK INSURANCE COMPANY

of **SCOTTSDALE**

in the state of **ARIZONA**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

September 30, 2019

PROPERTY AND CASUALTY

2019



34037201920100103

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2019
OF THE CONDITION AND AFFAIRS OF THE

Hallmark Insurance Company

NAIC Group Code 3478, NAIC Company Code 34037, Employer's ID Number 47-0718164, Organized under the Laws of Arizona, State of Domicile or Port of Entry AZ, Commenced Business August 23, 1988, Main Administrative Office 5420 Lyndon B. Johnson Freeway Suite 1100, Dallas, TX US 75240-2345, Mail Address 5420 Lyndon B. Johnson Freeway Suite 1100, Dallas, TX US 75240-2345, Primary Location of Books and Records 5420 Lyndon B. Johnson Freeway Suite 1100, Dallas, TX US 75240-2345, Internet Website Address www.hallmarkgrp.com, Statutory Statement Contact Felica M. Smith, 817-348-1887, fsmith@hallmarkgrp.com

OFFICERS

Table with 2 columns: Name, Title. 1. Naveen Anand, President; 2. Jeffrey Ray Passmore, Chief Financial Officer, Treasurer & Secretary; 3. Christopher James Kenney, Vice President

VICE-PRESIDENTS

Table with 4 columns: Name, Title, Name, Title. All fields are blank.

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. 1. Naveen Anand, Christopher James Kenney, Kenneth Russell Krissinger, Jeffrey Ray Passmore; 2. Mark Edward Schwarz, Charles Edward Stauber, Tarek Nghi Timol

State of Texas, County of Dallas ss

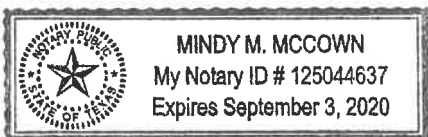
The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any 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.

Signatures and printed names of Naveen Anand, Jeffrey R. Passmore, and Christopher J. Kenney with their respective titles: President, Chief Financial Officer, Treasurer & Secretary, and Vice President.

Subscribed and sworn to before me this 8th day of November, 2019

Mindy M. McCown (Signature)

a. Is this an original filing? [X] Yes [] 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	199,967,093		199,967,093	200,915,770
2. Stocks:				
2.1 Preferred stocks	3,250,209		3,250,209	3,247,980
2.2 Common stocks	50,196,473		50,196,473	46,769,616
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ 5,897,299), cash equivalents (\$ 7,614,782), and short-term investments (\$ 1,478,939)	14,991,021		14,991,021	4,787,559
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	1,505,607		1,505,607	1,513,400
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	269,910,403		269,910,403	257,234,325
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	1,413,075		1,413,075	1,469,502
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	32,492,610		32,492,610	19,013,836
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	274,633		274,633	510,509
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	13,804,806		13,804,806	10,517,411
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts				
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	2,703,929		2,703,929	2,805,354
19. Guaranty funds receivable or on deposit	6,040		6,040	7,513
20. Electronic data processing equipment and software				
21. Furniture and equipment, including health care delivery assets (\$ 0)				
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates				
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets				
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	320,605,496		320,605,496	291,558,450
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	320,605,496		320,605,496	291,558,450

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501.				
2502.				
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)				

NONE

NONE

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 39,850,306)	85,389,836	87,174,271
2. Reinsurance payable on paid losses and loss adjustment expenses	23,925,090	26,089,148
3. Loss adjustment expenses	11,748,631	10,201,659
4. Commissions payable, contingent commissions and other similar charges	(115,024)	133,121
5. Other expenses (excluding taxes, licenses and fees)	28,548	14,559
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	464,485	82,285
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	3,927,066	2,438,523
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 \$ 32,015,972 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)	69,126,546	52,809,517
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	17,978,716	9,890,950
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		
16. Provision for reinsurance (including \$ 0 certified)		52,000
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	81,782	65,315
20. Derivatives		
21. Payable for securities	390,936	
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		
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	212,946,612	188,951,348
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	212,946,612	188,951,348
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	3,500,000	3,500,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	41,137,233	41,137,233
35. Unassigned funds (surplus)	63,021,651	57,969,869
36. Less treasury stock, at cost:		
36.1. 0 shares common (value included in Line 30 \$ 0)		
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	107,658,884	102,607,102
38. Totals (Page 2, Line 28, Col. 3)	320,605,496	291,558,450

DETAILS OF WRITE-IN LINES		
2501.	NONE	
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)		
2901.	NONE	
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.	NONE	
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 47,570,339)	40,515,684	43,213,481	56,946,614
1.2 Assumed (written \$ 118,662,727)	102,416,243	87,691,143	117,145,698
1.3 Ceded (written \$ 48,147,178)	41,163,068	43,921,711	57,893,393
1.4 Net (written \$ 118,085,888)	101,768,859	86,982,913	116,198,919
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 58,317,313):			
2.1 Direct	26,676,699	32,136,511	39,955,616
2.2 Assumed	57,325,990	67,874,328	84,148,344
2.3 Ceded	26,645,475	32,211,748	40,181,622
2.4 Net	57,357,214	67,799,091	83,922,338
3. Loss adjustment expenses incurred	12,325,159	(7,229,372)	(2,845,604)
4. Other underwriting expenses incurred	30,827,883	21,968,643	29,747,450
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	100,510,256	82,538,362	110,824,184
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	1,258,603	4,444,551	5,374,735
INVESTMENT INCOME			
9. Net investment income earned	6,688,381	5,376,226	7,165,603
10. Net realized capital gains (losses) less capital gains tax of \$ (130,130)	1,815,510	127,099	167,636
11. Net investment gain (loss) (Lines 9 + 10)	8,503,891	5,503,325	7,333,239
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ (217,682))	(217,682)	(176,022)	(247,037)
13. Finance and service charges not included in premiums	17,503	57,241	63,168
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	(200,179)	(118,781)	(183,869)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	9,562,315	9,829,095	12,524,105
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)	9,562,315	9,829,095	12,524,105
19. Federal and foreign income taxes incurred	2,202,673	1,518,226	2,028,393
20. Net income (Line 18 minus Line 19) (to Line 22)	7,359,642	8,310,869	10,495,712
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	102,607,102	96,016,969	96,016,969
22. Net income (from Line 20)	7,359,642	8,310,869	10,495,712
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	4,741,564	3,082,697	(2,459,588)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(478,958)	(702,726)	513,559
27. Change in nonadmitted assets	377,533		(377,533)
28. Change in provision for reinsurance	52,000	144,983	92,983
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	(7,000,000)	(1,675,000)	(1,675,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	5,051,781	9,160,823	6,590,133
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	107,658,883	105,177,792	102,607,102

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page	NONE		
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	NONE		
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)			
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	NONE		
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
Cash from Operations			
1. Premiums collected net of reinsurance	112,930,755	84,414,762	118,877,397
2. Net investment income	7,174,567	6,559,999	8,474,423
3. Miscellaneous income	(200,179)	(118,781)	(183,869)
4. Total (Lines 1 to 3)	119,905,143	90,855,980	127,167,951
5. Benefit and loss related payments	64,437,553	58,890,453	84,694,409
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	41,613,575	32,430,911	43,239,231
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	584,000	(604,720)	(604,720)
10. Total (Lines 5 through 9)	106,635,128	90,716,644	127,328,920
11. Net cash from operations (Line 4 minus Line 10)	13,270,015	139,336	(160,969)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	65,119,909	51,674,499	67,194,270
12.2 Stocks	8,079	3,462,810	3,668,587
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			
12.7 Miscellaneous proceeds	398,730	747,102	(3,551,232)
12.8 Total investment proceeds (Lines 12.1 to 12.7)	65,526,718	55,884,411	67,311,625
13. Cost of investments acquired (long-term only):			
13.1 Bonds	61,574,531	52,542,062	60,371,539
13.2 Stocks	36,681	9,507,349	15,876,038
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications			
13.7 Total investments acquired (Lines 13.1 to 13.6)	61,611,212	62,049,411	76,247,577
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)	3,915,506	(6,165,000)	(8,935,952)
Cash from Financing and Miscellaneous Sources			
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	7,000,000	1,675,000	1,675,000
16.6 Other cash provided (applied)	17,941	(21,846)	17,312
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(6,982,059)	(1,696,846)	(1,657,688)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	10,203,462	(7,722,510)	(10,754,609)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	4,787,559	15,542,168	15,542,168
19.2 End of period (Line 18 plus Line 19.1)	14,991,021	7,819,658	4,787,559

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

20.0001			
20.0002			
20.0003			

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NOTES TO FINANCIAL STATEMENTS

1. Significant Accounting Policies

A. Accounting Practices

The accompanying statutory-basis financial statements have been prepared in conformity with statutory accounting practices prescribed or permitted by the Arizona Department of Insurance (the AZDOD). Such practices vary from U.S. generally accepted accounting principles (GAAP). The Company has no permitted practices. The National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* has been adopted as a component of prescribed practices by the state of Arizona (NAIC SAP). For the Company, there are no significant differences between Arizona prescribed practices and the NAIC's *Accounting Practices and Procedures Manual*. Such practices differ from state to state, may differ from company to company within a state, and may change in the future.

<u>NET INCOME</u>	<u>SSAP#</u>	<u>F/S Page</u>	<u>F/S Line #</u>	<u>2019</u>	<u>2018</u>
(1) Hallmark Insurance Company state basis	XXX	XXX	XXX	\$ 7,359,642	\$ 10,495,712
(2) State Prescribed Practices: NONE					
(3) State Permitted Practices: NONE					
(4) NAIC SAP	XXX	XXX	XXX	<u>\$ 7,359,642</u>	<u>\$ 10,495,712</u>
 <u>SURPLUS</u>					
(5) Hallmark Insurance Company state basis	XXX	XXX	XXX	\$ 107,658,883	\$ 102,607,102
(6) State Prescribed Practices: NONE					
(7) State Permitted Practices: NONE					
(8) NAIC SAP	XXX	XXX	XXX	<u>\$ 107,658,883</u>	<u>\$ 102,607,102</u>

B. Use of Estimates

No changes.

C. Accounting policies

No changes.

2. Accounting Changes and Correction of Errors

Not applicable.

3. Business Combinations and Goodwill

In accordance with SSAP 68 the net purchase price of \$5.7 million related to the December 31, 2010 acquisition of Hallmark National Insurance Company will be amortized over 10 years, the period which the Company benefits economically from the acquisition. During 2019 the Company recorded \$432 thousand of goodwill amortization.

