

QUARTERLY STATEMENT

OF THE

HALLMARK SPECIALTY INSURANCE COMPANY

of **OKLAHOMA CITY**

in the state of **OKLAHOMA**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

June 30, 2019

PROPERTY AND CASUALTY

2019



26808201920100102

QUARTERLY STATEMENT

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

Hallmark Specialty Insurance Company

NAIC Group Code 3478, 3478 NAIC Company Code 26808 Employer's ID Number 74-2378996

Organized under the Laws of Oklahoma State of Domicile or Port of Entry OK

Country of Domicile US Incorporated/Organized December 24, 1986 Commenced Business December 31, 1986

Statutory Home Office 201 Robert S. Kerr Ave., Suite 600 Oklahoma City, OK US 73102

Main Administrative Office 5420 Lyndon B. Johnson Freeway Suite 1100 Dallas, TX US 75240-2345 817-348-1600

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 817-348-1600

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. Rows include Naveen Anand (President), Jeffrey Ray Passmore (Chief Financial Officer & Secretary), Christopher James Kenney (Vice President).

VICE-PRESIDENTS

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

DIRECTORS OR TRUSTEES

Table with 4 columns: Name, Title, Name, Title. Rows include Naveen Anand, Charles Edward Stauber, Kenneth Russell Krissingner, Jeffrey Ray Passmore, Mark Edward Schwarz.

State of Texas

County of Dallas

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

(Signature) Naveen Anand, Jeffrey R. Passmore, Christopher J. Kenney
(Printed Name)
1. President, 2. Chief Financial Officer & Secretary, 3. Vice President
(Title)

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

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	108,787,671		108,787,671	128,089,410
2. Stocks:				
2.1 Preferred stocks	312,416		312,416	322,544
2.2 Common stocks	31,531,211		31,531,211	27,701,167
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 (\$ (974,522)), cash equivalents (\$ 23,620,028), and short-term investments (\$ 370,000)	23,015,507		23,015,507	2,542,191
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets				
9. Receivables for securities	142,367		142,367	192,888
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	163,789,172		163,789,172	158,848,200
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	668,252		668,252	867,717
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	81,504,022		81,504,022	59,919,258
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)				
15.3 Accrued retrospective premiums (\$ 0) and contracts subject to redetermination (\$ 0)				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	30,773,634		30,773,634	32,392,171
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	587,305		587,305	
18.2 Net deferred tax asset	678,642		678,642	1,371,455
19. Guaranty funds receivable or on deposit	2,468		2,468	3,158
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)	278,003,495		278,003,495	253,401,959
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	278,003,495		278,003,495	253,401,959

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)				

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 22,808,343)	63,835,307	65,380,705
2. Reinsurance payable on paid losses and loss adjustment expenses	17,194,615	19,581,209
3. Loss adjustment expenses	8,470,344	7,651,246
4. Commissions payable, contingent commissions and other similar charges	2,303,244	1,714,056
5. Other expenses (excluding taxes, licenses and fees)		
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	44,332	10,995
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))		81,010
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 \$ 167,626,784 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)	48,179,179	39,607,137
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)	71,658,243	57,496,651
13. Funds held by company under reinsurance treaties	42,200	42,200
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated		
16. Provision for reinsurance (including \$ 0 certified)		
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	13,797	166,278
20. Derivatives		
21. Payable for securities	995,000	698,105
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)	212,736,261	192,429,592
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	212,736,261	192,429,592
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	31,829,000	31,829,000
35. Unassigned funds (surplus)	29,938,234	25,643,367
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)	65,267,234	60,972,367
38. Totals (Page 2, Line 28, Col. 3)	278,003,495	253,401,959

DETAILS OF WRITE-IN LINES		
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)		
2901.		
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.		
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 \$ 177,197,189)	141,522,724	111,165,321	236,206,647
1.2 Assumed (written \$ 57,898,925)	49,326,883	43,900,712	87,149,190
1.3 Ceded (written \$ 177,197,189)	141,522,724	111,165,321	236,206,647
1.4 Net (written \$ 57,898,925)	49,326,883	43,900,712	87,149,190
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 29,178,611):			
2.1 Direct	82,557,658	64,029,906	188,340,864
2.2 Assumed	27,695,525	27,025,959	62,957,312
2.3 Ceded	82,560,091	64,022,180	188,356,422
2.4 Net	27,693,092	27,033,685	62,941,754
3. Loss adjustment expenses incurred	6,076,669	3,099,259	(2,134,203)
4. Other underwriting expenses incurred	15,016,393	11,330,232	22,310,587
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	48,786,154	41,463,176	83,118,138
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	540,729	2,437,536	4,031,052
INVESTMENT INCOME			
9. Net investment income earned	2,800,835	2,598,577	5,202,503
10. Net realized capital gains (losses) less capital gains tax of \$ 3,338	291,976	16,578	781,272
11. Net investment gain (loss) (Lines 9 + 10)	3,092,811	2,615,155	5,983,775
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ (104,727))	(104,727)	(82,588)	(185,278)
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income			
15. Total other income (Lines 12 through 14)	(104,727)	(82,588)	(185,278)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	3,528,813	4,970,103	9,829,549
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)	3,528,813	4,970,103	9,829,549
19. Federal and foreign income taxes incurred	963,347	872,740	1,574,165
20. Net income (Line 18 minus Line 19) (to Line 22)	2,565,466	4,097,363	8,255,384
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	60,972,368	57,408,714	57,408,714
22. Net income (from Line 20)	2,565,466	4,097,363	8,255,384
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ 0	4,922,213	(541,536)	(4,338,023)
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(692,813)	(19,839)	346,293
27. Change in nonadmitted assets			
28. Change in provision for reinsurance			
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(2,500,000)	(700,000)	(700,000)
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)	4,294,866	2,835,988	3,563,654
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	65,267,234	60,244,702	60,972,368

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
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			
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			
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	50,475,752	34,461,353	78,163,861
2. Net investment income	3,146,648	3,278,963	6,291,492
3. Miscellaneous income	(104,727)	(82,588)	(185,278)
4. Total (Lines 1 to 3)	53,517,673	37,657,728	84,270,075
5. Benefit and loss related payments	29,544,237	35,026,036	72,958,105
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	20,113,750	15,900,326	32,185,774
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	1,635,000		1,292,568
10. Total (Lines 5 through 9)	51,292,987	50,926,362	106,436,447
11. Net cash from operations (Line 4 minus Line 10)	2,224,686	(13,268,634)	(22,166,372)
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	36,968,434	32,677,358	62,509,511
12.2 Stocks		98,300	98,300
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			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	36,968,434	32,775,658	62,607,811
13. Cost of investments acquired (long-term only):			
13.1 Bonds	16,415,428	13,620,114	34,305,881
13.2 Stocks		277,500	11,124,081
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets			
13.6 Miscellaneous applications	(347,417)	1,106,159	1,386,719
13.7 Total investments acquired (Lines 13.1 to 13.6)	16,068,011	15,003,773	46,816,681
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)	20,900,423	17,771,885	15,791,130
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	2,500,000	700,000	700,000
16.6 Other cash provided (applied)	(151,793)	71,966	164,311
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(2,651,793)	(628,034)	(535,689)
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)	20,473,316	3,875,217	(6,910,931)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	2,542,191	9,453,122	9,453,122
19.2 End of period (Line 18 plus Line 19.1)	23,015,507	13,328,339	2,542,191

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

20.0001			
20.0002			
20.0003			

NOTES TO FINANCIAL STATEMENTS

PROPERTY

Note	Description	Page
1	Summary of Significant Accounting Policies	6.1
2	Accounting Changes and Corrections of Errors	6.1
3	Business Combinations and Goodwill	6.1
4	Discontinued Operations	6.1
5	Investments	6.1
6	Joint Ventures, Partnerships and Limited Liability Companies.....	6.1
7	Investment Income	6.1
8	Derivative Instruments	6.1
9	Income Taxes.....	6.2
10	Information Concerning Parent, Subsidiaries and Affiliates	6.4
11	Debt	6.4
12	Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.....	6.4
13	Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations	6.4
14	Contingencies	6.5
15	Leases	6.5
16	Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk	6.5
17	Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities	6.5
18	Gain or Loss to the Reporting Entity From Uninsured Plans and the Uninsured Portion of Partially Insured Plans	6.5
19	Direct Premium Written/Produced by Managing General Agents/Third Party Administrators	6.6
20	Fair Value Measurement	6.6
21	Other Items	6.6
22	Events Subsequent	6.6
23	Reinsurance	6.6
24	Retrospectively Rated Contracts & Contracts Subject to Redetermination	6.6
25	Changes in Incurred Losses and Loss Adjustment Expenses	6.7
26	Intercompany Pooling Arrangements	6.7
27	Structured Settlements	6.7
28	Health Care Receivables	6.7
29	Participating Policies	6.7
30	Premium Deficiency Reserves	6.7
31	High Deductibles	6.7
32	Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses	6.7
33	Asbestos/Environmental Reserves	6.7
34	Subscriber Savings Accounts	6.7
35	Multiple Peril Crop Insurance	6.7
36	Financial Guaranty Insurance	6.7

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 Oklahoma Department of Insurance (the Department). Such practices vary from U.S. generally accepted accounting principles (GAAP). 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 Oklahoma (NAIC SAP). For the Company, there are no significant differences between Oklahoma 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 Specialty Insurance Company state basis	XXX	XXX	XXX	\$ 2,565,466	\$ 8,255,383
(2) State Prescribed Practices: NONE					
(3) State Permitted Practices: NONE					
(4) NAIC SAP	XXX	XXX	XXX	<u>\$ 2,565,466</u>	<u>\$ 8,255,383</u>
 <u>SURPLUS</u>					
(5) Hallmark Specialty Insurance Company state basis	XXX	XXX	XXX	\$ 65,267,234	\$ 60,972,367
(6) State Prescribed Practices: NONE					
(7) State Permitted Practices: NONE					
(8) NAIC SAP	XXX	XXX	XXX	<u>\$ 65,267,234</u>	<u>\$ 60,972,367</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

No changes.

4. Discontinued Operations

Not applicable.

