



QUARTERLY STATEMENT

As of September 30, 2016
of the Condition and Affairs of the

FIRST SURETY CORPORATION

NAIC Group Code..... 0, 0 <small>(Current Period) (Prior Period)</small>	NAIC Company Code..... 38504	Employer's ID Number..... 34-1296403
Organized under the Laws of WV Incorporated/Organized..... November 19, 1979	State of Domicile or Port of Entry WV Commenced Business..... November 19, 1979	Country of Domicile US
Statutory Home Office	179 SUMMERS STREET SUITE #307..... CHARLESTON WV 25301 <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>	
Main Administrative Office	179 SUMMERS STREET SUITE #307..... CHARLESTON WV <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>	304-720-1985 <small>(Area Code) (Telephone Number)</small>
Mail Address	179 SUMMERS STREET SUITE #307..... CHARLESTON WV <small>(Street and Number or P. O. Box) (City or Town, State, Country and Zip Code)</small>	
Primary Location of Books and Records	179 SUMMERS STREET SUITE #307..... CHARLESTON WV <small>(Street and Number) (City or Town, State, Country and Zip Code)</small>	304-720-1985 <small>(Area Code) (Telephone Number)</small>
Internet Web Site Address		
Statutory Statement Contact	ROBERT J KENNEY <small>(Name)</small> RJ.Kenney@FirstSuretyCorp.com <small>(E-Mail Address)</small>	304-720-1985 <small>(Area Code) (Telephone Number) (Extension)</small> 304-342-9726 <small>(Fax Number)</small>

OFFICERS

Name	Title	Name	Title
1. ROBERT JOSEPH KENNEY	PRESIDENT	2. JASON MATTHEW MCCOY	TREASURER
3. CHARLES DAVID THOMAS	SECRETARY	4.	

OTHER

DIRECTORS OR TRUSTEES

LINDA JANE AGUILAR	BRADLEY WAYNE TUCKWILLER	JOHN MICHAEL JACOBS	TIMOTHY ALLEN MADDOX
CHARLES DAVID THOMAS	CHARLES LLOYD STOUT		

State of..... West Virginia
County of..... Kanawha

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.

<u>/s/Robert J. Kenney</u> <small>(Signature)</small> ROBERT JOSEPH KENNEY 1. (Printed Name) PRESIDENT <small>(Title)</small>	<u>/s/Jason M. McCoy</u> <small>(Signature)</small> JASON MATTHEW MCCOY 2. (Printed Name) TREASURER <small>(Title)</small>	<u>/s/C. David Thomas</u> <small>(Signature)</small> CHARLES DAVID THOMAS 3. (Printed Name) SECRETARY <small>(Title)</small>
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Subscribed and sworn to before me
This _____ day of _____

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds.....	7,015,173		7,015,173	7,376,902
2. Stocks:				
2.1 Preferred stocks.....	152,660		152,660	93,810
2.2 Common stocks.....	1,573,746		1,573,746	936,623
3. Mortgage loans on real estate:				
3.1 First liens.....			0	
3.2 Other than first liens.....			0	
4. Real estate:				
4.1 Properties occupied by the company (less \$.....0 encumbrances).....			0	
4.2 Properties held for the production of income (less \$.....0 encumbrances).....			0	
4.3 Properties held for sale (less \$.....0 encumbrances).....			0	
5. Cash (\$.....352,509), cash equivalents (\$.....0) and short-term investments (\$.....12,086,000).....	12,438,509		12,438,509	4,265,496
6. Contract loans (including \$.....0 premium notes).....			0	
7. Derivatives.....			0	
8. Other invested assets.....			0	
9. Receivables for securities.....			0	
10. Securities lending reinvested collateral assets.....			0	
11. Aggregate write-ins for invested assets.....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11).....	21,180,088	0	21,180,088	12,672,831
13. Title plants less \$.....0 charged off (for Title insurers only).....			0	
14. Investment income due and accrued.....	73,148		73,148	61,955
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection.....	249,722	237,690	12,032	27,170
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$.....0 earned but unbilled premiums).....			0	
15.3 Accrued retrospective premiums (\$.....0) and contracts subject to redetermination (\$.....0).....			0	
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers.....			0	
16.2 Funds held by or deposited with reinsured companies.....			0	
16.3 Other amounts receivable under reinsurance contracts.....			0	
17. Amounts receivable relating to uninsured plans.....			0	
18.1 Current federal and foreign income tax recoverable and interest thereon.....	519,628		519,628	505,258
18.2 Net deferred tax asset.....	176,910	56,809	120,101	85,718
19. Guaranty funds receivable or on deposit.....			0	
20. Electronic data processing equipment and software.....	917		917	933
21. Furniture and equipment, including health care delivery assets (\$.....0).....			0	
22. Net adjustment in assets and liabilities due to foreign exchange rates.....			0	
23. Receivables from parent, subsidiaries and affiliates.....			0	
24. Health care (\$.....0) and other amounts receivable.....			0	
25. Aggregate write-ins for other than invested assets.....	157,295	157,255	40	27,150
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 through 25).....	22,357,708	451,754	21,905,953	13,381,015
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			0	
28. Total (Lines 26 and 27).....	22,357,708	451,754	21,905,953	13,381,015