4. Discontinued Operations

Not applicable.

5. Investments

a. The aggregate Amount of unrealized losses:	
Less than 12 months	32,062
12 Months or Longer	25,415
b. The aggregate related fair value of securities with unrealized losses:	
Less than 12 months	1,674,472
12 Months or Longer	405,023

R. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>
(1) Number of CUSIPs	9
(2) Aggregate Amount of Investment Income	160,088

6. Joint Venture, Partnerships, and Limited Liability Companies

Not applicable.

NOTES TO FINANCIAL STATEMENTS

7. Investment Income

- A. No changes.
- B. Amounts Nonadmitted: Not applicable.

8. Derivative Instruments

Not applicable.

9. Income Taxes

The Company files a consolidated Federal income tax return with HFS (EIN 87-0447375) and its affiliates with the exception of Hallmark County Mutual Insurance Company. Pursuant to a written tax sharing agreement, the Company's provision for income taxes, if any, equals or approximates tax expense or benefit computed on a separate return basis.

SSAP 101, Income Taxes, a replacement of SSAP 10 and SSAP 10R, was adopted on January 1, 2012. SSAP No. 101 includes a valuation allowance criterion whereby only gross deferred tax assets that are more likely than not to generate a tax benefit are potentially admissible. Under SSAP 101, deferred income tax assets are limited to 1) the amount of federal income taxes paid in prior years that can be recovered through loss carrybacks for existing temporary differences that reverse during a timeframe corresponding with the Internal Revenue Service tax loss carryback provisions, not to exceed three years, plus 2) the lesser of the remaining gross deferred income tax assets expected to be realized within three years of the balance sheet date or 15% of capital and surplus excluding any net deferred income tax assets, electronic data processing equipment and operating software and any net positive goodwill, plus 3) the amount of remaining gross deferred income tax assets that can be offset against existing gross deferred income tax liabilities after considering the character (i.e., ordinary versus capital) of the deferred tax assets and liabilities. The remaining deferred income tax assets are nonadmitted.

Deferred income taxes do not include amounts for state taxes. Under GAAP, state taxes are included in the computation of deferred income taxes.

- A. The net deferred tax asset/(liability) at September 30, 2019 and the change from the prior year are comprised of the following components:

1.	9/30/2019			12/31/2018		
	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross Deferred Tax Assets.....	\$ 3,769,450	116,106	3,885,556	3,011,153	600,166	3,611,319
b. Statutory Valuation Allowance Adjustment.....	-	-	-	-	-	-
c. Adjusted Gross Deferred Tax Assets (1a - 1b).....	3,769,450	116,106	3,885,556	3,011,153	600,166	3,611,319
d. Deferred Tax Assets Nonadmitted.....	-	-	-	377,533	-	-
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)....	3,769,450	116,106	3,885,556	2,633,620	600,166	3,233,786
f. Deferred Tax Liabilities.....	190,957	990,670	1,181,627	157,244	271,188	428,432
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f).....	\$ 3,578,493	(874,564)	2,703,929	2,476,376	328,978	2,805,354
	Change					
	Ordinary	Capital	Total			
a. Gross Deferred Tax Assets.....	\$ 758,297	(484,060)	274,237			
b. Statutory Valuation Allowance Adjustment.....	-	-	-			
c. Adjusted Gross Deferred Tax Assets (1a - 1b).....	758,297	(484,060)	274,237			
d. Deferred Tax Assets Nonadmitted.....	(377,533)	-	(377,533)			
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d)....	1,135,830	(484,060)	651,770			
f. Deferred Tax Liabilities.....	33,713	719,482	753,195			
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f).....	\$ 1,102,117	(1,203,542)	(101,425)			

The Company does not have a valuation allowance against its deferred assets as the Company does not believe it is more likely than not that some portion or all the gross deferred tax assets will not be realized.

The amount of admitted adjusted gross deferred tax assets admitted pursuant to the deferred tax admission calculation.

NOTES TO FINANCIAL STATEMENTS

	9/30/2019			12/31/2018		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2. 2 Admission Calculation Components SSAP No. 101						
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 3,676,536	-	3,676,536	2,351,247	-	2,351,247
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of Through Loss Carrybacks.	\$ -	-	-	454,107	-	454,107
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ -	-	-	-	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	15,794,686	X X X	X X X	14,995,027
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 92,914	116,106	209,020	(171,734)	600,166	428,432
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 3,769,450	116,106	3,885,556	2,633,620	600,166	3,233,786

	Change		
	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
Admission Calculation Components SSAP No. 101			
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 1,325,289	-	1,325,289
b. Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of Through Loss Carrybacks.	\$ (454,107)	-	(454,107)
1. Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$ -	-	-
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	454,107
c. Adjusted Gross Deferred Tax Assets (Excluding the Amount Of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities.	\$ 264,648	(484,060)	(219,412)
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 1,135,830	(484,060)	651,770

The risk-based capital level to determine the applicable realization period and percentage from the Realization Threshold Limitation Table for RBC Reporting Entities is:

	<u>2019</u>	<u>2018</u>
Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	705.2%	670.5%
Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 104,954,954	99,801,748

	9/30/2019		12/31/2018		Change	
	<u>Ordinary</u>	<u>Capital</u>	<u>Ordinary</u>	<u>Capital</u>	<u>Ordinary</u>	<u>Capital</u>
4. Impact of Tax Planning Strategies						
a. Determination of Adjusted Gross Deferred Tax Assets and Net Admitted Deferred Tax Assets, By Tax Character As A Percentage.						
1. Adjusted Gross DTAs Amount From Note 9A1(c)	\$ 3,769,450	116,106	3,011,153	600,166	758,297	(484,060)
2. Percentage of Adjusted Gross DTAs By Tax Character Attributable To The Impact of Tax Planning Strategies	\$ -	-	-	-	-	-
3. Net Admitted Adjusted Gross DTAs Amount from Note 9A1(e)	\$ 3,769,450	116,106	2,633,620	600,166	1,135,830	(484,060)
4. Percentage of Net Admitted Adjusted Gross DTAs by Tax Character Attributable To The Impact of Tax Planning Strategies	\$ -	-	-	-	-	-
b. Does the Company's Tax-planning Strategies include the use of reinsurance?	NO					

C. Current income taxes incurred consist of the following major components:

	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
1. Current Income Tax			
a. Federal.....	\$ 2,333,534	2,102,265	231,269
b. Foreign.....	\$ -	-	-
c. Subtotal.....	\$ 2,333,534	2,102,265	231,269
d. Federal Income Tax on net capital gains.....	\$ (130,130)	4,061	(134,191)
e. Utilization of capital loss carry-forwards.....	\$ -	-	-
f. Other.....	\$ (731)	(77,932)	77,201
g. Federal and foreign income taxes incurred.....	\$ 2,202,673	2,028,394	174,279

NOTES TO FINANCIAL STATEMENTS

2.	Deferred Tax Assets:			
	a. Ordinary	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
	(1) Discounting of unpaid losses.....	\$ 866,135	793,153	72,982
	(2) Unearned premium reserve.....	\$ 2,903,315	2,218,000	685,315
	(3) Policyholder reserves.....	\$ -	-	-
	(4) Investments.....	\$ -	-	-
	(5) Deferred acquisition costs.....	\$ -	-	-
	(6) Policyholder dividends accrual.....	\$ -	-	-
	(7) Fixed assets.....	\$ -	-	-
	(8) Compensation and benefits accrual.....	\$ -	-	-
	(9) Pension accrual.....	\$ -	-	-
	(10) Receivables - nonadmitted.....	\$ -	-	-
	(11) Net operating loss carry-forward.....	\$ -	-	-
	(12) Tax credit carry-forward.....	\$ -	-	-
	(13) Other (including items <5% of total ordinary tax assets).....	\$ -	-	-
	(99) Subtotal.....	\$ <u>3,769,450</u>	<u>3,011,153</u>	<u>758,297</u>
	b. Statutory valuation allowance adjustment.....	\$ -	-	-
	c. Nonadmitted.....	\$ -	377,533	(377,533)
	d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c).....	\$ <u>3,769,450</u>	<u>2,633,620</u>	<u>1,135,830</u>
	e. Capital:	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
	(1) Investments.....	\$ 116,106	600,166	(484,060)
	(2) Net capital loss carry-forward.....	\$ -	-	-
	(3) Real estate.....	\$ -	-	-
	(4) Other (including items <5% of total capital tax assets).....	\$ -	-	-
	(99) Subtotal.....	\$ <u>116,106</u>	<u>600,166</u>	<u>(484,060)</u>
	f. Statutory valuation allowance adjustment.....	\$ -	-	-
	g. Nonadmitted.....	\$ -	-	-
	h. Admitted capital deferred tax assets (2e99 - 2f - 2g).....	\$ <u>116,106</u>	<u>600,166</u>	<u>(484,060)</u>
	i. Admitted deferred tax assets (2d + 2h).....	\$ <u>3,885,556</u>	<u>3,233,786</u>	<u>651,770</u>
3.	Deferred Tax Liabilities:	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
	a. Ordinary	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
	(1) Investments.....	\$ 188,501	154,023	34,478
	(2) Fixed assets.....	\$ -	-	-
	(3) Deferred and uncollected premium.....	\$ -	-	-
	(4) Policyholder reserves.....	\$ -	-	-
	(5) Other (including items <5% of total ordinary tax liabilities).....	\$ 2,456	3,221	(765)
	(99) Subtotal.....	\$ <u>190,957</u>	<u>157,244</u>	<u>33,713</u>
	b. Capital:	<u>9/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
	(1) Investments.....	\$ 990,670	271,188	719,482
	(2) Real Estate.....	\$ -	-	-
	(3) Other (including items <5% of total capital tax liabilities).....	\$ -	-	-
	(99) Subtotal.....	\$ <u>990,670</u>	<u>271,188</u>	<u>719,482</u>
	c. Deferred tax liabilities (3a99 + 3b99).....	\$ <u>1,181,627</u>	<u>428,432</u>	<u>753,195</u>
4.	Net deferred tax assets/liabilities (2i - 3c).....	\$ <u><u>2,703,929</u></u>	<u><u>2,805,354</u></u>	<u><u>(101,425)</u></u>

D. Operating loss carryforward

As of September 30, 2019, there is no net operating loss carryforward and no tax credit carryforwards available for tax purposes.