5. Investments

D. a. The aggregate Amount of unrealized losses:

	<u>(1)</u>
Less than 12 months	47,462
12 Months or Longer	33,307

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

	<u>(2)</u>
Less than 12 months	3,469,754
12 Months or Longer	920,172

R. Prepayment Penalty and Acceleration Fees

	<u>General Account</u>
(1) Number of CUSIPs	2
(2) Aggregate Amount of Investment Income	40,319

6. Joint Venture, Partnerships, and Limited Liability Companies

Not applicable.

7. Investment Income

No changes.

8. Derivative Instruments

Not applicable.

NOTES TO FINANCIAL STATEMENTS

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 June 30, 2019 and the change from the prior year are comprised of the following components:

	06/30/2019			12/31/2018		
	Ordinary	Capital	Total	Ordinary	Capital	Total
a. Gross Deferred Tax Assets.....	\$ 2,612,454	70,295	2,682,749	2,258,344	128,973	2,387,317
b. Statutory Valuation Allowance Adjustment.....	\$			\$		
c. Adjusted Gross Deferred Tax Assets (1a - 1b).....	\$ 2,612,454	70,295	2,682,749	2,258,344	128,973	2,387,317
d. Deferred Tax Assets Nonadmitted.....	\$			\$		
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d).....	\$ 2,612,454	70,295	2,682,749	2,258,344	128,973	2,387,317
f. Deferred Tax Liabilities.....	\$ 61,996	1,942,112	2,004,108	61,995	953,867	1,015,862
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f).....	\$ 2,550,459	(1,871,817)	678,642	2,196,349	(824,894)	1,371,455
	Change					
	Ordinary	Capital	Total			
a. Gross Deferred Tax Assets.....	\$ 354,110	(58,678)	295,432			
b. Statutory Valuation Allowance Adjustment.....	\$					
c. Adjusted Gross Deferred Tax Assets (1a - 1b).....	\$ 354,110	(58,678)	295,432			
d. Deferred Tax Assets Nonadmitted.....	\$					
e. Subtotal Net Admitted Deferred Tax Asset (1c - 1d).....	\$ 354,110	(58,678)	295,432			
f. Deferred Tax Liabilities.....	\$ 1	988,245	988,246			
g. Net Admitted Deferred Tax Asset / (Net Admitted Deferred Tax Liability) (1e - 1f).....	\$ 354,110	(1,046,923)	(692,813)			

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, is as follows:

	06/30/2019			12/31/2018		
	Ordinary	Capital	Total	Ordinary	Capital	Total
Admission Calculation Components SSAP No. 101 Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 2,509,188	-	2,509,188	1,591,833	-	1,591,833
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.	\$			562,208		562,208
Adjusted Gross Deferred Tax Assets to be Realized Following the Balance Sheet Date.	\$			-		-
Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	\$ X X X	X X X	9,782,567	X X X	X X X	8,982,308
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.	\$ 103,266	70,295	173,561	104,303	128,973	233,276
Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 2,612,454	70,295	2,682,749	2,258,344	128,973	2,387,317

NOTES TO FINANCIAL STATEMENTS

2. (cont'd)	Change		
Admission Calculation Components SSAP No. 101	Ordinary	Capital	Total
a. Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks.	\$ 917,355	-	917,355
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.	\$ (562,208)		(562,208)
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	800,259
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.	\$ (1,037)	(58,678)	(59,715)
d. Deferred Tax Assets Admitted as the result of application of SSAP No. 101. Total (2(a) + 2(b) + 2(c))	\$ 354,110	(58,678)	295,432

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

3.	2019	2018
a. Ratio Percentage Used to Determine Recover Period And Threshold Limitation Amount.	506.5%	467.4%
b. Amount Of Adjusted Capital And Surplus Used To Determine Recovery Period And Threshold Limitation In 2(b)2 Above.	\$ 64,588,592	59,600,912

4.	06/30/2019		12/31/2018		Change	
	Ordinary	Capital	Ordinary	Capital	Ordinary	Capital
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)	\$ 2,612,454	70,295	2,258,344	128,973	354,110	(58,678)
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)	\$ 2,612,454	70,295	2,258,344	128,973	354,110	(58,678)
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:

1.	06/30/2019	12/31/2018	Change
Current Income Tax			
a. Federal.....	\$ 960,009	1,782,355	(822,346)
b. Foreign.....	\$ -	-	-
c. Subtotal.....	\$ 960,009	1,782,355	(822,346)
d. Federal Income Tax on net capital gains.....	\$ 3,338	(110,114)	113,452
e. Utilization of capital loss carry-forwards.....	\$ -	-	-
f. Other.....	\$ -	(98,076)	98,076
g. Federal and foreign income taxes incurred.....	\$ 963,347	1,574,165	(610,818)
2. Deferred Tax Assets:			
a. Ordinary			
(1) Discounting of unpaid losses.....	\$ 588,929	594,845	(5,916)
(2) Unearned premium reserve.....	\$ 2,023,526	1,663,500	360,026
(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).....	\$ -	-	-
Subtotal.....	\$ 2,612,455	2,258,345	354,110
b. Statutory valuation allowance adjustment.....	\$		
c. Nonadmitted.....	\$		
d. Admitted ordinary deferred tax assets (2a99 - 2b - 2c).....	\$ 2,612,455	2,258,345	354,110

NOTES TO FINANCIAL STATEMENTS

e. Capital:	<u>06/30/2019</u>	<u>12/31/2018</u>	<u>Change</u>
(1) Investments.....	\$ 70,295	128,973	(58,678)
(2) Net capital loss carry-forward.....	\$ -	-	-
(3) Real estate.....	\$ -	-	-
(4) Other (including items <5% of total capital tax assets).....	\$ -	-	-
Subtotal.....	\$ 70,295	128,973	(58,678)
f. Statutory valuation allowance adjustment.....	\$ -	-	-
g. Nonadmitted.....	\$ -	-	-
h. Admitted capital deferred tax assets (2e99 - 2f - 2g).....	\$ 70,295	128,973	(58,678)
i. Admitted deferred tax assets (2d + 2h).....	\$ 2,682,750	2,387,318	295,432
3. Deferred Tax Liabilities:			
a. Ordinary			
(1) Investments.....	\$ 54,603	54,603	-
(2) Fixed assets.....	\$ -	-	-
(3) Deferred and uncollected premium.....	\$ -	-	-
(4) Policyholder reserves.....	\$ -	-	-
(5) Other (including items <5% of total ordinary tax liabilities)....	\$ 7,392	7,392	-
Subtotal.....	\$ 61,995	61,995	-
b. Capital:			
(1) Investments.....	\$ 1,942,112	953,867	988,245
(2) Real Estate.....	\$ -	-	-
(3) Other (including items <5% of total capital tax liabilities).....	\$ -	-	-
Subtotal.....	\$ 1,942,112	953,867	988,245
c. Deferred tax liabilities (3a99 + 3b99).....	\$ 2,004,107	1,015,862	988,245
4. Net deferred tax assets/liabilities (2i - 3c).....	\$ 678,642	1,371,456	(692,813)

D. Operating loss carryforward

As of June 30, 2019, there is no operating loss carryforward available for tax purposes.

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

	<u>Ordinary</u>	<u>Capital</u>	<u>Total</u>
2019	966,685	-	966,685
2018	1,569,923	-	1,569,923
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.

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

A. Capital Stock Authorized, Issued and Outstanding as of the Balance Sheet Date:

The Company has 500,000 shares of \$7 par value common stock authorized, issued and outstanding. The Company has no preferred stock authorized, issued or outstanding.

NOTES TO FINANCIAL STATEMENTS

B. Dividend Rate of Preferred Stock: Not applicable.

C. Dividend Restrictions: No changes.

D. Dates and Amounts of Dividends Paid:

During 2018 the Company declared and paid an ordinary cash dividend of \$700,000 to its parent AHIC.

On March 1, 2019 the Company declared and on March 15, 2019 paid an ordinary cash dividend of \$1,000,000 to its parent AHIC.

On May 14, 2019 the Company declared and on May 30, 2019 paid an ordinary cash dividend of \$1,500,000 to its parent AHIC.

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

No changes.

F. Restrictions Placed on the Unassigned Funds, Including for Whom the Surplus is Being Held:

Not applicable.

G. Mutual Surplus Advances: Not applicable.

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

I. Changes in Special Surplus Funds: Not applicable.

J. Changes in Unassigned Funds:

Unassigned funds or surplus have been increase or (decreased), in part, by the items shown below:

Net unrealized gains or (losses)	\$ 4,922,213
Change in net deferred income tax	\$ (692,813)
Dividends to stockholders	\$ (2,500,000)

K. Surplus Notes: Not applicable.

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

M. Effective Date of Quasi Reorganizations: Not applicable.

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.

NOTES TO FINANCIAL STATEMENTS

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

Name and Address of Managing General Agent or Third Party Administrator	FEIN Number	Exclusive Contract	Types of Business Written	Type of Authority Granted	Direct 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	\$ 28,845,259
Heath XS, LLC Two Lincoln Centre 5420 Lyndon B Johnson Freeway, Suite 1100 Dallas, TX 75240	02-0557327	No	Medical Professional liability, Primary / Excess Commercial Property, Financial Professional liability and Commercial Umbrella and Excess liability.	B,P,U	\$ 125,754,824
AmWins Program Underwriters, Inc 214 Senate Avenue Suite 201 Camp Hill, PA 17011	25-1835859	No	Primary Professional liability, General liability and Employee Benefits liability.	B,P,U	\$ 22,597,106

20. Fair Value Measurement

A.

1. Fair Value Measurements at Reporting Date

a. Assets at fair Value	(Level 1)	(Level 2)	(Level 3)	Total
Cash Equivalent	\$ 2,005,028	\$ -	\$ -	\$ 2,005,028
Bonds: Bank Loans	\$ -	\$ 26,449,435	\$ -	\$ 26,449,435
Common Stock	\$ 31,531,211	\$ -	\$ -	\$ 31,531,211
Total assets at fair value	\$ 33,536,239	\$ 26,449,435	\$ -	\$ 59,985,674

b. Liabilities at fair value

Not applicable

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

There were no transfers into or from level 3 during the second quarter of 2019.