DETAILS OF WRITE-INS

1101.....			0	
1102.....			0	
1103.....			0	
1198. Summary of remaining write-ins for Line 11 from overflow page.....	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above).....	0	0	0	0
2501. Prepaid Expense.....	7,255	7,255	0	
2502. State Licenses.....	150,000	150,000	0	
2503. Automobile.....			0	
2598. Summary of remaining write-ins for Line 25 from overflow page.....	40	0	40	27,150
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	157,295	157,255	40	27,150

FIRST SURETY CORPORATION

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31 Prior Year
1. Losses (current accident year \$.....250,575).....	2,059,527	1,817,042
2. Reinsurance payable on paid losses and loss adjustment expenses.....		
3. Loss adjustment expenses.....		
4. Commissions payable, contingent commissions and other similar charges.....		
5. Other expenses (excluding taxes, licenses and fees).....	469,344	479,148
6. Taxes, licenses and fees (excluding federal and foreign income taxes).....	21,048	12,164
7.1 Current federal and foreign income taxes (including \$.....13,500 on realized capital gains (losses)).....		
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 \$.....348,965 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).....	529,277	431,992
10. Advance premium.....	12,184	159,638
11. Dividends declared and unpaid:		
11.1 Stockholders.....		
11.2 Policyholders.....		
12. Ceded reinsurance premiums payable (net of ceding commissions).....	210,000	
13. Funds held by company under reinsurance treaties.....		
14. Amounts withheld or retained by company for account of others.....	13,351,274	5,409,022
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.....	40,550	19,828
20. Derivatives.....	79,559	29,015
21. Payable for securities.....		
22. Payable for securities lending.....		
23. Liability for amounts held under uninsured plans.....		
24. Capital notes \$.....0 and interest thereon \$.....0.....		
25. Aggregate write-ins for liabilities.....	0	0
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25).....	16,772,762	8,357,848
27. Protected cell liabilities.....		
28. Total liabilities (Lines 26 and 27).....	16,772,762	8,357,848
29. Aggregate write-ins for special surplus funds.....	0	0
30. Common capital stock.....	1,000,000	1,000,000
31. Preferred capital stock.....		
32. Aggregate write-ins for other than special surplus funds.....	0	0
33. Surplus notes.....		
34. Gross paid in and contributed surplus.....	4,522,086	4,522,086
35. Unassigned funds (surplus).....	(388,895)	(498,919)
36. Less treasury stock, at cost:		
36.1 .....0.000 shares common (value included in Line 30 \$.....0).....		
36.2 .....0.000 shares preferred (value included in Line 31 \$.....0).....		
37. Surplus as regards policyholders (Lines 29 to 35, less 36).....	5,133,191	5,023,167
38. Totals (Page 2, Line 28, Col. 3).....	21,905,953	13,381,015