The amounts of Federal income taxes incurred that are available for recoupment in the event of future net losses are:

	Ordinary	Capital	Total
2019	2,073,274	-	2,073,274
2018	2,109,657	-	2,109,657
2017	-	-	-

The aggregate amounts of deposits admitted under Section 6603 of the Internal Revenue Code are \$0.

10. Information Concerning Parent, Subsidiaries and Affiliates

A. No changes.

B. No changes.

C. No changes.

D. No changes.

E. No changes.

NOTES TO FINANCIAL STATEMENTS

11. Debt

Not applicable.

12. Retirement Plans, Deferred Compensation, Post-Employment Benefits and Compensated Absences and Other Post Retirement Benefit Plans

Not applicable.

13. Capital Surplus, Dividend Restrictions and Quasi Reorganizations

1. Outstanding Shares: No changes.
2. Dividend Rate of Preferred Stock: Not applicable.
3. Dividend Restrictions: No changes
4. Dates and Amounts of Dividends Paid:

On March 15, 2018, the Company declared an extraordinary dividend of \$675,000 in cash to its sole shareholder, Hallmark Financial Services, Inc., which dividend was paid on March 15, 2018

On May 16, 2018, the Company declared an extraordinary dividend of \$1,000,000 in cash to its sole shareholder, Hallmark Financial Services, Inc., which dividend was paid on June 16, 2018.

On March 20, 2018, the Company received an extraordinary cash dividend of \$125,000 from its subsidiary HNIC.

On March 1, 2019, the Company declared an ordinary dividend of \$2,500,000 in cash to its sole shareholder, Hallmark Financial Services, Inc., which dividend was paid on March 15, 2019

On May 30, 2019, the Company received an ordinary cash dividend of \$500,000 from its subsidiary HNIC.

On May 14, 2019, the Company declared an ordinary dividend of \$3,000,000 in cash to its sole shareholder, Hallmark Financial Services, Inc., which dividend was paid on May 30, 2019.

On August 14, 2019, the Company declared an ordinary dividend of \$1,500,000 in cash to its sole shareholder, Hallmark Financial Services, Inc., which dividend was paid on September 3, 2019.

On September 3, 2019, the Company received an ordinary cash dividend of \$250,000 from its subsidiary HNIC.

5. Portion of the Company's Profits that may be paid as Ordinary Dividends to Stockholders:

No changes.

6. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held: Not applicable.

7. Mutual Surplus Advances: Not applicable.

8. Company Stock Held for Special Purposes: Not applicable.

9. Changes in Special Surplus Funds: Not applicable.

10. Changes in Unassigned Funds:

Net unrealized gains or (losses)	\$ 4,741,564
Net deferred income tax	\$ (478,958)
Change in nonadmitted asset	\$ 377,533
Change in provision for Reinsurance	\$ 52,000
Dividends to stockholders	\$ (7,000,000)

11. Surplus Notes: Not applicable.

12. Impact of Restatement Due to Quasi Reorganizations: Not applicable.

13. Effective Date of Quasi Reorganizations: Not applicable.

NOTES TO FINANCIAL STATEMENTS

14. Contingencies

A. Contingent Commitments: No changes.

B. Guaranty Fund and Other Assessments: No changes.

C. Gain Contingencies: Not applicable.

D. Claims Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits: Not applicable.

E. All Other Contingencies: No changes.

15. Leases

Not applicable.

16. Information about Financial Instruments with Off-Balance Sheet Risk and Financial Instruments with Concentration of Credit Risk

Not applicable.

17. Sales, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities

Not applicable.

18. Gain or Loss to the Reporting Entity from Uninsured A&H Plans and the Underinsured Portion of Partially Insured Plan

Not applicable.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Premiums Written/Produced by
Hallmark Specialty Underwriters, Inc 7550 IH 10W, Suite 1400 San Antonio, TX 78229	74-2228153	No	Commercial property/ casualty	C,CA,B,P,U	\$ 14,721,221
Heath XS, LLC Two Lincoln Centre 5420 Lyndon B Johnson Freeway, Suite 1100 Dallas Texas 75240-2345	02-0557327	No	Commerical umbrella and excess liability	B,P,U	\$ 11,183,283
Aerospace Insurance Managers, Inc. Two Lincoln Centre 5420 Lyndon B Johnson Freeway, Suite 1100 Dallas Texas 75240-2345	20-0785668	No	Aircraft/Airport Liability and Hull	C,CA,B,P,U	\$ 19,025,585
Triad Insurance Management & Services Agency, Inc. 117 John Robert Thomas Drive Exton, PA 19341	23-3060386	No	Commerical Auto	B,P,U	\$ 2,504,086

20. Fair Value Measurement

A.

A.

1. Fair Value Measurements at Reporting Date

a. Assets at fair Value	(Level 1)	(Level 2)	(Level 3)	Total
Cash Equivalent: MMFund	23,985	-	-	23,985
Bonds: Industrial & Miscellaneous	-	1,000,000	-	1,000,000
Bank Loans	-	14,227,853	-	14,227,853
Preferred Stocks: Industrial & Miscellaneous	-	-	-	-
Common Stocks: Industrial & Miscellaneous	21,149,331	-	-	21,149,331
Total assets at fair value	21,173,316	15,227,853	-	36,401,169

NOTES TO FINANCIAL STATEMENTS

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

a. Assets	Beginning Balance at 1/1/2019	Transfers in Level 3 (a)	Transfers out of Level 3	Total gains and (losses) included in Net Income	Total gains and (losses) included in Surplus
Common Stock: Industrial	-	-	-	-	-
Total	-	-	-	-	-

a. Assets (cont'd)	Purchases	Issuances	Sales	Settlements	Ending Balance at 9/30/2019
Common Stock	-	-	-	-	-
Total	-	-	-	-	-

b. Liability
Not Applicable

3. Not Applicable

C.

The table below reflects the fair value and admitted values of all admitted assets that are financial instruments of the company and are categorized into the three-level fair value hierarchy at September 30, 2019.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	201,858,419	199,967,094		201,738,400	120,019	
Preferred Stocks	3,250,209	3,250,209	2,364,288			
Common Stocks	21,149,331	21,149,331	21,149,331			
Cash, Cash Equivalents, and Short term Investments	14,991,021	14,991,021	14,991,021	1,478,939		
Total	241,248,980	239,357,654	38,504,640	203,217,339	120,019	-

21. Other Items

Not applicable.

22. Events Subsequent

No changes.

23. Reinsurance

A. No changes.

B. No changes.

C. No changes.

D. No changes.

E. No changes.

F. No changes.

G. No changes.

24. Retrospective Rated Contracts and Contracts Subject to Redetermination

No changes.

25. Changes in Incurred Loss and Adjustment Expenses

Reserves as of December 31, 2018 were \$97.4 million. As of September 30, 2019, \$47.4 million has been paid for incurred claims and claim adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$52.5 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on commercial auto liability and general liability lines of insurance. Therefore, there has been \$2.5 million of unfavorable prior-year development since December 31, 2018 to September 30, 2019. The increase is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

NOTES TO FINANCIAL STATEMENTS

26. Intercompany Pooling Arrangements

Effective January 1, 2006 the Company is a participant in an intercompany pooling arrangement. The lead company of the pool is American Hallmark Insurance Company of Texas (AHIC). Under the terms of the arrangement, the underwriting risk for all lines of business of the intercompany pool participants are reinsured with AHIC. The pool or net underwriting risk remaining after reinsurance is transacted with third parties by AHIC is then retro ceded to the pool participants based on pool participation percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of AHIC and are not allocated to the other pool participants.

On August 27, 2019, the pooling percentages were changed to reflect a capital contribution between Hallmark Financial Services, Inc. (“HFS”) and AHIC. The names, NAIC company codes and intercompany revised pooling percentages of the companies participating in the pool are as follows:

<u>Pool Participant</u>	<u>NAIC Company Code</u>	<u>Pool Participation%</u>
American Hallmark Insurance Company of Texas	43494	32.0
Hallmark Insurance Company	34037	32.0
Hallmark Specialty Insurance Company	26808	26.0
Hallmark National Insurance Company	19530	10.0

All of the above pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

27. Structured Settlements

Not applicable.

28. Health Care Receivables

Not applicable.

29. Participating Policies

Not applicable.

30. Premium Deficiency Reserves

No changes.

31. High Deductibles

Not applicable.

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? Yes [X] No []

If yes, complete Schedule Y, Parts 1, and 1A.

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

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

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

3.5 If the response to 3.4 is yes, provide the CIK (Central Index Key) code issued by the SEC for the entity/group _____ 000819913 _____

4.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes [] No [X]

If yes, complete and file the merger history data file with the NAIC for the annual filing corresponding to this period.

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

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____ 12/31/2018 _____

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. _____ 12/31/2013 _____

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 06/19/2015 _____

6.4 By what department or departments?
 State of Arizona Department of Insurance, Texas Department of Insurance, Oklahoma Department of Insurance and Ohio Department of Insurance.

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

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

GENERAL INTERROGATORIES

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

7.2 If yes, give full information

.....

.....

.....

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

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

.....

.....

.....

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

8.4 If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

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

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

(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c) Compliance with applicable governmental laws, rules, and regulations;

(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e) Accountability for adherence to the code. Yes [X] No []

9.11 If the response to 9.1 is No, please explain:

.....

.....

.....

9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]

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

.....

.....

.....

9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]

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

.....

.....

.....

FINANCIAL

10.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes [] No [X]

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ _____

GENERAL INTERROGATORIES

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: \$ _____

13. Amount of real estate and mortgages held in short-term investments: \$ _____

14.1 Does the reporting entity have any investments in parent, subsidiaries and affiliates? Yes [X] No []

14.2 If yes, please complete the following:

	1	2
	Prior Year-End Book/Adjusted Carrying Value	Current Quarter Book/Adjusted Carrying Value
14.21 Bonds	\$ _____	\$ _____
14.22 Preferred Stock	\$ _____	\$ _____
14.23 Common Stock	\$ 27,731,680	\$ 29,047,142
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)	\$ 27,731,680	\$ 29,047,142
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ _____	\$ _____

15.1 Has the reporting entity entered into any hedging transactions reported on Schedule DB? Yes [] No [X]

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? 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 current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2	\$ _____
16.3 Total payable for securities lending reported on the liability page	\$ _____

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
JP Morgan Chase	1111 Polaris Parkway Suite, 3J OH-0634, Columbus OH, 43240
.....

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)
.....
.....