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 June 30, 2019. (\$ in thousands)

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Bonds	109,304,630	108,787,671	-	108,643,835	143,836	
Preferred Stock	319,352	312,416	312,416			
Common Stocks	31,531,211	31,531,211	31,531,211			
Cash, Cash Equivalents, and Short term Investments	23,015,507	23,015,507	23,015,507	-		
Total	164,170,700	163,646,805	54,859,134	108,643,835	143,836	-

21. Other Items

Not applicable

22. Events Subsequent

Not applicable

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.

NOTES TO FINANCIAL STATEMENTS

25. Changes in Incurred Loss and Adjustment Expenses

Reserves as of December 31, 2018 were \$73.0 million. As of June 30, 2019, \$25.8 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 \$47.2 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 a \$0.4 million unfavorable prior-year development since December 31, 2018 to June 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.

26. Intercompany Pooling Arrangements

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.

The names, NAIC company codes and intercompany pooling percentages are as follows:

<u>Pool Participant</u>	<u>NAIC Company Code</u>	<u>Pool Participation%</u>
American Hallmark Insurance Company of Texas	43494	34.0
Hallmark Insurance Company	34037	32.0
Hallmark Specialty Insurance Company	26808	24.0
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 0000819913

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). 06/25/2015

6.4 By what department or departments?
 Oklahoma Department of Insurance, Texas Department of Insurance, Arizona Department of Insurance & 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 [] No [X]

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	\$ _____	\$ _____
14.24 Short-Term Investments	\$ _____	\$ _____
14.25 Mortgage Loans on Real Estate	\$ _____	\$ _____
14.26 All Other	\$ _____	\$ _____
14.27 Total Investment in Parent, Subsidiaries and Affiliates (Subtotal Lines 14.21 to 14.26)	\$ _____	\$ _____
14.28 Total Investment in Parent included in Lines 14.21 to 14.26 above	\$ _____	\$ _____

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

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

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

3.2 If yes, give full and complete information thereto:
.....
.....
.....
.....

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

4.2 If yes, complete the following schedule:

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 [X]

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 [X]

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 [X] No []

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

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1	2	3	4	5	6	7
NAIC Company Code	ID Number	Name of Reinsurer	Domiciliary Jurisdiction	Type of Reinsurer	Certified Reinsurer Rating (1 through 6)	Effective Date of Certified Reinsurer Rating
		U.S. Insurers				
27847	95-2769232	Insurance Company of the West	CA	Authorized		
		All Other Insurers				
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-3190871	Lancashire Insurance Company Ltd.	BMU	Unauthorized		
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	E	2,295,487	2,036,552	3,675,760	9,175	2,349,791	2,322,505
2. Alaska	AK	E	128,633	5,893			308,018	133,565
3. Arizona	AZ	E	1,524,471	1,064,684		71,051	1,715,135	1,036,780
4. Arkansas	AR	E	4,782,403	3,884,189	1,189,897	2,411,599	5,008,043	1,901,190
5. California	CA	E	28,038,787	19,309,262	9,176,230	2,280,926	39,313,355	20,970,922
6. Colorado	CO	E	2,129,430	1,938,533		20,444	2,721,918	2,389,023
7. Connecticut	CT	E	1,919,772	1,631,337	(11,336)	2,737	2,296,265	1,403,803
8. Delaware	DE	E	230,783	140,512			141,582	83,789
9. District of Columbia	DC	E	129,499	42,986	19,291	9,702	140,392	110,003
10. Florida	FL	E	19,230,424	9,874,304	3,777,924	2,455,831	15,072,197	7,721,015
11. Georgia	GA	E	5,245,232	2,709,183	2,143,743	22,858	8,978,177	4,694,035
12. Hawaii	HI	E	1,158,264	450,137		(2,500)	339,170	114,069
13. Idaho	ID	E	680,887	471,318	2,524		828,932	724,084
14. Illinois	IL	E	3,763,187	2,262,607	1,573,063	1,169,922	5,788,617	4,570,485
15. Indiana	IN	E	1,265,928	608,914	5,000,000	774,371	1,310,384	5,358,312
16. Iowa	IA	E	608,161	726,419		407,999	1,234,654	942,752
17. Kansas	KS	E	1,233,233	357,265	23,854		868,506	585,725
18. Kentucky	KY	E	1,395,189	1,504,521	12,500	78,510	1,528,027	1,027,124
19. Louisiana	LA	E	5,443,712	3,945,389	3,944,325	14,066,750	12,464,729	(10,388,396)
20. Maine	ME	E	193,189	19,870			238,969	122,526
21. Maryland	MD	E	1,707,947	632,440	61,153	12,500	1,780,876	1,188,466
22. Massachusetts	MA	E	1,919,851	2,240,707	15,789	6,183	1,969,106	1,086,524
23. Michigan	MI	E	1,830,839	1,711,465	1,187,500		4,063,856	2,559,877
24. Minnesota	MN	E	892,064	569,107	29,658	3,952	947,613	475,166
25. Mississippi	MS	E	1,348,791	1,163,365	556,460	3,590,391	4,589,800	(4,660,458)
26. Missouri	MO	E	2,204,184	1,641,262	91,700	98,991	2,347,369	1,339,545
27. Montana	MT	E	487,632	542,638			735,341	416,272
28. Nebraska	NE	E	486,497	269,047	149,755	1,665	575,238	368,004
29. Nevada	NV	E	1,561,709	932,011	17,608	5,620	1,204,513	652,032
30. New Hampshire	NH	E	156,900	152,351			210,514	104,968
31. New Jersey	NJ	E	7,081,420	6,156,644	6,821,600	946,429	12,625,434	10,432,088
32. New Mexico	NM	E	864,401	609,935			1,728,639	1,127,149
33. New York	NY	E	10,180,890	6,632,323	562,608	51,995	8,863,645	4,198,244
34. North Carolina	NC	E	2,019,514	1,423,849	5,978		1,933,774	1,360,075
35. North Dakota	ND	E	352,592	461,335	962		1,331,137	2,813,223
36. Ohio	OH	E	2,376,912	1,505,637	395,978	(4,600)	6,582,410	1,900,162
37. Oklahoma	OK	L	4,210,390	3,941,177	2,239,932	2,836,558	3,769,003	4,667,790
38. Oregon	OR	E	1,460,106	964,025	305,225	768,146	2,295,954	2,266,725
39. Pennsylvania	PA	E	5,032,625	3,109,993	25,000	179,812	4,967,793	2,877,056
40. Rhode Island	RI	E	566,550	223,711			1,925,073	74,973
41. South Carolina	SC	E	2,327,110	1,144,512	419,972	26,324	1,194,991	2,030,014
42. South Dakota	SD	E	233,260	204,248			185,400	136,620
43. Tennessee	TN	E	2,070,223	1,112,538	9,714	278,708	1,810,608	1,550,799
44. Texas	TX	E	33,496,339	26,016,600	14,635,369	13,225,449	45,781,359	51,526,197
45. Utah	UT	E	803,584	1,468,304	44,640	1,000,000	1,685,190	1,566,496
46. Vermont	VT	E	27,756	88,426			109,208	80,844
47. Virginia	VA	E	4,442,515	1,580,862	45,000	965,000	2,132,249	1,988,709
48. Washington	WA	E	3,472,766	2,419,154	1,426,400	15,000	2,958,601	1,559,670
49. West Virginia	WV	E	241,034	433,468			479,975	398,819
50. Wisconsin	WI	E	1,644,041	804,242	513,499	210,228	4,244,442	1,226,605
51. Wyoming	WY	E	300,080	176,332			484,202	489,628
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	177,197,193	123,315,583	60,089,275	47,997,726	228,160,174	143,625,593

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					

(a) Active Status Counts

L – Licensed or Chartered - Licensed insurance carrier or domiciled RRG	1
E – Eligible - Reporting entities eligible or approved to write surplus lines in the state	50
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)	6

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	27.9	Newcastle Partners, L.P.	N	
0		00000	45-8544756	0	0		ACO Holdings, Inc. (Inactive Co)	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-2341879	0	0		American Hallmark G.A., Inc.	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-1693596	0	0		Hallmark Claim Services, Inc.	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-2339280	0	0		Hallmark Finance Corporation	TX	UDP	ACO Holdings, Inc. (Inactive Co)	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	20-0785668	0	0		Aerospace Holdings, LLC	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-2853986	0	0		Aerospace Claims Management Group	TX	UDP	Aerospace Holdings, LLC	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-2925120	0	0		Aerospace Flight (Inactive Co)	TX	UDP	Aerospace Holdings, LLC	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	52-2099239	0	0		Aerospace Insurance Managers, Inc.	TX	UDP	Aerospace Holdings, LLC	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	20-0786154	0	0		Aerospace Special Risk, Inc.	TX	UDP	Aerospace Holdings, LLC	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	N/A	0	0		Mannequin PCC Ltd. Cell A-22*	GG	UDP	Aerospace Holdings, LLC	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	02-0557327	0	0		Heath XS, LLC	NJ	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	01-0756829	0	0		Hardscrabble Data Solutions, LLC	NJ	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	26-2010050	0	0		CITON Agency, Inc	FL	UDP	Hallmark Financial Services, Inc.	Ownership	49.0	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	100.0	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	100.0	Newcastle Partners, L.P.	N	
0		00000	75-1661749	0	0		CYR Insurance Management Company	TX	UDP	American Hallmark Ins. Co. of TX	Ownership	100.0	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	100.0	Newcastle Partners, L.P.	N	
0		00000	41-2130851	0	0		TBIC Holding Corporation	TX	UDP	American Hallmark Ins. Co. of TX	Ownership	100.0	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	100.0	Newcastle Partners, L.P.	N	
0		00000	37-1417618	0	0		TBIC Risk Management, Inc.	TX	UDP	Texas Builders Insurance Company	Ownership	100.0	Newcastle Partners, L.P.	Y	
0		00000	75-2825542	0	0		Effective Claims Management, Inc.	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	75-2652618	0	0		American Hallmark Insurance Services, Inc	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	74-2228153	0	0		Hallmark Specialty Underwriters, Inc	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	74-2774138	0	0		TGA Special Risk	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	Newcastle Partners, L.P.	N	
0		00000	74-1683629	0	0		Pan American Acceptance Corporation	TX	UDP	Hallmark Financial Services, Inc.	Ownership	100.0	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	100.0	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	100.0	Newcastle Partners, L.P.	N	