DETAILS OF WRITE-INS

2501.		
2502.		
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page.....	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598) (Line 25 above).....	0	0
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page.....	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998) (Line 29 above).....	0	0
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page.....	0	0
3299. Totals (Lines 3201 thru 3203 plus 3298) (Line 32 above).....	0	0

**FIRST SURETY CORPORATION
STATEMENT OF INCOME**

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct..... (written \$.....1,384,904).....	1,157,725	1,015,178	1,320,498
1.2 Assumed..... (written \$.....0).....			
1.3 Ceded..... (written \$.....0).....	360,106	321,758	423,756
1.4 Net..... (written \$.....1,384,904).....	797,619	693,420	896,742
DEDUCTIONS:			
2. Losses incurred (current accident year \$.....0):			
2.1 Direct.....	222,485	120,480	901,659
2.2 Assumed.....			
2.3 Ceded.....			
2.4 Net.....	222,485	120,480	901,659
3. Loss adjustment expenses incurred.....	28,090		
4. Other underwriting expenses incurred.....	625,964	496,528	702,258
5. Aggregate write-ins for underwriting deductions.....	(10,000)	0	0
6. Total underwriting deductions (Lines 2 through 5).....	866,539	617,009	1,603,917
7. Net income of protected cells.....			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7).....	(68,920)	76,411	(707,175)
INVESTMENT INCOME			
9. Net investment income earned.....	189,574	179,288	230,253
10. Net realized capital gains (losses) less capital gains tax of \$.....13,500.....	21,115	36,666	3,982
11. Net investment gain (loss) (Lines 9 + 10).....	210,689	215,954	234,235
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$.....40,000 amount charged off \$.....0).....	40,000		(459,634)
13. Finance and service charges not included in premiums.....			
14. Aggregate write-ins for miscellaneous income.....	(49,531)	(293,158)	(241,520)
15. Total other income (Lines 12 through 14).....	(9,531)	(293,158)	(701,154)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15).....	132,239	(793)	(1,174,094)
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).....	132,239	(793)	(1,174,094)
19. Federal and foreign income taxes incurred.....	(9,429)	(11,859)	(411,798)
20. Net income (Line 18 minus Line 19) (to Line 22).....	141,668	11,066	(762,296)
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year.....	5,023,167	5,848,581	5,848,581
22. Net income (from Line 20).....	141,668	11,066	(762,296)
23. Net transfers (to) from Protected Cell accounts.....			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$.....0.....	45,133	(135,687)	(85,048)
25. Change in net unrealized foreign exchange capital gain (loss).....			
26. Change in net deferred income tax.....	34,481	112,263	(53,728)
27. Change in nonadmitted assets.....	(111,258)	(287,441)	248,658
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.....		(173,000)	(173,000)
36. Change in treasury stock.....			
37. Aggregate write-ins for gains and losses in surplus.....	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37).....	110,024	(472,798)	(825,414)
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38).....	5,133,191	5,375,782	5,023,167
DETAILS OF WRITE-INS			
0501. No Claims Bonus under terms of reinsurance treaty.....			
0502. Change in Ceded Losses Outstanding.....			
0503. Other Underwriting Income.....	(10,000)		
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above).....	(10,000)	0	0
1401. Other Income (Expense).....	(43,531)	(288,158)	(308,149)
1402. Penalties.....		(5,000)	(5,000)
1403. Net gain from commissions forgiven on premium balances charged off.....			71,629
1498. Summary of remaining write-ins for Line 14 from overflow page.....	(6,000)	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498) (Line 14 above).....	(49,531)	(293,158)	(241,520)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page.....	0	0	0
3799. Totals (Lines 3701 thru 3703 plus 3798) (Line 37 above).....	0	0	0