GENERAL INTERROGATORIES

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 investments 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
Mark Schwarz	I
Wes Olfers	I
James Dvorak	I

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, 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

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Investment Analysis Office been followed?

Yes [X] No []

18.2 If no, list exceptions:

.....

19. By self-designating 5GI securities, the reporting entity is certifying the following elements for each self-designated 5GI security:

- a. Documentation necessary to permit a full credit analysis of the security does not exist or an NAIC CRP credit rating for an FE or PL security is not available.
- b. Issuer or obligor is current on all contracted interest and principal payments.
- c. The insurer has an actual expectation of ultimate payment of all contracted interest and principal.

Has the reporting entity self-designated 5GI securities?

Yes [] No [X]

20. By self-designating PLGI securities, the reporting entity is certifying the following elements of each self-designated PLGI security:

- a. The security was purchased prior to January 1, 2018.
- b. The reporting entity is holding capital commensurate with the NAIC Designation reported for the security.
- c. The NAIC Designation was derived from the credit rating assigned by an NAIC CRP in its legal capacity as a NRSRO which is shown on a current private letter rating held by the insurer and available for examination by state insurance regulators.
- d. The reporting entity is not permitted to share this credit rating of the PL security with the SVO.

Has the reporting entity self-designated PLGI securities?

Yes [] No [X]

GENERAL INTERROGATORIES

PART 2 - PROPERTY & CASUALTY INTERROGATORIES

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

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

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

4.2 If yes, complete the following schedule:

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

5. Operating Percentages:
 5.1. A&H loss percent _____ %
 5.2. A&H cost containment percent _____ %
 5.3. A&H expense percent excluding cost containment expenses _____ %

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

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

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

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

7. Is the reporting entity licensed or chartered, registered, qualified, eligible or writing business in at least two states? Yes 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

General Interrogatories
Part 2
Property & Casualty Interrogatories

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? **Yes**

Effective January 1, 2006 the Company is a participant in an intercompany pooling arrangement. The lead company of the pool is American Hallmark Insurance Company of Texas (AHIC). Under the terms of the arrangement, the underwriting risk for all lines of business of the intercompany pool participants are reinsured with AHIC. The pool or net underwriting risk remaining after reinsurance is transacted with third parties by AHIC is the retro ceded to the pool participants based on pool participation percentages. The provision for reinsurance and the write-off of uncollectible reinsurance are reported in the statutory financial statements of AHIC and are not allocated to the other pool participants.

On August 27, 2019, the pooling percentages were changed to reflect a capital contribution between Hallmark Financial Services, Inc. ("HFS") and AHIC. The names, NAIC company codes and intercompany revised pool percentages of the companies participating in the pool are as follows:

<u>Pool Participant</u>	<u>NAIC Company Code</u>	<u>Pool Participation %</u>
American Hallmark Insurance Company of Texas	43494	32.0
Hallmark Insurance Company	34037	32.0
Hallmark Specialty Insurance Company	26808	26.0
Hallmark National Insurance Company	19530	10.0

All of the above pool companies are party to reinsurance agreements with non-affiliated reinsurers covering business subject to the pooling agreement and have contractual rights of direct recovery from the non-affiliated reinsurers under the terms of such reinsurance agreements.

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
		U.S. Insurers				
35300	95-3187355	Allianz Global Risks US Insurance Company	IL	Authorized		
27847	95-2769232	Insurance Company of the West	CA	Authorized		
		All Other Insurers				
00000	AA-1120082	Arcus Syndicate 1856	GBR	Authorized		
00000	98-0351953	AXA XL Bermuda Limited	BMU	Unauthorized		
00000	AA-1320052	Caisse Centrale de Reassurance	FRA	Unauthorized		
00000	AA-3194101	Everest Reinsurance Company	BMU	Unauthorized		
00000	AA-3191190	Hamilton Re, Ltd	BMU	Unauthorized		
00000	AA-5420050	Koean Reinsurance Company	KOR	Unauthorized		
00000	AA-3190871	Lancashire Insurance Company Limited	BMU	Unauthorized		
00000	AA-3190871	Lancashire Insurance Company Ltd.	BMU	Unauthorized		
00000	AA-1120171	Lloyd's Syndicate 3010 - Cathedral	GBR	Authorized		
00000	AA-1128791	Lloyds Syndicate No. 2791 (MAP)	GBR	Authorized		
00000	AA-1120181	Lloyds Syndicate No. 5886 (WBC)	GBR	Authorized		

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	807,238	1,188,307	3,072,342	81,490	796,101	7,213,192
2. Alaska	AK	L	86,818	58,382			55,910	64,327
3. Arizona	AZ	L	804,588	620,971	394,229	2,060,843	626,749	1,231,465
4. Arkansas	AR	L	453,150	292,672	191,571	126,766	496,858	1,002,284
5. California	CA	L	9,324,428	6,743,002	4,740,263	652,484	5,909,711	6,479,344
6. Colorado	CO	N						
7. Connecticut	CT	N						
8. Delaware	DE	L	358,180	174,941	214		67,752	261,207
9. District of Columbia	DC	N						
10. Florida	FL	L	2,415,562	2,964,999	453,101	1,787,753	2,063,177	1,497,344
11. Georgia	GA	L	1,037,364	1,249,562	249,372	306,765	1,038,301	1,661,930
12. Hawaii	HI	L	345,902	335,331	823,032	30,738	4,382,209	304,401
13. Idaho	ID	L	283,877	275,071	911,324	100,745	620,656	149,306
14. Illinois	IL	L	1,655,696	1,858,693	6,151,589	95,220	1,295,664	3,283,690
15. Indiana	IN	L	2,013,689	1,239,566	575,830	387,376	2,115,643	2,866,690
16. Iowa	IA	L	247,569	310,965		48,981	183,874	844,417
17. Kansas	KS	L	481,149	429,780	483,247	48,531	727,428	832,763
18. Kentucky	KY	L	242,591	292,337	104,282	(28,205)	1,233,317	455,487
19. Louisiana	LA	L	870,728	1,109,569	454,056	1,721,094	1,034,096	5,455,802
20. Maine	ME	N						
21. Maryland	MD	L	1,128,942	627,435	174,538	180,751	1,583,519	(399,227)
22. Massachusetts	MA	L	308,211	319,783	1,103,319	6,991	246,734	1,552,036
23. Michigan	MI	L	1,905,176	979,088	159,838	70,504	845,356	1,793,640
24. Minnesota	MN	L	596,488	604,512	246,336	57,226	267,828	1,145,794
25. Mississippi	MS	L	290,062	352,664	2,745,246	1,068,423	624,775	1,046,303
26. Missouri	MO	L	5,431,436	4,707,317	83,770	2,190,854	3,759,184	5,835,398
27. Montana	MT	L	348,933	308,270	(1,271)	98,197	215,428	627,686
28. Nebraska	NE	L	275,412	348,259	26,457	35,279	162,876	448,774
29. Nevada	NV	L	350,886	353,087	2,045,105	563,145	214,238	(1,128,248)
30. New Hampshire	NH	L	166,891	96,789	156,163		85,395	455,353
31. New Jersey	NJ	L	256,756	199,925	203,972	133,916	64,872	290,330
32. New Mexico	NM	L	315,218	212,314	230,850	765,567	280,287	785,948
33. New York	NY	L	788,608	463,670	310,714	594,115	303,127	(662,673)
34. North Carolina	NC	L	869,608	791,317	97,555	2,212,345	637,200	1,651,309
35. North Dakota	ND	L	96,785	138,235		17,693	83,874	293,269
36. Ohio	OH	L	1,420,969	1,272,670	(5,422)	45,865	936,907	2,829,862
37. Oklahoma	OK	L	2,063,649	321,568	21,406	840,554	815,832	(31,124)
38. Oregon	OR	L	452,085	384,791	(23,231)	73,792	365,572	404,857
39. Pennsylvania	PA	L	1,294,790	2,599,921	530,887	927,264	1,529,358	4,289,220
40. Rhode Island	RI	L	66,178	201,693	19,373		109,772	(76,359)
41. South Carolina	SC	L	348,555	494,058	151,401	261,058	477,832	953,905
42. South Dakota	SD	L	138,211	149,187	99,456	54	54,502	(363,438)
43. Tennessee	TN	L	1,254,931	1,025,840	209,331	375,058	757,020	1,707,508
44. Texas	TX	L	4,570,880	3,937,885	1,682,605	9,195,884	6,149,199	(3,569,367)
45. Utah	UT	L	564,733	504,044	260,185	81,588	512,252	(2,354,807)
46. Vermont	VT	N						
47. Virginia	VA	N						
48. Washington	WA	L	26,852	5,450	58,253	505,223	37,889	296,230
49. West Virginia	WV	L	100,037	91,340	15,837	10,100	200,221	302,085
50. Wisconsin	WI	L	426,677	532,448	13,024	99,800	195,137	774,986
51. Wyoming	WY	L	283,851	332,229	12,424	(11,121)	465,475	439,283
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N						
58. Aggregate Other Alien	OT	X X X						
59. Totals		X X X	47,570,339	41,499,937	29,232,573	27,820,706	44,629,107	52,942,182

DETAILS OF WRITE-INS							
58001.		X X X					
58002.		X X X					
58003.		X X X					
58998.	Summary of remaining write-ins for Line 58 from overflow page	X X X					
58999.	Totals (Lines 58001 through 58003 plus 58998) (Line 58 above)	X X X					

NONE

- (a) Active Status Counts
- L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG 45
 - E – Eligible - Reporting entities eligible or approved to write surplus lines in the state _____
 - D - Domestic Surplus Lines Insurer (DSL) - Reporting entities authorized to write surplus lines in the state of domicile _____
 - R - Registered - Non-domiciled RRGs _____
 - Q - Qualified - Qualified or accredited reinsurer _____
 - N – None of the above - Not allowed to write business in the state (other than their state of domicile - See DSLI) 12