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	17,450,518	7,334,204	42.0	50.8
2. Allied lines	15,067,368	21,572,184	143.2	53.8
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine	65,734	51,706	78.7	31.4
10. Financial guaranty				
11.1 Medical professional liability-occurrence	2,203,958	1,508,557	68.4	60.0
11.2 Medical professional liability-claims made	25,182,254	11,106,033	44.1	56.7
12. Earthquake	4,506,731	(336,759)	-7.5	-8.5
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence	61,930,064	34,960,038	56.5	58.0
17.2 Other liability-claims made	8,039,008	4,624,024	57.5	62.3
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence	50,315	23,247	46.2	18.5
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability				
19.3, 19.4 Commercial auto liability	6,243,064	1,003,027	16.1	80.3
21. Auto physical damage	783,710	711,399	90.8	49.2
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX	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	141,522,724	82,557,660	58.3	57.6

DETAILS OF WRITE-INS				
3401.				
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	2	3
	Current Quarter	Current Year to Date	Prior Year Year to Date
1. Fire	13,904,375	21,426,391	9,408,274
2. Allied lines	17,633,287	23,235,077	11,683,035
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine	38,079	68,394	118,528
10. Financial guaranty			
11.1 Medical professional liability-occurrence	2,224,073	3,247,225	1,396,251
11.2 Medical professional liability-claims made	14,766,139	28,667,555	22,152,670
12. Earthquake	4,159,809	5,064,623	2,275,679
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence	40,539,479	72,749,587	62,831,371
17.2 Other liability-claims made	8,852,617	14,587,312	4,619,180
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence	78,291	117,614	25,420
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability			
19.3, 19.4 Commercial auto liability	3,827,304	7,188,178	7,697,321
21. Auto physical damage	360,284	845,233	1,107,852
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS	106,383,737	177,197,189	123,315,581

DETAILS OF WRITE-INS				
3401.				
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	14,755	3,376	18,131	8,890	203	9,093	10,068	452	1,148	11,668	4,203	(1,573)	2,630
2. 2017	9,602	6,110	15,712	6,893	122	7,015	7,940	376	2,331	10,647	5,231	(3,281)	1,950
3. Subtotals 2017 + prior	24,357	9,486	33,843	15,783	325	16,108	18,008	828	3,479	22,315	9,434	(4,854)	4,580
4. 2018	13,682	25,508	39,190	9,407	685	10,092	11,565	758	12,578	24,901	7,290	(11,487)	(4,197)
5. Subtotals 2018 + prior	38,039	34,994	73,033	25,190	1,010	26,200	29,573	1,586	16,057	47,216	16,724	(16,341)	383
6. 2019	X X X	X X X	X X X	X X X	8,297	8,297	X X X	6,972	18,118	25,090	X X X	X X X	X X X
7. Totals	38,039	34,994	73,033	25,190	9,307	34,497	29,573	8,558	34,175	72,306	16,724	(16,341)	383

8. Prior Year-End Surplus As Regards Policyholders

60,972

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>43.965</u>	2. <u>-46.697</u>	3. <u>0.524</u>
		<u>Col. 13, Line 7</u>
		<u>Line 8</u>
		4. <u>0.628</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?	YES
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?	YES

Explanation:

Question 1: Not applicable

Question 3: Not applicable

Bar Code:



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)		

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)		

SCHEDULE BA - VERIFICATION**Other Long-Term Invested Assets**

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

SCHEDULE D - VERIFICATION**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	156,113,121	177,798,609
2. Cost of bonds and stocks acquired	16,415,428	45,429,962
3. Accrual of discount	62,687	137,094
4. Unrealized valuation increase (decrease)	4,922,215	(4,338,024)
5. Total gain (loss) on disposals	295,314	669,508
6. Deduct consideration for bonds and stocks disposed of	37,008,753	62,726,054
7. Deduct amortization of premium	209,035	976,217
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	40,319	118,243
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9 + 10)	140,631,296	156,113,121
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	140,631,296	156,113,121

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)	31,437,084	2,312,035	12,813,434	137,391	31,437,084	21,073,076		34,233,978
2. NAIC 2 (a)	55,479,482	11,663,597	9,722,074	(1,981,750)	55,479,482	55,439,255		63,556,959
3. NAIC 3 (a)	30,194,607	995,000	967,706	963,332	30,194,607	31,185,233		30,187,257
4. NAIC 4 (a)	556,172		78,730	982,663	556,172	1,460,105		539,916
5. NAIC 5 (a)								
6. NAIC 6 (a)								66,300
7. Total Bonds	117,667,345	14,970,632	23,581,944	101,636	117,667,345	109,157,669		128,584,410
PREFERRED STOCK								
8. NAIC 1	312,416				312,416	312,416		322,544
9. NAIC 2								
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	312,416				312,416	312,416		322,544
15. Total Bonds & Preferred Stock	117,979,761	14,970,632	23,581,944	101,636	117,979,761	109,470,085		128,906,954

(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 \$ 370,000; 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	370,000	X X X	375,017	8,067	

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	494,999	606,429
2. Cost of short-term investments acquired	101,586	916,651
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		1,650
6. Deduct consideration received on disposals	225,000	1,016,650
7. Deduct amortization of premium	1,586	13,081
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)	369,999	494,999
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	369,999	494,999

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	2,057,599	5,022,097
2. Cost of cash equivalents acquired	48,939,763	59,756,798
3. Accrual of discount		
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals		
6. Deduct consideration received on disposals	27,377,334	62,721,296
7. Deduct amortization of premium		
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	23,620,028	2,057,599
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	23,620,028	2,057,599

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)
074406-JE-0	BEAUMONT CALIF FING AUTH LOC AGY REV		04/01/2019	NATIONAL FINL SVCS CORP		66,721	65,000.00	252	1FE
160519-BG-8	CHARLESTON W VA CIVIC CTR REV		04/01/2019	NATIONAL FINL SVCS CORP		76,835	75,000.00	340	Z
34161D-BK-0	FLORIDA ST DEPT TRANSN ST INFRASTRUCTURE		06/05/2019	NATIONAL FINL SVCS CORP		127,825	125,000.00	2,438	1FE
67884E-F4-6	OKLAHOMA DEV FIN AUTH LEASE REV		05/02/2019	NATIONAL FINL SVCS CORP		102,228	100,000.00	1,054	1FE
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations				X X X	373,609	365,000.00	4,084	X X X
00287Y-AU-3	ABBVIE INC		04/05/2019	RBC CAPITAL MARKETS		988,040	1,000,000.00	9,264	2FE
025816-BY-4	AMERICAN EXPRESS CO		04/05/2019	BONY/TORONTO DOMINION SECURITI		765,923	750,000.00	11,794	1FE
94973V-AX-5	ANTHEM INC		04/11/2019	BONY/TORONTO DOMINION SECURITI		1,006,840	1,000,000.00	13,021	2FE
141781-BH-6	CARGILL INC		06/05/2019	BONY/TORONTO DOMINION SECURITI		1,172,505	1,160,000.00	5,110	1FE
124857-AG-8	CBS CORP		06/05/2019	BONY/TORONTO DOMINION SECURITI		1,245,788	1,225,000.00	11,025	2FE
44891A-AU-1	HYUNDAI CAPITAL AMERICA	C	06/20/2019	BONY/TORONTO DOMINION SECURITI		1,021,160	1,000,000.00	17,292	2FE
501044-DB-4	KROGER CO		06/12/2019	BONY/TORONTO DOMINION SECURITI		1,101,606	1,100,000.00	10,566	2FE
56585A-AL-6	MARATHON PETROLEUM CORP		06/05/2019	WELLS FARGO SECURITIES		1,500,785	1,485,000.00	24,123	2FE
60871R-AF-7	MOLSON COORS BREWING CO		06/06/2019	MORGAN STANLEY CO		990,350	1,000,000.00	8,458	2FE
774341-AH-4	ROCKWELL COLLINS INC		06/19/2019	MORGAN STANLEY CO		1,006,870	1,000,000.00	7,467	2FE
907818-ET-1	UNION PACIFIC CORP		06/12/2019	BONY/TORONTO DOMINION SECURITI		1,802,157	1,775,000.00	947	2FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	12,602,024	12,495,000.00	119,067	X X X
65336R-AW-8	TERM LOAN B:NEXSTAR BROADCASTING, INC.		06/20/2019	Unknown		995,000	1,000,000.00		3FE
95810D-AR-2	U.S. TERM B4 LOAN:WESTERN DIGITAL CORPOR		04/05/2019	Unknown		1,000,000	1,000,000.00		2FE
8299999	Subtotal - Bonds - Bank Loans				X X X	1,995,000	2,000,000.00		X X X
8399997	Subtotal - Bonds - Part 3				X X X	14,970,633	14,860,000	123,151	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	14,970,633	14,860,000.00	123,151	X X X
9999999	Totals				X X X	14,970,633	X X X	123,151	X X X