CASH FLOW

	1 Current Year to Date	2 Prior Year To Date	3 Prior Year Ended December 31
CASH FROM OPERATIONS			
1. Premiums collected net of reinsurance.....	803,767	425,088	1,171,212
2. Net investment income.....	252,367	230,147	314,791
3. Miscellaneous income.....	(9,531)	(293,158)	(701,154)
4. Total (Lines 1 through 3).....	1,046,604	362,077	784,849
5. Benefit and loss related payments.....	(20,000)	475,000	586,811
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts.....			
7. Commissions, expenses paid and aggregate write-ins for deductions.....	644,974	244,771	323,169
8. Dividends paid to policyholders.....			
9. Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses).....	18,441	(5,389)	95,511
10. Total (Lines 5 through 9).....	643,414	714,383	1,005,492
11. Net cash from operations (Line 4 minus Line 10).....	403,190	(352,306)	(220,642)
CASH FROM INVESTMENTS			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds.....	2,374,063	1,138,260	1,578,386
12.2 Stocks.....	432,685	957,484	1,096,255
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.....	(60,362)	(21,414)	
12.7 Miscellaneous proceeds.....			(27,182)
12.8 Total investment proceeds (Lines 12.1 to 12.7).....	2,746,386	2,074,330	2,647,460
13. Cost of investments acquired (long-term only):			
13.1 Bonds.....	2,026,942	1,922,692	2,217,913
13.2 Stocks.....	1,093,058	509,196	982,570
13.3 Mortgage loans.....			
13.4 Real estate.....			
13.5 Other invested assets.....			
13.6 Miscellaneous applications.....			
13.7 Total investments acquired (Lines 13.1 to 13.6).....	3,120,000	2,431,888	3,200,484
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).....	(373,615)	(357,558)	(553,024)
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.....	45,132	(135,687)	
16.3 Borrowed funds.....			
16.4 Net deposits on deposit-type contracts and other insurance liabilities.....			
16.5 Dividends to stockholders.....		173,000	173,000
16.6 Other cash provided (applied).....	8,098,305	243,223	3,313,137
17. Net cash from financing and miscellaneous sources (Lines 16.1 through 16.4 minus Line 16.5 plus Line 16.6).....	8,143,437	(65,463)	3,140,137
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11 plus Line 15 plus Line 17).....	8,173,013	(775,328)	2,366,471
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	4,265,496	1,899,025	1,899,025
19.2 End of period (Line 18 plus Line 19.1).....	12,438,509	1,123,698	4,265,496

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

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

First Surety Corporation (“Company”) operates as a surety targeting the energy industries primarily in the Eastern United States. Currently the Company is licensed for the surety line (and other lines) of business in Ohio and West Virginia, with an inactive license in Indiana. On December 31, 2005 all of the stock of West Virginia Fire and Casualty Company was acquired by Jacobs Financial Group, Inc. (JFG) from The Celina Mutual Insurance Company (Celina). The acquisition was approved by the Insurance Commissioner of the State of West Virginia. Following the acquisition, the name of the Company was changed to First Surety Corporation.

A. Accounting Practices

The accompanying financial statements of First Surety Corporation are prepared on the basis of accounting practices prescribed or permitted by the West Virginia Office of the Insurance Commissioner.

The West Virginia Office of the Insurance Commissioner recognizes only statutory accounting practices prescribed or permitted by the State of West Virginia for determining and reporting the financial condition and results of operations of an insurance company, and for determining its solvency under the West Virginia insurance law. The National Association of Insurance Commissioners (NAIC) Accounting Practices and Procedures manual (NAIC SAP) has been adopted as a component of prescribed or permitted practices by the State of West Virginia. The West Virginia Insurance Commissioner has the right to permit specific practices that deviate from prescribed practices.

A reconciliation of the Company’s net income and capital and surplus between NAIC SAP and practices prescribed and permitted by the State of West Virginia is shown below:

	State of Domicile	Current Period	Prior Year
NET INCOME			
(1) FIRST SURETY CORPORATION state basis (Page 4, Line 20, Columns 1 & 3)	WV	\$ 141,668	\$ (762,295)
(2) State Prescribed Practices that increase/decrease NAIC SAP			
(3) State Permitted Practices that increase/decrease NAIC SAP			
(4) NAIC SAP (1 – 2 – 3 = 4)	WV	\$ 141,668	\$ (762,295)
SURPLUS			
(5) FIRST SURETY CORPORATION state basis (Page 3, line 37, Columns 1 & 2)	WV	\$ 5,133,191	\$ 5,023,167
(6) State Prescribed Practices that increase/decrease NAIC SAP			
(7) State Permitted Practices that increase/decrease NAIC SAP			
(8) NAIC SAP (5 – 6 – 7 = 8)	WV	\$ 5,133,191	\$ 5,023,167