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

PART 1 - ORGANIZATIONAL CHART

Newcastle Partners, L.P., Mark E. Schwarz, General Partner 27.9%	Texas	
... Hallmark Financial Services, Inc.	Nevada	87-0447375
... .. ACO Holdings, Inc. (Inactive Co)	Texas	45-8544756
... .. American Hallmark G.A., Inc.	Texas	75-2341879
... .. Hallmark Claim Services, Inc.	Texas	75-1693596
... .. Hallmark Finance Corporation	Texas	75-2339280
... .. Aerospace Holdings, LLC	Texas	20-0785668
... .. Aerospace Claims Management Group	Texas	75-2853986
... .. Aerospace Flight (Inactive Co)	Texas	75-2925120
... .. Aerospace Insurance Managers, Inc.	Texas	52-2099239
... .. Aerospace Special Risk, Inc.	Texas	20-0786154
... .. Mannequin PCC Ltd. Cell A-22*	Guernsey	N/A
... .. Heath XS, LLC	New Jersey	02-0557327
... .. Hardscrabble Data Solutions, LLC	New Jersey	01-0756829
... .. CITON Agency, Inc. 49%	Florida	26-2010050
... .. American Hallmark Ins. Co. of TX (43494)*	Texas	75-1817901
... .. Hallmark Specialty Ins. Co. (26808)*	Oklahoma	74-2378996
... .. CYR Insurance Management Company	Texas	75-1661749
... .. Hallmark County Mutual Insurance Company (29408)*	Texas	74-0814987
... .. TBIC Holding Corporation	Texas	41-2130851
... .. Texas Builders Insurance Company (27170)*	Texas	74-2439728
... .. TBIC Risk Management, Inc.	Texas	37-1417618
... .. Effective Claims Management, Inc.	Texas	75-2825542
... .. American Hallmark Insurance Services, Inc.	Texas	75-2652618
... .. Hallmark Specialty Underwriters, Inc.	Texas	74-2228153
... .. TGA Special Risk	Texas	74-2774138
... .. Pan American Acceptance Corporation	Texas	74-1683629
... .. Hallmark Insurance Company (34037)*	Arizona	47-0718164
... .. Hallmark National Insurance Company (19530)*	Arizona	31-1334827

Notes:

* Denotes affiliated insurer. Unless otherwise stated, subsidiaries listed above are 100% owned by respective parent

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)	*
0		00000	87-0447375	0	819913	NASDAQ	Hallmark Financial Services, Inc.	TX	UDP	Newcastle Partners, L.P., Mark E. Schwarz, General	Ownership	27.900	Newcastle Partners, L.P.	N	
0		00000	45-8544756	0	0		ACO Holdings, Inc. (Inactive Co)	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-2341879	0	0		American Hallmark G.A., Inc.	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-1693596	0	0		Hallmark Claim Services, Inc.	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-2339280	0	0		Hallmark Finance Corporation	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	20-0785668	0	0		Aerospace Holdings, LLC	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-2853986	0	0		Aerospace Claims Management Group	TX	UDP	Aerospace Holdings, LLC	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-2925120	0	0		Aerospace Flight (Inactive Co)	TX	UDP	Aerospace Holdings, LLC	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	52-2099239	0	0		Aerospace Insurance Managers, Inc.	TX	UDP	Aerospace Holdings, LLC	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	20-0786154	0	0		Aerospace Special Risk, Inc.	TX	UDP	Aerospace Holdings, LLC	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	N/A	0	0		Mannequin PCC Ltd. Cell A-22*	GG	UDP	Aerospace Holdings, LLC	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	02-0557327	0	0		Heath XS, LLC	NJ	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	01-0756829	0	0		Hardscrabble Data Solutions, LLC	NJ	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	26-2010050	0	0		CITON Agency, Inc	FL	UDP	Hallmark Financial Services, Inc.	Ownership	49.000	Newcastle Partners, L.P.	N	
3478	Hallmark Financial Services Group	43494	75-1817901	0	0		American Hallmark Ins. Co. of TX	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
3478	Hallmark Financial Services Group	26808	74-2378996	0	0		Hallmark Specialty Ins. Co	OK	UDP	American Hallmark Ins. Co. of TX	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-1661749	0	0		CYR Insurance Management Company	TX	UDP	American Hallmark Ins. Co. of TX	Ownership	100.000	Newcastle Partners, L.P.	Y	
3478	Hallmark Financial Services Group	29408	74-0814987	0	0		Hallmark County Mutual Insurance Company	TX	OTH	Mutual Ownership	Other	100.000	Newcastle Partners, L.P.	N	
0		00000	41-2130851	0	0		TBIC Holding Corporation	TX	UDP	American Hallmark Ins. Co. of TX	Ownership	100.000	Newcastle Partners, L.P.	N	
3478	Hallmark Financial Services Group	27170	74-2439728	0	0		Texas Builders Insurance Company	TX	UDP	TBIC Holding Corporation	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	37-1417618	0	0		TBIC Risk Management, Inc.	TX	UDP	Texas Builders Insurance Company	Ownership	100.000	Newcastle Partners, L.P.	Y	
0		00000	75-2825542	0	0		Effective Claims Management, Inc.	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	75-2652618	0	0		American Hallmark Insurance Services, Inc.	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	74-2228153	0	0		Hallmark Specialty Underwriters, Inc.	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	74-2774138	0	0		TGA Special Risk	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
0		00000	74-1683629	0	0		Pan American Acceptance Corporation	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
3478	Hallmark Financial Services Group	34037	47-0718164	0	0		Hallmark Insurance Company	AZ	UDP	Hallmark Financial Services, Inc.	Ownership	100.000	Newcastle Partners, L.P.	N	
3478	Hallmark Financial Services Group	19530	31-1334827	0	0		Hallmark National Insurance Company	AZ	UDP	Hallmark Insurance Company	Ownership	100.000	Newcastle Partners, L.P.	N	

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterik	Explanation
	NONE

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				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril	137,578	43,241	31.4	32.3
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				
17.1 Other liability-occurrence	14,875,519	11,639,231	78.2	76.3
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		(162,655)		43.5
19.3, 19.4 Commercial auto liability	7,979,456	3,362,594	42.1	77.3
21. Auto physical damage	913,894	533,943	58.4	60.6
22. Aircraft (all perils)	16,609,238	11,260,342	67.8	74.2
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	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				
35. TOTALS	40,515,685	26,676,696	65.8	74.4

DETAILS OF WRITE-INS			
3401.	NONE		
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

PART 2 – DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril	43,046	136,164	132,514
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			
17.1 Other liability-occurrence	3,987,987	11,363,087	19,471,518
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			(69,373)
19.3, 19.4 Commercial auto liability	9,638,443	16,083,818	4,638,162
21. Auto physical damage	429,749	1,127,523	779,634
22. Aircraft (all perils)	7,076,928	18,859,746	16,547,482
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			
35. TOTALS	21,176,153	47,570,338	41,499,937

DETAILS OF WRITE-INS			
3401.	NONE		
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

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 & 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 - 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2016 + prior	19,673	4,501	24,174	15,724	460	16,184	10,470	891	1,136	12,497	6,521	(2,014)	4,507
2. 2017	12,803	8,147	20,950	13,403	401	13,804	9,026	691	2,415	12,132	9,626	(4,640)	4,986
3. Subtotals 2017 + prior	32,476	12,648	45,124	29,127	861	29,988	19,496	1,582	3,551	24,629	16,147	(6,654)	9,493
4. 2018	18,242	34,011	52,253	16,125	1,282	17,407	13,985	1,700	12,156	27,841	11,868	(18,873)	(7,005)
5. Subtotals 2018 + prior	50,718	46,659	97,377	45,252	2,143	47,395	33,481	3,282	15,707	52,470	28,015	(25,527)	2,488
6. 2019	X X X	X X X	X X X	X X X	22,523	22,523	X X X	14,742	29,927	44,669	X X X	X X X	X X X
7. Totals	50,718	46,659	97,377	45,252	24,666	69,918	33,481	18,024	45,634	97,139	28,015	(25,527)	2,488

8. Prior Year-End Surplus As Regards Policyholders

102,607

Col. 11, Line 7	Col. 12, Line 7	Col. 13, Line 7
As % of Col. 1,	As % of Col. 2,	As % of Col. 3,
<u>Line 7</u>	<u>Line 7</u>	<u>Line 7</u>
1. <u>55.237</u>	2. <u>-54.710</u>	3. <u>2.555</u>
		<u>Col. 13, Line 7</u>
		<u>Line 8</u>
		4. <u>2.425</u>

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

- Question 1: Not Applicable
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.....
.....
- Question 2: Not Applicable
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- Question 3: Not Applicable
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- Question 4: Not Applicable
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.....

Bar Code:



34037201949000030



34037201945500030



34037201936500030



34037201950500030

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION**Real Estate**

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

NONE**SCHEDULE B - VERIFICATION****Mortgage Loans**

	1 Year To Date	2 Prior Year Ended December 31
1. Book value/recorded investment excluding accrued interest, December 31 of prior year		
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		
2.2 Additional investment made after acquisition		
3. Capitalized deferred interest and other		
4. Accrual of discount		
5. Unrealized valuation increase (decrease)		
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals		
8. Deduct amortization of premium and mortgage interest 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)		
12. Total valuation allowance		
13. Subtotal (Line 11 plus Line 12)		
14. Deduct total nonadmitted amounts		
15. Statement value at end of current period (Line 13 minus Line 14)		

NONE**SCHEDULE BA - VERIFICATION****Other Long-Term Invested Assets**

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

NONE**SCHEDULE D - VERIFICATION****Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	250,933,367	248,982,659
2. Cost of bonds and stocks acquired	61,611,212	76,247,576
3. Accrual of discount	324,910	328,405
4. Unrealized valuation increase (decrease)	4,741,560	(2,459,588)
5. Total gain (loss) on disposals	1,685,381	172,195
6. Deduct consideration for bonds and stocks disposed of	65,288,077	70,997,258
7. Deduct amortization of premium	754,668	1,475,023
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Total investment income recognized as a result of prepayment penalties and/or acceleration fees	160,088	134,401
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)	253,413,773	250,933,367
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	253,413,773	250,933,367

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

2019

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a)	72,127,018	6,768,421	4,127,183	(3,596,682)	62,559,877	72,127,018	71,171,574	61,539,869
2. NAIC 2 (a)	84,560,924	15,825,906	12,214,061	5,917,749	90,696,158	84,560,924	94,090,518	100,517,816
3. NAIC 3 (a)	38,922,596	394,614	2,543,270	(2,359,608)	36,414,968	38,922,596	34,414,332	35,930,611
4. NAIC 4 (a)	1,934,949		170,674	5,336	956,484	1,934,949	1,769,611	932,649
5. NAIC 5 (a)	650,236		747,500	97,264	709,322	650,236		685,349
6. NAIC 6 (a)								1,560,000
7. Total Bonds	198,195,723	22,988,941	19,802,688	64,059	191,336,809	198,195,723	201,446,035	201,166,294
PREFERRED STOCK								
8. NAIC 1	2,294,564	28,724			2,294,564	2,294,564	2,323,288	3,143,870
9. NAIC 2	112,836			773,083	112,873	112,836	885,919	104,109
10. NAIC 3				41,000			41,000	
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	2,407,400	28,724		814,083	2,407,437	2,407,400	3,250,207	3,247,979
15. Total Bonds & Preferred Stock	200,603,123	23,017,665	19,802,688	878,142	193,744,246	200,603,123	204,696,242	204,414,273