E04

(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	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
69342W-AB-7 181059-KA-3 400442-FH-7 517451-AV-2 843257-CT-1	CIBOLO CANYONS SPECIAL I CLARK CNTY NEV SCH DIST GRUNDY KENDALL & WILL CNTYS ILL CM LAS ANIMAS CNTY COLO SCH DIST RE-6 SOUTHERN KERN CALIF UNI SCH DIST		04/01/2019 06/17/2019 04/01/2019 04/01/2019 04/01/2019	Paydown VARIOUS Call @ 100.00 Call @ 100.00 Call @ 100.00		45,000	45,000.00	46,840	45,407		(407)		(407)		45,000				6,131 1,013 11,808 691 2,312	08/20/2020 06/15/2019 10/15/2020 12/01/2021 11/01/2019	2FE 2FE 1FE 1FE 1FE
2499999	Subtotal - Bonds - U.S. Political Subdivisions of States, Territories and Possessions				X X X	45,000	45,000.00	46,840	45,407		(407)		(407)		45,000				21,955	X X X	X X X
012123-KF-1 072016-DC-9 142576-BN-6 276515-VH-3 3137AW-B2-0 3136AA-6W-0 3136AB-S9-5 3136AB-S2-0 349291-BR-4 442540-CK-4 57420N-BC-4 59455R-2M-7 59469W-AM- 60416S-JB-7 60637B-CP-3 678673-DQ-4 68304E-DT-3 684907-SZ-2 74529J-QB-4 769123-FM-7 796242-NT-8 83712T-DA-6 882750-NE-8 924190-LY-5 92812U-K5-6 93978T-SC-4 97689Q-BN-5 989654-GC-6	ALBANY CNTY N Y ARPT AUTH ARPT REV BAY AREA GOVT ASSOC CALIF LEASE RE CARLSBAD CALIF HSG & REDEV COMMN EASTERN ILL UNIV REVS FHR 4135C BQ - CMO/RMBS FNR 12154A CP - CMO/RMBS FNR 136J QD - CMO/RMBS FNR 136J QP - CMO/RMBS FORT WAYNE IND REDEV DIST REV HOWARD CNTY ARK SALES & USE TAX MARYLAND ST ECONOMIC DEV CORP EC MICHIGAN MUN BD AUTH REV MICHIGAN ST STRATEGIC FD SOLID WAS MINNESOTA ST HSG FIN AGY MISSOURI ST HSG DEV COMMN SINGLE F OKLAHOMA COLLEGES BRD REGENTS R ONTARIO CALIF REDEV FING AUTH REV ORANGE CNTY FLA HSG FIN AUTH HOME PUERTO RICO SALES TAX FING CORP SA RIVERSIDE CNTY CALIF REDEV AGY TAX SAN ANTONIO TEX ARPT SYS REV SOUTH CAROLINA ST HSG FIN & DEV AUT TEXAS ST DEPT HSG & CMNTY AFFAIRS VERMONT HSG FIN AGY VIRGINIA ST HSG DEV AUTH COMWLTH M WASHINGTON ST HSG FIN COMMN WISCONSIN HSG & ECONOMIC DEV AUTH ZION ILL		05/01/2019 06/03/2019 04/01/2019 04/01/2019 04/01/2019 04/01/2019 04/01/2019 04/01/2019 06/01/2019 06/03/2019 06/01/2019 04/01/2019 04/01/2019 04/01/2019 06/04/2019 06/05/2019 06/27/2019 05/01/2019 06/06/2019 04/01/2019 05/01/2019 06/03/2019 06/03/2019 04/01/2019 06/01/2019 04/01/2019 05/01/2019 04/01/2019	Unknown Call @ 100.00 Call @ 100.00 Maturity @ 100.00 Paydown Paydown Paydown Paydown Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 100.00 Call @ 81.04 Call @ 100.00 Unknown VARIOUS VARIOUS Call @ 100.00 Paydown Call @ 100.00 Unknown Call @ 100.00		926,932 35,000 75,000 75,000 10,000 60,000 75,000 75,000 5,000 50,000 60,000 810 2,038,880 1,588,373 997,810 30,281 999,520	915,000.00 35,000.00 75,000.00 75,000.00 10,000.00 60,000.00 75,000.00 75,000.00 5,000.00 50,000.00 60,000.00 1,000.00 2,000,000.00 1,590,000.00 1,005,000.00 30,280.74 1,000,000.00	970,339 35,986 76,187 74,847 10,209 58,422 79,463 76,099 4,963 50,952 61,557 828 2,147,400 1,591,590 1,002,071 30,243 1,000,000	935,487 35,000 74,847 74,847 10,000 58,510 76,099 76,099 4,967 50,000 60,000 97,889 2,000,000 1,590,398 1,002,403 30,247 1,000,000		(7,055) 153 11		(7,055) 153 11		928,432 35,000 75,000 75,000 10,000 58,529 75,779 75,779 4,967 50,000 60,000 839 2,000,000 1,590,266 1,002,462 30,281 1,000,000		(1,501) 1,471 (779)	(1,501) 1,471 (779)	13,827 875 1,933 1,500 2,565 1,453 1,288 1,294 177 563 1,303 407 2,400 77 603 1,083 1,425 848 18 610 87,500 19,690 24,256 36 2,226 4,785 13,000 2,130	12/15/2019 07/01/2022 09/01/2019 04/01/2019 11/15/2042 01/25/2043 02/25/2043 02/25/2043 06/01/2021 06/01/2044 06/01/2020 11/01/2023 01/01/2021 01/01/2032 11/01/2041 06/01/2023 08/01/2021 09/01/2040 07/01/2024 10/01/2020 07/01/2025 01/01/2041 07/01/2041 05/01/2037 04/25/2042 12/01/2033 09/01/2019 12/01/2019	1FE 1FE 2FE 4FE 1 1 1 1 1FE 1FE Z Z 2 1FE 1FE Z 2FE 1FE Z 1FE 1FE 1FE 1FE 1FE 1FE 1FE Z

(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	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
3199999	Subtotal - Bonds - U.S. Special Revenue and Special Assessment Non-Guaranteed Obligati				X X X	6,952,606	6,911,280.74	7,120,210	7,025,847	153	(7,382)		(7,229)		6,915,730		36,873	36,873	187,872	X X X	X X X
01310T-AU-3	20171 TERM B6 LOAN:ALBERTSONS LLC		04/01/2019	Call @ 100.00																06/22/2023	3FE
12506K-AD-1	ADDITIONAL TERM B-1 LOAN:CBS RADIO I		05/01/2019	Call @ 100.00															(93)	11/01/2023	3FE
009090-AB-7	AIR CANADA 2015-1 PASS THROUGH TRU	C	04/01/2019	Paydown															7,437	09/15/2024	2FE
02376Y-AA-5	AMERICAN AIRLINES INC - ABS		04/01/2019	Paydown															6,451	07/15/2025	2FE
023770-AB-6	AMERICAN AIRLINES INC - ABS		06/01/2019	Paydown		82,913	82,912.63	81,047	81,620		1,292		1,292		82,913				11,540	11/01/2024	2FE
0258M0-DT-3	AMERICAN EXPRESS CREDIT CORP		05/01/2019	Unknown		996,546	1,000,000.00	997,310	998,372		380		380		998,752		(2,206)	(2,206)	22,101	05/26/2020	1FE
924347-9W-9	B TERM LOAN:LEIDOS, INC. FKA LEIDOS I		04/01/2019	Call @ 100.00															19	06/09/2023	2FE
89705D-AE-2	BLOCKED DOLLAR TERM LOAN FIRST LIE		05/01/2019	Call @ 100.00															6	09/23/2024	3FE
14149Y-BL-1	CARDINAL HEALTH INC		06/14/2019	Maturity @ 100.00		1,500,000	1,500,000.00	1,503,885	1,500,972		(972)		(972)		1,500,000				14,610	06/14/2019	2FE
24735T-AA-6	DELTA AIR LINES INC - ABS		06/01/2019	VARIOUS		350,876	350,876.33	382,455	355,053		(4,177)		(4,177)		350,876				12,061	11/07/2020	2FE
247361-ZH-4	DELTA AIR LINES INC - ABS		06/01/2019	VARIOUS		226,193	226,192.65	227,324	226,281		(88)		(88)		226,193				5,598	11/23/2020	1FE
24736T-AA-5	DELTA AIR LINES INC - ABS		06/17/2019	Paydown		33,375	33,375.27	36,963	34,028		(653)		(653)		33,375				14,915	06/17/2021	1FE
233283-AA-8	DNA ALPHA LTD - ABS		06/01/2019	Paydown		84,116	84,116.00	87,901	86,494		(2,378)		(2,378)		84,116				15,935	05/30/2025	2FE
30219G-AH-1	EXPRESS SCRIPTS HOLDING CO		06/15/2019	Maturity @ 100.00		1,000,000	1,000,000.00	999,700	999,942		58		58		1,000,000				11,250	06/15/2019	2FE
41283L-AD-7	HARLEY-DAVIDSON FINANCIAL SERVICE		05/01/2019	Unknown		1,495,076	1,500,000.00	1,506,045	1,502,303		(1,077)		(1,077)		1,501,226		(6,150)	(6,150)	22,600	09/15/2019	1FE
12685L-AC-4	INCREMENTAL TERM B1 LOAN:CABLE ON		04/01/2019	Call @ 100.00															32	04/12/2024	3FE
89705D-AD-4	INITIAL DOLLAR TERM LOAN FIRST LIEN:T		04/01/2019	Call @ 100.00															14	09/13/2024	3FE
15670B-AB-8	INITIAL TERM B LOAN:CENTURYLINK, INC.		04/01/2019	Call @ 100.00															36	01/15/2025	3FE
87239P-AD-6	INITIAL TERM LOAN:VISTRA OPERATIONS		04/01/2019	Call @ 100.00															70	08/04/2023	2FE
521865-AV-7	LEAR CORP		05/23/2019	Call @ 102.69		1,026,880	1,000,000.00	1,071,250	1,032,696		(7,623)		(7,623)		1,025,074		1,806	1,806	37,924	03/15/2024	2FE
24001Q-AL-5	LOAN:DAYTON POWER AND LIGHT COMP		04/01/2019	Call @ 100.00															26	08/18/2022	2FE
631103-AD-0	NASDAQ OMX GROUP INC		05/01/2019	VARIOUS		2,039,053	2,000,000.00	2,154,220	2,070,134		(22,222)		(22,222)		2,047,911		(47,911)	(47,911)	127,237	01/15/2020	2FE
67515U-AA-8	OCTR 6 X - CDO		05/01/2019	Paydown		100,000	100,000.00	100,000	100,000						100,000				3,620	07/15/2028	1FE
68389X-BB-0	ORACLE CORP		05/01/2019	Unknown		994,819	1,000,000.00	969,720	970,389		2,767		2,767		973,156		21,663	21,663	24,028	05/15/2022	1FE
10330J-AU-2	REFINANCING TERM B LOAN:BOYD GAMI		04/01/2019	Call @ 100.00															62	09/15/2023	3FE
73744G-AJ-1	SERIES A INCREMENTAL TERM LOAN:PO		04/01/2019	Call @ 100.00															38	05/16/2024	3FE
43289D-AE-3	SERIES B2 TERM LOAN:HILTON WORLDW		04/01/2019	Call @ 100.00															20	10/26/2023	2FE
81726J-AE-1	SIXTH AMENDMENT TERM LOAN:SENSAT		04/01/2019	VARIOUS															101	10/14/2021	2
84474Y-AB-2	SOUTHWEST AIRLINES CO PASS THROU		04/01/2019	Paydown															20,829	08/01/2022	2FE
84858E-AA-4	SPIRIT AIRLINES CLASS B PASS THROUG		05/01/2019	Paydown		33,069	33,069.06	32,862	32,916		154		154		33,069				8,033	10/01/2025	2FE
85208N-AA-8	SPRNTS 161 A1 - ABS		06/20/2019	Paydown		62,500	62,500.00	63,063	61,719	1,078	(297)		781		62,500				3,724	03/20/2023	2FE
12769L-AB-5	TERM B LOAN:CAESARS RESORT COLLE		04/01/2019	Call @ 100.00															18	09/28/2024	3FE
12768P-AB-7	TERM B LOAN:CEOC, LLC AKA CAESARS		04/01/2019	Call @ 100.00															16	04/04/2024	3FE
16117L-BS-7	TERM B LOAN:CHARTER COMMUNICATIO		04/01/2019	Call @ 100.00															30	04/13/2025	2FE