(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 \$ 1,478,939; NAIC 2 \$ 0; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	1,478,939	X X X	1,494,820	27,925	9,190

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	250,521	960,000
2. Cost of short-term investments acquired	4,299,984	1,129,915
3. Accrual of discount	5,405	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		(498)
6. Deduct consideration received on disposals	3,060,000	1,825,000
7. Deduct amortization of premium	16,971	13,896
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)	1,478,939	250,521
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	1,478,939	250,521

NONE Schedule DB - Part A and B Verification

NONE Schedule DB - Part C - Section 1

NONE Schedule DB - Part C - Section 2

NONE Schedule DB - Verification

SCHEDULE E PART 2 - VERIFICATION

(Cash Equivalents)

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	18,432	8,211,386
2. Cost of cash equivalents acquired	10,937,008	1,914,803
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	3,336,406	10,107,757
7. Deduct amortization of premium	4,253	
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)	7,614,781	18,432
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	7,614,781	18,432

NONE **Schedule A - Part 2 and 3**

NONE **Schedule B - Part 2 and 3**

NONE **Schedule BA - Part 2 and 3**

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation and Administrative Symbol/ Market Indicator (a)
120484-AR-1 466484-FJ-6 721663-VA-7	BUNCE CREEK & HUFFMAN DRAIN DRAIN DIST M JACKSON & WILLIAMSON CNTYS ILL CMNTY HIG PIMA CNTY ARIZ		07/22/2019 07/31/2019 07/01/2019	NATIONAL FINL SVCS CORP NATIONAL FINL SVCS CORP NATIONAL FINL SVCS CORP		245,594 92,245 60,593	240,000.00 125,000.00 60,000.00	3,767 6	1FE 1FE 1FE
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	398,432	425,000.00	3,773	X X X
04048P-CN-8 04048P-DS-6 283307-BP-0 406892-AV-1 74529J-RH-0 74529J-RK-3 74529J-RL-1 89874L-AR-0	ARIZONA BRD REGENTS CTFS PARTN ARIZONA BRD REGENTS CTFS PARTN EL MONTE CALIF CTFS PARTN HAMILTON ALA PUB BLDG AUTH REV PUERTO RICO SALES TAX FING CORP SALES TA PUERTO RICO SALES TAX FING CORP SALES TA PUERTO RICO SALES TAX FING CORP SALES TA TUCSON ARIZ INDL DEV AUTH LEASE REV		09/05/2019 08/06/2019 09/26/2019 07/10/2019 08/01/2019 08/01/2019 08/01/2019 02/11/2019	NATIONAL FINL SVCS CORP NATIONAL FINL SVCS CORP NATIONAL FINL SVCS CORP NATIONAL FINL SVCS CORP CORPORATE ACTION CORPORATE ACTION CORPORATE ACTION NATIONAL FINL SVCS CORP		51,253 35,841 130,592 205,094 547,211 15,959 218,595 (82,273)	50,000.00 35,000.00 125,000.00 200,000.00 570,000.00 17,000.00 228,000.00	574 293 1,630 2,500 2,161 67 950 Z	1FE 1FE 1FE 1FE Z Z Z Z
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	1,122,272	1,225,000.00	8,175	X X X
02209S-BA-0 00206R-DN-9 053332-AS-1 05565E-BF-1 14913Q-2W-8 278642-AS-2 31428X-AS-5 377373-AJ-4 40573L-AG-1 41283L-AQ-8 42824C-BC-2 709599-AH-7 913017-AS-8 92343V-DW-1	ALTRIA GROUP INC AT&T INC AUTOZONE INC BMW US CAPITAL LLC CATERPILLAR FINANCIAL SERVICES CORP EBAY INC FEDEX CORP GLAXOSMITHKLINE CAPITAL PLC HALFMOON PARENT INC HARLEY-DAVIDSON FINANCIAL SERVICES INC HEWLETT PACKARD ENTERPRISE CO PENSKE TRUCK LEASING CO LP UNITED TECHNOLOGIES CORPORATION VERIZON COMMUNICATIONS INC		09/17/2019 09/19/2019 07/02/2019 09/19/2019 09/26/2019 09/17/2019 09/25/2019 09/25/2019 07/26/2019 09/17/2019 09/26/2019 09/17/2019 09/27/2019 09/19/2019	MORGAN STANLEY CO WELLS FARGO SECURITIES BONY/TORONTO DOMINION SECURITI WELLS FARGO SECURITIES BONY/TORONTO DOMINION SECURITI MORGAN STANLEY CO WELLS FARGO SECURITIES MORGAN STANLEY CO BONY/TORONTO DOMINION SECURITI BONY/TORONTO DOMINION SECURITI WELLS FARGO SECURITIES MORGAN STANLEY CO WELLS FARGO SECURITIES WELLS FARGO SECURITIES		1,539,705 1,021,730 1,484,851 1,016,280 1,415,078 1,517,460 1,515,930 1,531,755 2,036,280 1,492,275 2,049,360 1,596,795 546,260 1,025,260	1,500,000.00 1,000,000.00 1,481,000.00 1,000,000.00 1,400,000.00 1,500,000.00 1,500,000.00 1,500,000.00 2,000,000.00 1,500,000.00 2,000,000.00 1,500,000.00 500,000.00 1,000,000.00	5,090 1,956 8,228 12,701 13,706 5,615 6,125 21,802 25,122 10,625 34,028 13,813 3,524 608	2FE 2FE 2FE 1FE 1FE 2FE 2FE 1FE 2FE 2FE 2FE 2FE 2FE 2FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	19,789,019	19,381,000.00	162,943	X X X
01310T-AW-9 25277B-AB-4 29267Y-AM-4 81727P-AB-2	2019 TERM B-8 LOAN:ALBERTSON'S LLC TERM LOAN:DIAMOND SPORTS GROUP, LLC TERM B LOAN:ENERGIZER HOLDINGS, INC. TENTH AMENDMENT TERM LOAN:SENSATA TECHNO		09/19/2019 07/22/2019 07/01/2019 09/25/2019	Unknown Unknown Unknown Morgan Stanley		390,921 500,000 3,694 510,424	390,920.50 500,000.00	 383	3FE Z 3FE Z
8299999	Subtotal - Bonds - Bank Loans				X X X	1,405,039	1,402,138.81	383	X X X

E44

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

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation and Administrative Symbol/ Market Indicator (a)
8399997	Subtotal - Bonds - Part 3				X X X	22,714,762	22,433,139	175,274	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total - Bonds				X X X	22,714,762	22,433,138.81	175,274	X X X
85814R-20-6	STEEL PARTNERS HOLDINGS LP		08/01/2019	RAYMOND JAMES & ASSOCIATES	1,353.000	28,724			RPZL
8499999	Subtotal - Preferred Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	28,724	X X X		X X X
8999997	Subtotal - Preferred Stock - Part 3				X X X	28,724	X X X		X X X
8999998	Summary Item from Part 5 for Preferred Stocks				X X X	X X X	X X X	X X X	X X X
8999999	Total - Preferred Stock				X X X	28,724	X X X		X X X
30212P-30-3	EXPEDIA GROUP ORD		07/26/2019	Unknown	920.880	7,957			L
9099999	Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	7,957	X X X		X X X
9799997	Subtotal - Common Stock - Part 3				X X X	7,957	X X X		X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X
9799999	Total - Common Stock				X X X	7,957	X X X		X X X
9899999	Total - Preferred and Common Stock				X X X	36,681	X X X		X X X
9999999	Totals				X X X	22,751,443	X X X	175,274	X X X