E05.1

(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	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Identification	Description	Forfeiture	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/(Decrease)	Current Year's (Amortization)/Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
G6361C-AH-9	TERM B LOAN:NCL CORPORATION LTD. A		04/01/2019	Call @ 100.00															8	10/05/2021	2FE
74733G-AH-6	TERM B LOAN:QUAD/GRAPHICS, INC		04/01/2019	Call @ 100.00															39	04/28/2021	3FE
79546K-AF-7	TERM B1 LOAN:SALLY HOLDINGS LLC SA		04/01/2019	Call @ 100.00															25	06/23/2024	3FE
04433H-AE-1	TERM LOAN B:ASHLAND LLC		04/01/2019	Call @ 100.00															2	05/25/2024	3FE
15018L-AJ-0	TERM LOAN B:CEDAR FAIR, L.P.		04/01/2019	Call @ 100.00															27	04/28/2024	3FE
22207E-BG-8	TERM LOAN B:COTY INC.	C	04/01/2019	Call @ 100.00																03/28/2025	3FE
389376-AX-2	TERM LOAN B:GRAY TELEVISION, INC.		04/01/2019	Call @ 100.00																02/28/2024	3FE
29267Y-AK-8	TERM LOAN:ENERGIZER HOLDINGS INC.		04/01/2019	Call @ 100.00															(4)	06/30/2022	2
92532Y-AB-5	TERM LOAN:ENTEGRIS, INC. FKA VERSU		04/01/2019	Call @ 100.00															77	09/21/2023	3FE
32007U-BW-8	TERM LOAN:FIRST DATA CORPORATION		04/01/2019	Call @ 100.00															67	07/08/2022	3FE
62937N-AW-7	TERM LOAN:NRG ENERGY, INC.		06/01/2019	Call @ 100.00															(27)	06/14/2023	2FE
02406M-AP-2	TRANCHE B TERM LOAN:AMERICAN AXLE		04/01/2019	Call @ 100.00															32	03/08/2024	3FE
23918Y-AC-2	TRANCHE B TERM LOAN:DAVITA INC. FKA		04/01/2019	Call @ 100.00															126	06/24/2021	2FE
81760H-AE-2	TRANCHE C TERM LOAN:SERVICEMASTE		04/01/2019	Call @ 100.00															33	11/03/2023	3FE
58446H-AR-3	TRANCHE N TERM LOAN:MEDIACOM ILLI		04/01/2019	Call @ 100.00															4	02/15/2024	3FE
89641A-AC-9	TRNTS 5 A - CDO		04/26/2019	Paydown		1,000,000	1,000,000.00	1,000,000	1,000,000						1,000,000				21,884	10/25/2028	Z
210795-QC-7	UNITED AIRLINES INC - ABS		05/01/2019	Paydown		101,199	101,199.36	106,765	104,197		(2,998)		(2,998)		101,199				16,306	04/29/2022	2FE
928668-AB-8	VOLKSWAGEN GROUP OF AMERICA FINA	C	05/23/2019	Maturity @ 100.00		1,200,000	1,200,000.00	1,201,320	1,200,320		(320)		(320)		1,200,000				12,756	05/23/2019	1FE
959802-AT-6	WESTERN UNION CO		05/22/2019	Maturity @ 100.00		1,000,000	1,000,000.00	1,023,650	1,004,512		(4,512)		(4,512)		1,000,000				16,750	05/22/2019	2FE
3899999	Subtotal - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	13,326,615	13,274,241.30	13,545,480	13,361,948	1,078	(42,666)		(41,588)		13,320,360		(32,798)	(32,798)	438,393	X X X	X X X
8199999	Subtotal - Bonds - SVO Identified Funds				X X X															X X X	X X X
01310T-AU-3	20171 TERM B6 LOAN:ALBERTSONS LLC		06/27/2019	Call @ 100.00		5,000	5,000.00	4,941	4,755	200	5		205		4,960		40	40	144	06/22/2023	3FE
04433H-AE-1	TERM LOAN B:ASHLAND LLC		06/28/2019	Call @ 100.00		625	625.00	625	610	15			15		625				15	05/25/2024	3FE
05377J-AP-7	TERM LOAN B:AVIS BUDGET CAR RENTA		06/27/2019	Call @ 100.00		2,441	2,441.10	2,441	2,441						2,441				46	02/07/2025	2FE
09950E-AQ-3	REFINANCING TRANCHE B TERM LOAN:B		06/28/2019	Call @ 100.00		963	963.41	961	942	20			20		962		1	1	22	06/30/2023	3FE
10330J-AU-2	REFINANCING TERM B LOAN:BOYD GAMI		06/20/2019	Call @ 100.00		42,041	42,041.32	42,041	40,062	1,979			1,979		42,041				765	09/15/2023	3FE
12506K-AD-1	ADDITIONAL TERM B-1 LOAN:CBS RADIO I		05/01/2019	VARIOUS		351,504	351,503.76	349,752	329,535	20,632	90		20,722		350,257		1,247	1,247	6,415	11/01/2023	3FE
12685L-AC-4	INCREMENTAL TERM B-1 LOAN:CABLE O		06/28/2019	Call @ 100.00		1,250	1,250.00	1,248	1,191	58			58		1,249		1	1	31	04/12/2024	3FE
12768P-AB-7	TERM B LOAN:CEOC, LLC (AKA CAESARS		06/27/2019	Call @ 100.00		2,500	2,500.00	2,479	2,363	121	2		123		2,485		15	15	65	04/04/2024	4FE
12769L-AB-5	TERM B LOAN:CAESARS RESORT COLLE		06/27/2019	Call @ 100.00		2,500	2,500.00	2,490	2,388	105	1		106		2,493		7	7	76	09/28/2024	3FE
15018L-AJ-0	TERM LOAN B:CEDAR FAIR, L.P.		06/27/2019	Call @ 100.00		1,250	1,250.00	1,250	1,214	36			36		1,250				22	04/28/2024	3FE
15670B-AB-8	INITIAL TERM B LOAN:CENTURYLINK, INC.		06/27/2019	Call @ 100.00		5,000	5,000.00	4,975	4,659	321	2		323		4,982		18	18	153	01/15/2025	3FE
16117L-BS-7	TERM B LOAN:CHARTER COMMUNICATIO		06/27/2019	Call @ 100.00		5,000	5,000.00	4,994	4,995						4,995		5	5	131	04/13/2025	2FE
20337C-AB-1	TRANCHE 5 TERM LOAN:COMMSCOPE, IN		05/01/2019	Call @ 100.00		104,500	104,500.00	104,239	98,230	6,131	9		6,140		104,369		131	131	1,544	12/29/2022	3
22207E-BG-8	TERM LOAN B:COTY INC.	C	06/28/2019	Call @ 100.00		5,000	5,000.00	4,988	4,606	383	1		384		4,990		10	10	119	03/28/2025	3FE

E05.2

(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	2	3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
										11	12	13	14	15							
CUSIP Ident- ification	Description	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consid- eration	Par Value	Actual Cost	Prior Year Book/ Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amort- ization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/ Stock Dividends Received During Year	Stated Contractua Maturity Date	NAIC Designation and Administrative Symbol/Market Indicator (a)
23918Y-AC-2	TRANCHE B TERM LOAN:DAVITA INC. FKA		06/27/2019	Call @ 100.00		2,500	2,500.00	2,488	2,496		1		1		2,497		4	4	76	06/24/2021	2FE
24001Q-AL-5	LOAN:DAYTON POWER AND LIGHT COMP		06/06/2019	Call @ 100.00		488,750	488,750.00	486,306	487,264		175		175		487,439		1,311	1,311	9,568	08/18/2022	2FE
29267Y-AK-8	TERM LOAN:ENERGIZER HOLDINGS INC.		04/01/2019	Call @ 100.00															4	06/30/2022	2
29267Y-AM-4	TERM B LOAN:ENERGIZER HOLDINGS, IN		06/28/2019	Call @ 100.00		7,500	7,500.00	7,345	7,345		12		12		7,357		143	143	150	06/20/2025	3FE
29362L-AH-7	TRANCHE B TERM LOAN:ENTEGRIS, INC.		06/27/2019	Call @ 100.00		2,500	2,500.00	2,494	2,494						2,494		6	6	60	10/31/2025	2FE
32007U-BW-8	TERM LOAN:FIRST DATA CORPORATION		06/17/2019	Call @ 100.00		159,659	159,659.41	159,460	152,741	6,779	15		6,794		159,535		124	124	2,598	07/08/2022	3FE
37252K-AP-7	REFINANCING TERM LOAN:GEO GROUP, I		06/27/2019	Call @ 100.00		2,506	2,506.27	2,509	2,281	228			228		2,509		(2)	(2)	47	03/22/2024	3FE
43289D-AE-3	SERIES B2 TERM LOAN:HILTON WORLDW		04/01/2019	Call @ 100.00															142	10/26/2023	2FE
513076-AZ-2	TERM B LOAN:LAMAR MEDIA CORP.		06/27/2019	Call @ 100.00		2,506	2,506.26	2,511	2,511						2,511		(4)	(4)	61	03/14/2025	2FE
51783Q-AP-3	TERM LOAN B:LAS VEGAS SANDS, LLC		06/27/2019	Call @ 100.00		4,363	4,362.50	4,363	4,363						4,363				78	03/29/2025	2FE
53803H-AL-4	TERM LOAN B:LIVE NATION ENTERTAINM		06/27/2019	Call @ 100.00		3,694	3,693.94	3,694	3,606	88			88		3,694				66	10/31/2023	3FE
552662-AU-2	TRANCHE M TERM LOAN:MCC IOWA LLC		06/27/2019	Call @ 100.00		2,394	2,393.75	2,394	2,294	100			100		2,394				50	01/24/2025	3FE
58446H-AR-3	TRANCHE N TERM LOAN:MEDIACOM ILLI		06/27/2019	Call @ 100.00		2,500	2,500.00	2,494	2,369	126	1		127		2,495		5	5	55	02/15/2024	3FE
62937N-AW-7	TERM LOAN:NRG ENERGY, INC.		06/01/2019	VARIOUS		972,500	972,500.00	967,638	969,363		284		284		969,647		2,853	2,853	17,026	06/14/2023	2FE
64072U-AE-2	MARCH 2017 REFINANCING TERM LOAN:	C	05/01/2019	Call @ 100.00		1,641	1,640.63	1,616	1,542	83	1		84		1,626		15	15	26	07/15/2025	3FE
70757D-AV-1	TERM B-1 FACILITY LOAN:PENN NATIONA		06/28/2019	Call @ 100.00		1,250	1,250.00	1,246	1,201	45			45		1,246		4	4	34	08/14/2025	3FE
72584D-AE-4	2018 TERM B LOAN:KFC HOLDING CO. AK		06/28/2019	Call @ 100.00		616	615.66	613	598	16			16		614		2	2	13	04/03/2025	3FE
73744G-AJ-1	SERIES A INCREMENTAL TERM LOAN:PO		04/01/2019	Call @ 100.00															111	05/16/2024	3FE
74733G-AH-6	TERM B LOAN:QUAD/GRAPHICS, INC		04/01/2019	VARIOUS															(39)	04/28/2021	3FE
76173F-AU-1	TERM LOAN:REYNOLDS GROUP HOLDIN	C	06/28/2019	VARIOUS		1,247	1,246.88	1,244	1,186	59			59		1,245		2	2	32	02/05/2023	4FE
79546K-AF-7	TERM B-1 LOAN:SALLY HOLDINGS LLC (S		06/27/2019	Call @ 100.00		211,591	211,590.91	210,533	201,002	9,746	53		9,799		210,810		781	781	3,376	06/23/2025	3FE
80862Q-AD-3	TERM LOAN B:SCIENCE APPLICATIONS IN		04/30/2019	Call @ 100.00		2,500	2,500.00	2,488	2,383	105	1		106		2,488		12	12	35	11/05/2025	3FE
81726J-AE-1	SIXTH AMENDMENT TERM LOAN:SENSAT		06/28/2019	Call @ 100.00		3,821	3,821.47	3,812	3,817	1			1		3,818		3	3	81	10/14/2021	2
81760H-AE-2	TRANCHE C TERM LOAN:SERVICEMASTE		05/01/2019	Call @ 100.00		23,030	23,030.30	22,973	22,426	565	3		568		22,993		37	37	659	11/03/2023	3FE
829229-AQ-6	TERM LOAN B:SINCLAIR TELEVISION GR		06/27/2019	Call @ 100.00		1,203	1,203.20	1,203	1,144	59			59		1,203				24	12/20/2023	3FE
87239P-AD-6	INITIAL TERM LOAN:VISTRA OPERATIONS		06/11/2019	Call @ 100.00		764,289	764,289.49	757,991	759,476		462		462		759,938		4,351	4,351	14,755	08/04/2023	2FE
88037H-AG-9	TRANCHE B TERM LOAN:TENNECO INC.		06/27/2019	Call @ 100.00		1,250	1,250.00	1,228	1,170	60	2		62		1,232		18	18	33	06/18/2025	3FE
89705D-AD-4	INITIAL DOLLAR TERM LOAN FIRST LIEN:T		06/28/2019	Call @ 100.00		24,435	24,434.95	24,313	23,693	642	6		648		24,341		94	94	551	09/13/2024	3FE
89705D-AE-2	BLOCKED DOLLAR TERM LOAN FIRST LIE		04/01/2019	Call @ 100.00															3	09/23/2024	3FE
91136E-AJ-4	INITIAL TERM LOAN:UNITED RENTALS (N		06/27/2019	Call @ 100.00		625	625.00	625	625						625				15	10/01/2025	2FE
924347-9W-9	B TERM LOAN:LEIDOS, INC. (FKA LEIDOS I		06/27/2019	Call @ 100.00		1,225	1,225.05	1,220	1,222						1,222		3	3	30	06/09/2023	2FE
92532Y-AB-5	TERM LOAN:ENTEGRIS, INC. (FKA VERSU		06/27/2019	Call @ 100.00		1,250	1,250.00	1,244	1,222	24			24		1,246		4	4	43	09/21/2023	3FE
92940J-AB-4	TERM B-1 LOAN:W.R. GRACE & CO.-CONN		06/27/2019	Call @ 100.00		1,382	1,381.58	1,380	1,337	43			43		1,380		1	1	46	02/21/2025	3FE
92940J-AD-0	TERM B-2 LOAN:W.R. GRACE & CO.-CONN		06/27/2019	Call @ 100.00		2,368	2,368.42	2,365	2,291	74			74		2,366		2	2	78	02/21/2025	3FE
95810D-AR-2	U.S. TERM B4 LOAN:WESTERN DIGITAL C		06/27/2019	Call @ 100.00		4,162	4,162.06	4,037	4,085		9		9		4,093		69	69	155	04/29/2023	2FE
G6361C-AH-9	TERM B LOAN:NCL CORPORATION LTD. A		04/01/2019	Call @ 100.00															(8)	10/05/2021	2FE
L2324E-AE-1	NEW LOAN 2018:DELOS FINANCE S.A.R.L.	C	06/27/2019	Call @ 100.00		83,333	83,333.33	83,333	83,333						83,333				927	10/06/2023	2FE

E05.3

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/Market 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.							
8299999	Subtotal - Bonds - Bank Loans				X X X	3,312,164	3,312,166	3,294,584	3,250,871	48,843	1,136		49,979		3,300,853		11,313	11,313	60,509	X X X	X X X
8399997	Subtotal - Bonds - Part 4				X X X	23,636,385	23,542,688	24,007,114	23,684,073	50,074	(49,319)		755		23,581,943		15,388	15,388	708,729	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
8399999	Total - Bonds				X X X	23,636,385	23,542,687.69	24,007,114	23,684,073	50,074	(49,319)		755		23,581,943		15,388	15,388	708,729	X X X	X X X
E054 026874-15-6	AMERICAN INTERNATIONAL GRP EQY WAR		04/01/2019	Adjustment					90,432	195,401			195,401								L
9099999	Subtotal - Common Stock - Industrial and Miscellaneous (Unaffiliated)				X X X				90,432	195,401			195,401							X X X	X X X
9799997	Subtotal - Common Stock - Part 4				X X X		X X X		90,432	195,401			195,401							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		X X X		90,432	195,401			195,401							X X X	X X X
9899999	Total - Preferred and Common Stocks				X X X		X X X		90,432	195,401			195,401							X X X	X X X
9999999	Totals					23,636,385	X X X	24,007,114	23,774,505	245,475	(49,319)		196,156		23,581,943		15,388	15,388	708,729	X X X	X X X

(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
4812C0-66-2	JPMORGAN:US GVT MM AGCY		06/28/2019	2.160		2,005,028	7,174	
8699999	All Other Money Market Mutual Funds					2,005,028	7,174	
	Frost Bank		06/30/2019			21,615,000		
8799999	Other Cash Equivalents					21,615,000		
8899999	Total Cash Equivalents					23,620,028	7,174	