E04.1

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractua Maturity Date	22 NAIC Designation and Administrative Symbol/Mark Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
69342W-AB-7	CIBOLO CANYONS SPECIAL I		09/01/2019	Call @ 100.00		174,929	174,928.50	174,929	174,929						174,929				5,248	08/20/2020	2FE
289785-BK-2	ELMORE CNTY IDAHO		08/15/2019	Maturity @ 100.00		200,000	200,000.00	204,528	200,000						200,000				10,000	08/15/2019	Z
306482-FH-8	FALLBROOK UTIL DIST TEX		08/05/2019	Call @ 100.00		115,000	115,000.00	116,615	115,000						115,000				2,997	09/01/2020	1FE
315598-AQ-5	FESTIVAL RANCH CMNTY FACS DIST ARI		08/12/2019	Call @ 100.00		345,000	345,000.00	377,458	348,538	(3,538)		(3,538)			345,000				25,078	07/15/2024	2FE
567320-FP-6	MARICOPA CNTY ARIZ SCH DIST NO 065		07/01/2019	Maturity @ 100.00		310,000	310,000.00	315,444	310,000						310,000				12,400	07/01/2019	Z
717813-TS-8	PHILADELPHIA PA		08/01/2019	Maturity @ 100.00		195,000	195,000.00	199,885	195,000						195,000				9,750	08/01/2019	1FE
798135-YG-8	SAN JOSE CALIF		07/26/2019	Call @ 100.00		125,000	125,000.00	127,056	125,000						125,000				4,870	09/01/2020	1FE
96811N-AD-8	WILDFLOWER RANCH ARIZ CMNTY FACS		06/17/2019	Call @ 100.00															241	07/15/2022	Z
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	1,464,929	1,464,928.50	1,515,915	1,468,467		(3,538)		(3,538)		1,464,929				70,584	X X X	X X X
053559-AR-1	AVENAL CALIF PUB FING AUTH REV		09/01/2019	Maturity @ 100.00		50,000	50,000.00	51,164	50,000						50,000				2,188	09/01/2019	2FE
069050-BX-9	BARSTOW CALIF REDEV AGY		09/01/2019	Maturity @ 100.00		50,000	50,000.00	51,161	50,000						50,000				2,200	09/01/2019	1FE
169551-KG-2	CHINO CALIF REDEV AGY TAX ALLOC		08/15/2019	Call @ 100.00		100,000	100,000.00	102,048	50,000	(1,044)		(1,044)			100,000				3,999	09/01/2020	1FE
18085P-LJ-1	CLARK CNTY NEV ARPT REV		06/26/2019	Call @ 100.00															15,125	07/01/2025	1FE
221553-BD-1	COSTA MESA CALIF PUB FING AUTH REV		08/01/2019	Maturity @ 100.00		100,000	100,000.00	102,523	100,000						100,000				5,050	08/01/2019	Z
312673-DT-0	FAYETTEVILLE ARK SALES & USE TAX CA		08/12/2019	Call @ 100.00		200,000	200,000.00	203,868	200,000						200,000				6,469	11/01/2019	1FE
359757-AM-3	FULLER RD MGMT CORP N Y LEASE REV		09/01/2019	Call @ 100.00		20,000	20,000.00	20,256	20,000						20,000				637	09/01/2024	1FE
394350-BA-9	GREENE CNTY ARK SALES & USE TAX RE		07/31/2019	Call @ 100.00		25,000	25,000.00	25,160	25,000						25,000				319	03/01/2021	1FE
446220-CH-6	HUNTINGTON BEACH CALIF REDEV AGY		08/01/2019	Maturity @ 100.00		50,000	50,000.00	51,309	50,000						50,000				2,500	08/01/2019	1FE
56185N-CV-8	MANATEE CNTY FLA SCH BRD CTF5 PAR		07/01/2019	Maturity @ 100.00		75,000	75,000.00	76,649	75,000						75,000				3,094	07/01/2019	2FE
60416Q-GG-3	MINNESOTA ST HSG FIN AGY HOMEOWN		09/15/2019	Call @ 100.00		43,398	43,397.71	43,398	43,398						43,398				824	02/01/2046	1FE
60637B-CP-3	MISSOURI ST HSG DEV COMMN SINGLE F		09/01/2019	Call @ 100.00		15,000	15,000.00	14,888	14,900						14,902		98	98	262	11/01/2041	1FE
684907-SZ-2	ORANGE CNTY FLA HSG FIN AUTH HOME		08/01/2019	Call @ 100.00		70,000	70,000.00	76,481	64,503	(1,008)		(1,008)			73,551		(3,551)	(3,551)	1,592	09/01/2040	1FE
74529J-PY-5	PUERTO RICO SALES TAX FING CORP SA		08/01/2019	Unknown		547,211	570,000.00	493,050							493,918				53,293	07/01/2040	Z
74529J-PZ-2	PUERTO RICO SALES TAX FING CORP SA		08/01/2019	Unknown		15,959	17,000.00	14,323							14,334				1,625	07/01/2053	Z
74529J-QA-6	PUERTO RICO SALES TAX FING CORP SA		08/01/2019	Unknown		218,595	228,000.00	195,859							195,952				22,643	07/01/2058	Z
83712T-DA-6	SOUTH CAROLINA ST HSG FIN & DEV AUT		09/12/2019	Call @ 100.00		130,000	130,000.00	130,130	130,033	(21)		(21)			130,012		(12)	(12)	2,514	01/01/2041	1FE
882750-NE-8	TEXAS ST DEPT HSG & CMNTY AFFAIRS		09/03/2019	Call @ 100.00		55,000	55,000.00	54,835	52,754	9		9			54,857		143	143	1,627	07/01/2041	1FE
89546R-KP-8	TRI-CNTY MET TRANSN DIST ORE REV		09/23/2019	Call @ 100.00		180,000	180,000.00	181,683	180,000						180,000				3,060	11/01/2019	1FE
89874L-AR-0	TUCSON ARIZ INDL DEV AUTH LEASE RE		06/17/2019	Call @ 100.00		(20,000)									(20,000)				125	07/15/2022	Z
92812U-K5-6	VIRGINIA ST HSG DEV AUTH COMWLTH M		09/01/2019	Paydown		33,403	33,402.63	33,361	33,365						33,403				604	04/25/2042	1FE
986026-BP-6	YOLO CNTY CALIF IMPT BD ACT 1915		08/05/2019	Call @ 100.00		10,000	10,000.00	10,277							10,000				286	09/02/2028	Z
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment Non-Guaranteed Obligati				X X X	1,968,566	2,021,800.34	1,932,423	1,138,953		(762)		(762)		1,894,327		74,239	74,239	93,896	X X X	X X X

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractua Maturity Date	22 NAIC Designation and Administrative Symbol/Mark Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
009090-AB-7	AIR CANADA 2015-1 PASS THROUGH TRU	C	09/15/2019	Paydown		57,651	57,650.91	56,282	56,743						57,651				1,905	09/15/2024	2FE
02376Y-AA-5	AMERICAN AIRLINES INC - ABS		08/01/2019	Paydown		40,829	40,828.51	40,931	40,898						40,829				2,144	07/15/2025	2FE
41283L-AD-7	HARLEY-DAVIDSON FINANCIAL SERVICE		09/15/2019	Maturity @ 100.00		1,500,000	1,500,000.00	1,506,045	1,502,303						1,500,000				36,000	09/15/2019	2FE
487836-BC-1	KELLOGG CO		09/09/2019	VARIOUS		401,512	400,000.00	417,972	407,440						401,563		(1,563)	(1,563)	15,023	11/15/2019	2FE
50077L-AH-9	KRAFT HEINZ FOODS CO		09/16/2019	Call @ 100.00		1,044,640	1,041,000.00	1,032,224	1,033,673						1,037,357				29,148	07/02/2020	2FE
64110D-AH-7	NETAPP INC		09/27/2019	Maturity @ 100.00		2,000,000	2,000,000.00	1,999,000	1,999,621						2,000,000				40,000	09/27/2019	2FE
67515U-AA-8	OCTR 6 X - CDO		08/01/2019	Paydown		100,000	100,000.00	100,000	100,000						100,000				1,817	07/15/2028	Z
67111C-AA-6	OFSBS 8 X - CDO	C	08/01/2019	Paydown		142,857	142,857.14	142,857	142,857						142,857				3,742	08/16/2029	1FE
774341-AB-7	ROCKWELL COLLINS INC		07/15/2019	Maturity @ 100.00		2,000,000	2,000,000.00	2,091,860	2,031,966						2,000,000				105,000	07/15/2019	2FE
84474Y-AB-2	SOUTHWEST AIRLINES CO PASS THROU		09/01/2019	Paydown		170,489	170,488.92	189,243	181,028						170,489				11,338	08/01/2022	2FE
85208N-AA-8	SPRNTS 161 A1 - ABS		09/20/2019	Paydown		125,000	125,000.00	126,125	123,438	2,155					125,000				3,097	03/20/2023	2FE
86803U-AB-7	SUNTORY HOLDINGS LTD	C	09/29/2019	Maturity @ 100.00		470,000	470,000.00	474,460	471,671						470,000				11,985	09/29/2019	2FE
90932Q-AB-2	UNITED AIRLINES INC - ABS		09/03/2019	Paydown		26,398	26,398.37	27,154	27,007						26,398				1,116	03/03/2024	2FE
92765Y-AA-5	VIRGIN AUSTRALIA HOLDINGS LTD - ABS	C	08/01/2019	VARIOUS		305,257	290,721.61	303,804	299,817						290,722				18,848	04/23/2025	2FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	8,384,633	8,364,945.46	8,507,957	8,418,462	2,155	(57,753)		(55,598)		8,362,866		2,080	2,080	281,163	X X X	X X X
8199999	Subtotal - Bonds - SVO Identified Funds				X X X															X X X	X X X
00255X-AD-1	B TERM LOAN:LEIDOS INNOVATIONS CO		09/30/2019	Call @ 100.00		2,500	2,500.00	2,500	2,446	41					2,500				79	08/22/2025	2FE
01310T-AU-3	20171 TERM B6 LOAN:ALBERTSONS LLC		09/01/2019	VARIOUS		654,933	654,932.64	651,065	622,841	30,237	259				653,338		1,595	1,595	29,027	06/22/2023	3FE
02208H-AB-4	TERM LOAN:ALTRA INDUSTRIAL MOTION		09/30/2019	Call @ 100.00		29,851	29,850.75	29,776	28,358	1,421	7				29,786		65	65	895	09/26/2025	3FE
02406M-AP-2	TRANCHE B TERM LOAN:AMERICAN AXLE		08/01/2019	Call @ 100.00		166,935	166,935.48	166,518	157,963	8,660	35				166,657		279	279	5,198	03/08/2024	3FE
05377J-AP-7	TRANCHE B TERM LOAN:AVIS BUDGET C		09/30/2019	Call @ 100.00		2,382	2,382.19	2,382	2,382						2,382				80	02/13/2025	2FE
12768P-AB-7	TERM B LOAN:CEOC, LLC (AKA CAESARS		09/30/2019	Call @ 100.00		169,167	169,166.67	167,712	159,863	8,168	151				168,181		986	986	5,108	04/04/2024	4FE
12769L-AB-5	TERM B LOAN:CAESARS RESORT COLLE		09/30/2019	Call @ 100.00		3,750	3,750.00	3,736	3,581	157	2				3,740		10	10	147	09/28/2024	3FE
15670B-AB-8	INITIAL TERM B LOAN:CENTURYLINK, INC.		09/30/2019	Call @ 100.00		5,000	5,000.00	4,975	4,659	321	2				4,983		17	17	196	01/15/2025	3FE
16117L-BS-7	TERM B LOAN:CHARTER COMMUNICATIO		09/30/2019	Call @ 100.00		5,000	5,000.00	4,994	4,995		1				4,995		5	5	168	04/13/2025	2FE
17302U-AJ-1	TERM B LOAN:CITGO PETROLEUM CORP	C	09/30/2019	Call @ 100.00		1,250	1,250.00	1,238	1,221	25	1				1,247		3	3	87	07/29/2021	4FE
22207E-BG-8	TERM LOAN B:COTY INC.	C	09/30/2019	Call @ 100.00		5,000	5,000.00	4,988	4,606	383	1				4,990		10	10	179	03/28/2025	3FE
24702N-AZ-3	TERM LOAN B:DELL INTERNATIONAL L.L.		09/19/2019	Call @ 100.00		31,891	31,890.66	31,851	31,862		4				31,866		24	24	1,050	09/07/2023	2FE
32007U-BW-8	TERM LOAN:FIRST DATA CORPORATION		08/01/2019	Call @ 100.00		805,482	805,481.64	804,475	770,578	34,202	114				804,894		587	587	22,023	07/08/2022	3FE
37252K-AP-7	REFINANCING TERM LOAN:GEO GROUP, I		09/30/2019	Call @ 100.00		2,506	2,506.27	2,509	2,281	228					2,508		(2)	(2)	84	03/22/2024	3FE
389376-AY-0	TERM C LOAN:GRAY TELEVISION, INC.		09/30/2019	Call @ 100.00		2,500	2,500.00	2,492			1				2,493		7	7	58	11/02/2025	3FE
40409V-AR-5	COMMITMENT:H.B. FULLER COMPANY		09/01/2019	Call @ 100.00		48,186	48,186.05	48,066	45,134	2,952	10				48,096		90	90	1,228	10/20/2024	3FE
404122-AX-1	TRANCHE B10 TERM LOAN:HCA INC.		09/30/2019	Call @ 100.00		1,250	1,250.00	1,250	1,222	28					1,250				42	03/14/2025	2FE
410346-AR-1	NEW TERM LOAN B:HANESBRANDS INC.		09/30/2019	Call @ 100.00		2,500	2,500.00	2,494	2,495		1				2,495		5	5	79	12/05/2024	2FE
41587C-AP-3	TERM B-2 LOAN:HARSCO CORPORATION		08/01/2019	VARIOUS		789,303	789,302.69	781,410	772,530	11,092	499				784,121		5,182	5,182	19,600	12/06/2024	3FE