ET 3

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



26808201945000120

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

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL	46,799	50,844			25,015		42,974
2. Alaska	AK	17,622	26,100			317		15,383
3. Arizona	AZ	260,140	132,810			66,224	50,000	74,592
4. Arkansas	AR	63,488	38,924			240,148	200,000	41,906
5. California	CA	1,733,690	1,788,813	11,999	3	692,173	3,821,015	1,184,950
6. Colorado	CO	18,770	61,248			17,791	25,000	41,360
7. Connecticut	CT	59,525	30,244			6,452		18,028
8. Delaware	DE	24,283	12,042			(634)		7,821
9. District of Columbia	DC	9,859	22,996			(93)	25,500	14,716
10. Florida	FL	355,630	302,369			348,512	75,030	271,473
11. Georgia	GA	140,341	164,025			21,914	25,000	91,440
12. Hawaii	HI	43,492	62,767			25,027	50,000	44,414
13. Idaho	ID	9,209	10,267			690		7,696
14. Illinois	IL	113,053	127,910			(101,391)	25,510	84,496
15. Indiana	IN	65,197	71,625			28,407	25,000	46,843
16. Iowa	IA	15,184	16,068			4,944		11,895
17. Kansas	KS							
18. Kentucky	KY	23,266	11,316			(7,562)		10,039
19. Louisiana	LA					11,535		1,214
20. Maine	ME	11,275	1,650			979		1,977
21. Maryland	MD	260,194	212,429			(14,123)		128,995
22. Massachusetts	MA	(5,191)	35,378			135,235	350,000	49,137
23. Michigan	MI	27,623	62,012	107,500	1	187,429	200,000	60,328
24. Minnesota	MN	23,854	11,422			2,051		9,602
25. Mississippi	MS	223,042	151,069			272		91,661
26. Missouri	MO	15,030	29,412			14,618		20,071
27. Montana	MT	23,300	40,581			26,466	250,000	23,495
28. Nebraska	NE							
29. Nevada	NV	8,900	1,727			(81)		2,750
30. New Hampshire	NH	6,180	5,243			(144)		3,266
31. New Jersey	NJ	66,868	80,329			122,303	210,000	54,927
32. New Mexico	NM	57,556	37,544			(10,370)	10	50,295
33. New York	NY					25,366		(6,172)
34. North Carolina	NC	76,720	72,051			(11,263)		52,935
35. North Dakota	ND							
36. Ohio	OH	118,336	90,091			18,559	25,505	64,969
37. Oklahoma	OK							
38. Oregon	OR	27,547	31,586	2,500	1	14,148		27,192
39. Pennsylvania	PA	153,205	94,149			101,363	50,000	65,729
40. Rhode Island	RI					(6)		
41. South Carolina	SC	27,352	76,198	350,000	1	151,655		37,270
42. South Dakota	SD	63,200	31,258			(6,130)		25,351
43. Tennessee	TN	9,000	45,186			9,618		33,690
44. Texas	TX	98,325	99,460	517,500	5	(12,224)	50,500	71,079
45. Utah	UT	12,375	4,489			1,914	25,500	1,026
46. Vermont	VT	2,500	2,529			(148)		1,657
47. Virginia	VA	140,814	169,968			(17,561)	25,505	110,408
48. Washington	WA	121,184	56,359			2,907		37,330
49. West Virginia	WV	52,500	37,382			15,927		30,304
50. Wisconsin	WI					951		(291)
51. Wyoming	WY					(14)		3
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. US Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate Other Alien	OT							
59. Totals		4,621,237	4,409,870	989,499	11	2,139,166	5,509,075	3,060,224

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

NONE



26808201945000120

Designate the type of health care providers reported on this page.
Other Health Care Professionals

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

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims	
1. Alabama	AL	1,240			(643)			620
2. Alaska	AK							
3. Arizona	AZ	5,797	2,957		(3,075)			1,479
4. Arkansas	AR							
5. California	CA	33,531	61,603		(52,143)			30,802
6. Colorado	CO							
7. Connecticut	CT		3,199		(1,508)			1,600
8. Delaware	DE							
9. District of Columbia	DC				(825)			
10. Florida	FL	2,560	3,869		432			1,934
11. Georgia	GA	16,503	20,353		642			10,176
12. Hawaii	HI							
13. Idaho	ID							
14. Illinois	IL	43,131	39,640		5,511			19,820
15. Indiana	IN	10,000	2,596		(853)			1,298
16. Iowa	IA		2,424		(618)			1,212
17. Kansas	KS							
18. Kentucky	KY	1,666	3,480		843			1,740
19. Louisiana	LA							
20. Maine	ME							
21. Maryland	MD	1,500	2,282		1,096			1,141
22. Massachusetts	MA							
23. Michigan	MI	2,000	1,346		(6,232)			673
24. Minnesota	MN	2,000	7,032		1,628			3,516
25. Mississippi	MS	2,560	3,428		(626)			1,714
26. Missouri	MO		1,475		222			738
27. Montana	MT							
28. Nebraska	NE							
29. Nevada	NV	2,570	939		(5,615)			469
30. New Hampshire	NH							
31. New Jersey	NJ	16,000	10,787		4,460			5,394
32. New Mexico	NM		1,165		(1,674)			583
33. New York	NY							
34. North Carolina	NC							
35. North Dakota	ND							
36. Ohio	OH	10,475	6,939		1,921			3,470
37. Oklahoma	OK							
38. Oregon	OR				(2,883)			
39. Pennsylvania	PA		1,226		(825)			613
40. Rhode Island	RI							
41. South Carolina	SC							
42. South Dakota	SD	2,865	2,461		661			1,231
43. Tennessee	TN				(3,021)			
44. Texas	TX	7,075	10,444		3,082			5,222
45. Utah	UT		4,584		2,292			2,292
46. Vermont	VT							
47. Virginia	VA							
48. Washington	WA							
49. West Virginia	WV							
50. Wisconsin	WI							
51. Wyoming	WY							
52. American Samoa	AS							
53. Guam	GU							
54. Puerto Rico	PR							
55. US Virgin Islands	VI							
56. Northern Mariana Islands	MP							
57. Canada	CAN							
58. Aggregate Other Alien	OT							
59. Totals		160,233	195,469		(57,751)			97,737

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

NONE



26808201945000120

Designate the type of health care providers reported on this page.
Other Health Care Facilities

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

States, Etc.	1 Direct Premiums Written	2 Direct Premiums Earned	Direct Losses Paid		5 Direct Losses Incurred	Direct Losses Unpaid		8 Direct Losses Incurred But Not Reported	
			3 Amount	4 Number of Claims		6 Amount Reported	7 Number of Claims		
1. Alabama	AL	366,400			33,569			113,210	
2. Alaska	AK	22,500			15,246			16,383	
3. Arizona	AZ	213,495			35,457	140,005	2	11,854	
4. Arkansas	AR	1,120,214			268,846	365,500	5	563,248	
5. California	CA	4,699,657	1,016,500	8	2,418,239	3,750,092	55	2,080,388	
6. Colorado	CO	192,171			49,189	35,000	1	(134,371)	
7. Connecticut	CT	1,298,159			456,098	722,501	12	794,456	
8. Delaware	DE				18,450			10,194	
9. District of Columbia	DC								
10. Florida	FL	1,722,636	452,907	7	1,373,255	1,719,512	27	676,326	
11. Georgia	GA	278,863			182,312	5	1	793,289	
12. Hawaii	HI	179,605			(23,339)			31,690	
13. Idaho	ID	73,250			47,360			95,330	
14. Illinois	IL	453,318			201,346	475,020	9	252,160	
15. Indiana	IN	81,639			(3,323)	25,510	2	17,749	
16. Iowa	IA	79,500			50,009			189,590	
17. Kansas	KS				30,673			37,686	
18. Kentucky	KY	430,829			14,898			213,597	
19. Louisiana	LA	103,636	8,903	1	79,013	35,000	1	111,402	
20. Maine	ME	22,000			(1,839)			468	
21. Maryland	MD	648,514			354,174	20	1	956,147	
22. Massachusetts	MA	501,917			(13,131)	125,005	3	403,451	
23. Michigan	MI	80,196	80,000	1	74,419	85,005	2	139,026	
24. Minnesota	MN	165,341			55,347			82,691	
25. Mississippi	MS	26,000			27,549	40,000	2	79,818	
26. Missouri	MO	237,319			50,988	35,001	2	401,213	
27. Montana	MT	45,000			5,206			5,206	
28. Nebraska	NE				34,488			30,491	
29. Nevada	NV	301,800			17,299			129,528	
30. New Hampshire	NH	19,500			52,477	85,000	1	11,250	
31. New Jersey	NJ	3,299,451	175,000	2	4,524	2,175,045	34	649,055	
32. New Mexico	NM	138,264			1,271,608	120,000	2	91,803	
33. New York	NY	5,161,975	457,920	15	54,366	3,678,052	45	158,448	
34. North Carolina	NC	24,139			10,436			41,444	
35. North Dakota	ND								
36. Ohio	OH	522,860						837,781	
37. Oklahoma	OK				322,601	5	1		
38. Oregon	OR	305,261	137,500	2	10,788	5,000	1	309,240	
39. Pennsylvania	PA	1,036,848			372,464	1,540,510	17	(105,042)	
40. Rhode Island	RI	379,050			100,655	25	2	178,942	
41. South Carolina	SC	53,134	(10,000)	1	(491)			(15,263)	
42. South Dakota	SD				3,893			6,827	
43. Tennessee	TN	716,951	7,000	1	185,086			296,601	
44. Texas	TX	1,356,102	120,000	1	841,351	265,010	5	793,868	
45. Utah	UT		35,000	1	33,225			16,612	
46. Vermont	VT								
47. Virginia	VA	460,070	45,000	1	281,088	420,500	5	45,215	
48. Washington	WA	61,990			100,411			129,076	
49. West Virginia	WV	114,650			55,591	25,510	2	27,795	
50. Wisconsin	WI	139,106			65,779	25,500	1	33,476	
51. Wyoming	WY				7,500			4,760	
52. American Samoa	AS								
53. Guam	GU								
54. Puerto Rico	PR								
55. US Virgin Islands	VI								
56. Northern Mariana Islands	MP								
57. Canada	CAN								
58. Aggregate Other Alien	OT								
59. Totals		27,133,310	22,780,876	2,525,730	43	10,533,174	15,893,333	241	11,614,108

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

NONE



26808201950500102

DIRECTOR AND OFFICER INSURANCE COVERAGE SUPPLEMENT

Year To Date For The Period Ended 2019

NAIC Group Code 3478

NAIC Company Code 26808

Company Name Hallmark Specialty Insurance Company

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

1. Monoline Policies

1 Direct Written Premium	2 Direct Earned Premium	3 Direct Losses Incurred
\$ 11,582,383	\$ 5,890,071	\$ 3,416,241

2. Commercial Multiple Peril (CMP) Packaged Policies

2.1 Does the reporting entity provide D&O liability coverage as part of a CMP packaged policy? Yes [] No [X]

2.2 Can the direct premium earned for D&O liability coverage provided as part of a CMP packaged policy be quantified or estimated? Yes [] No [X]

2.3 If the answer to question 2.2 is yes, provide the quantified or estimated direct premium earned amount for D&O liability coverage in CMP packaged policies

2.31 Amount quantified: \$ _____

2.32 Amount estimated using reasonable assumptions: \$ _____

2.4 If the answer to question 2.1 is yes, provide direct losses incurred (losses paid plus change in case reserves) for the D&O liability coverage provided in CMP packaged policies. \$ _____