E05.1

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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 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consi-deration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractua Maturity Date	22 NAIC Designation and Administrative Symbol/Mark Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort-ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
42804V-AS-0	TRANCHE B-1 TERM LOAN:HERTZ CORPO		09/30/2019	Call @ 100.00		2,500	2,500.00	2,494	2,400	96	1		97		2,497		3	3	98	06/30/2023	3FE	
44969C-BH-2	INCREMENTAL TERM B2 DOLLAR LOAN:Q		09/30/2019	Call @ 100.00		2,500	2,500.00	2,500	2,410	90			90		2,500				87	01/13/2025	3FE	
513076-AZ-2	TERM B LOAN:LAMAR MEDIA CORP.		09/30/2019	Call @ 100.00		2,506	2,506.27	2,511	2,511		(1)		(1)		2,510		(4)	(4)	80	03/14/2025	2FE	
51783Q-AP-3	REFINANCING TERM LOAN 2018:LAS VEG		08/01/2019	Call @ 100.00		977,625	977,625.00	980,075	979,511		(175)		(175)		979,337		(1,712)	(1,712)	24,339	03/27/2025	2FE	
53803H-AL-4	TERM LOAN B:LIVE NATION ENTERTAINM		09/30/2019	Call @ 100.00		2,488	2,487.50	2,500	2,428	68	(1)		67		2,495		(7)	(7)	79	10/31/2023	3FE	
57163K-AG-3	INITIAL TERM LOAN:MARRIOTT OWNERS		09/30/2019	Call @ 100.00		2,500	2,500.00	2,488	2,428	60	1		61		2,489		11	11	88	08/09/2025	2FE	
58446H-AR-3	TRANCHE N TERM LOAN:MEDIACOM ILLI		09/30/2019	Call @ 100.00		2,481	2,481.25	2,475	2,351	126	1		127		2,477		4	4	77	02/15/2024	3FE	
64072U-AE-2	MARCH 2017 REFINANCING TERM LOAN:	C	08/01/2019	Call @ 100.00		1,641	1,640.63	1,616	1,542	83	1		84		1,627		14	14	45	07/15/2025	3FE	
64072U-AG-7	JANUARY 2018 INCREMENTAL TERM LOA	C	08/01/2019	Call @ 100.00		2,500	2,500.00	2,488	2,385	104	1		105		2,490		10	10	72	01/12/2026	3FE	
64072U-AH-5	TERM LOAN:CSC Holdings	C	07/15/2019	Call @ 100.00		2,500	2,500.00	2,494	2,353	141			141		2,494		6	6	74	01/10/2026	3FE	
65336R-AU-2	TERM LOAN B3:NEXSTAR BROADCASTIN		07/01/2019	Call @ 100.00							(1)		(1)						1	01/17/2024	3FE	
70757D-AV-1	TERM B-1 FACILITY LOAN:PENN NATIONA		09/30/2019	Call @ 100.00		2,500	2,500.00	2,491	2,402	89	1		90		2,492		8	8	93	08/14/2025	3FE	
76173F-AU-1	TERM LOAN:REYNOLDS GROUP HOLDIN	C	09/30/2019	Call @ 100.00		1,247	1,246.88	1,245	1,186	59			59		1,246		1	1	49	02/05/2023	4FE	
81172U-AB-1	INITIAL TERM LOAN:SEADRILL OPERATIN	C	09/30/2019	VARIOUS		611,968	908,149.50	368,557	683,463		64,037		64,037		747,500		(135,532)	(135,532)	48,203	02/21/2021	5FE	
81726J-AE-1	SIXTH AMENDMENT TERM LOAN:SENSAT		09/25/2019	VARIOUS		917,129	917,540.04	915,246	916,540		260		260		916,800		329	329	33,097	10/14/2021	2	
829229-AQ-6	TERM LOAN B:SINCLAIR TELEVISION GR		09/30/2019	Call @ 100.00		2,463	2,462.50	2,456	2,341	118			118		2,460		2	2	87	12/20/2023	3FE	
85208E-AB-6	INITIAL TERM LOAN:SPRINT COMMUNICA	C	09/30/2019	Call @ 100.00		2,500	2,500.00	2,500	2,381	119			119		2,500				94	01/31/2024	3FE	
88037H-AG-9	TRANCHE B TERM LOAN:TENNECO INC.		09/30/2019	Call @ 100.00		2,500	2,500.00	2,457	2,341	120	5		125		2,465		35	35	100	06/18/2025	3FE	
88078F-BH-0	INCREMENTAL U.S. TERM LOAN 2018:TER		09/30/2019	Call @ 100.00		1,809	1,809.30	1,805	1,728	79			79		1,808		2	2	68	01/31/2024	3FE	
88078F-BJ-6	2019 U.S. TERM LOAN COMMITMENTS:TE		09/30/2019	Call @ 100.00		1,875	1,875.00	1,875							1,875				64	01/31/2024	3FE	
92260U-AB-1	INITIAL TERM LOAN:VENATOR FINANCE S		09/30/2019	Call @ 100.00		2,500	2,500.00	2,493	2,381	113	1		114		2,495		5	5	104	06/29/2024	3FE	
92940J-AB-4	TERM B-1 LOAN:W.R. GRACE & CO.-CONN		09/30/2019	Call @ 100.00		921	921.05	920	891	29			29		920		1	1	30	02/21/2025	3FE	
92940J-AD-0	TERM B-2 LOAN:W.R. GRACE & CO.-CONN		09/30/2019	Call @ 100.00		1,579	1,578.95	1,577	1,528	50			50		1,577		2	2	52	02/21/2025	3FE	
98310C-AC-6	TERM B LOAN:WYNDHAM HOTELS & RES		09/30/2019	Call @ 100.00		2,500	2,500.00	2,498	2,498						2,498		2	2	79	03/28/2025	2FE	
C0102M-AJ-4	REPLACEMENT TERM LOAN:AIR CANADA	C	09/30/2019	Call @ 100.00		2,500	2,500.00	2,488	2,459	32	1		33		2,493		7	7	84	10/06/2023	3FE	
8299999	Subtotal - Bonds - Bank Loans				X X X	5,282,618	5,579,209	5,024,680	5,241,475	99,491	65,220		164,711		5,410,567		(127,950)	(127,950)	192,572	X X X	X X X	
8399997	Subtotal - Bonds - Part 4				X X X	17,100,746	17,430,883	16,980,975	16,267,357	101,646	3,167		104,813		17,132,689		(51,631)	(51,631)	638,215	X X X	X X X	
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999	Total - Bonds				X X X	17,100,746	17,430,883.21	16,980,975	16,267,357	101,646	3,167		104,813		17,132,689		(51,631)	(51,631)	638,215	X X X	X X X	
30212P-30-3	EXPEDIA GROUP ORD		07/29/2019	CORPORATE REORGANI	0.88	123		8							8		114	114			L	
53046P-10-9	LIBERTY EXPEDIA HOLD SRS A ORD		07/26/2019	Unknown	2,558.00	7,957		7,957	100,043	(92,087)			(92,087)		7,957						L	

E05.2

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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 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractua Maturity Date	22 NAIC Designation and Administrative Symbol/Mark Indicator (a)
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
9099999	Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X	8,080		7,965	100,043	(92,087)			(92,087)		7,965		114	114		X X X	X X X
9799997	Subtotal - Common Stock - Part 4				X X X	8,080	X X X	7,965	100,043	(92,087)			(92,087)		7,965		114	114		X X X	X X X
9799998	Summary Item from Part 5 for Common Stocks				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
9799999	Total - Common Stocks				X X X	8,080	X X X	7,965	100,043	(92,087)			(92,087)		7,965		114	114		X X X	X X X
9899999	Total - Preferred and Common Stocks				X X X	8,080	X X X	7,965	100,043	(92,087)			(92,087)		7,965		114	114		X X X	X X X
9999999	Totals					17,108,826	X X X	16,988,940	16,367,400	9,559	3,167		12,726		17,140,654		(51,517)	(51,517)	638,215	X X X	X X X

E05.3

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

NONE **Schedule DB - Part A - Section 1**

NONE **Schedule DB - Part B - Section 1**

NONE **Schedule DB - Part D - Section 1**

NONE **Schedule DB - Part D - Section 2**

NONE **Schedule DL - Part 1**

NONE **Schedule DL - Part 2**

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
31846V-41-9 94975H-29-6	FIRST AMER:TRS OBG V WELLS FRGO TREASURY PLUS CL I MMF		08/02/2019 08/02/2019	1.610 1.680		2 2,812		2
8599999	Exempt Money Market Mutual Funds – as Identified by SVO					2,814		2
000000-00-0 4812C0-66-2 990220-47-7 999990-48-4	BNY CASH RESERVE FUND JPMORGAN:US GVT MM AGCY RBS CITIZENS NA CASH SWEEP REGIONS TRUST CASH SWEEP		09/04/2019 09/17/2019 09/30/2019 09/04/2019	2.400 1.670		7,198 9,071 7,698	381	63 9 81
8699999	All Other Money Market Mutual Funds					23,967	381	153
	Frost Bank		09/01/2019		09/30/2019	7,588,000		
8799999	Other Cash Equivalents					7,588,000		
8899999	Total Cash Equivalents					7,614,781	381	155

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