B. Use of Estimates in the Preparation of the Financial Statement

The preparation of financial statements in conformity with Statutory Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. It also requires disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

C. Accounting Policy

Surety premiums are mostly earned pro rata over the term of the policies; however, certain flat rate policies and negotiated policies are earned up front when the policy is issued. Unearned premium reserves are established to cover the unexpired portions of premiums written. Such reserves are computed by monthly pro rata methods for direct business.

Certain premium receivables in excess of 90 days old, totaling \$237,690 are excluded from admitted assets. Of this total, \$148,251 is related to three principals which are in the process of making monthly payments toward the ultimate satisfaction of their obligation. During 2015, management wrote off \$459,634 in receivables due to aging of the balance due, however, the Company believes that nearly all of these amounts will be recovered over time. As of September 30, 2016, \$40,000 of those written off receivables were collected. Management feels that all remaining receivables over 90 days old are still collectible and therefore not written off. Generally, Management believes that it has available multiple tools for responding to any payment default by a surety bond principal that over time will produce payment of premium due by the principal and/or guarantors.

Expenses incurred in connection with acquiring new business, including such acquisition costs as commissions, underwriting expenses, and premium taxes, are charged to operations as incurred.

In addition the company uses the following accounting policies:

- (1) Short-term investments are stated at amortized costs.
- (2) Bonds not backed by other loans are stated at amortized cost using the interest method.
- (3) Common Stocks are stated at market value as determined by custodians of the investment accounts.
- (4) Preferred Stocks are traded on major exchanges in the US and are stated at fair value as determined by custodians of the investment accounts.
- (5) The Company owns no mortgage loans.
- (6) Loan-backed securities designated highest-quality and high-quality (NAIC designations 1 and 2, respectively) are stated at amortized cost. Loan-backed securities that are designated as medium quality, low quality, lowest quality and in or near default (NAIC designations 3 to 6, respectively) are stated at the lower of amortized cost or fair value. The Company’s loan-backed securities consist of mortgage-backed government guaranteed securities and are stated at amortized cost using the retrospective adjustment interest method.
- (7) The Company has no investments in stocks of affiliates.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) Derivatives in the form of written calls on common stock held in investment accounts (covered calls) are accounted for as liabilities and reported at fair value as determined by custodians of the investment accounts.
- (10) The Company has no recorded premium deficiency reserves.
- (11) Reserves for unpaid losses and loss adjustment expense are estimated using individual case-basis valuations and loss reports in conjunction with estimates derived from industry and company experience or losses incurred but not reported. Such reserves are necessarily based on assumptions and estimates and while management believes the reserve amounts are adequate, the ultimate liability may be in excess or less than the amount provided. These estimates and methods of establishing reserves are continually reviewed and updated and any adjustments are reflected in the period determined.
- (12) The Company has not modified its capitalization policy from the prior period.

D. Going Concern

Management has no substantial doubt about the Company’s ability to continue as a going concern.

NOTES TO FINANCIAL STATEMENTS**Note 2 – Accounting Changes and Corrections of Errors**

No significant changes

Note 3 – Business Combinations and Goodwill

No significant changes

Note 4 – Discontinued Operations

No significant change

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

None to report

B. Debt Restructuring

None to report

C. Reverse Mortgages

None to report

D. Loan-Backed Securities

- (1) Prepayment assumptions for loan-backed securities were obtained from broker dealer survey values and internal estimates. These assumptions are consistent with the current interest rate and economic environment.
- (2) The Company had no securities that recognized an other-than-temporary impairment.
- (3) The Company had no securities that recognized an other-than-temporary impairment.
- (4) All impaired securities (fair value is less than cost or amortized cost) for which an other-than-temporary impairment has not been recognized in earnings as a realized loss (including securities with a recognized other-than-temporary impairment for non-interest related declines when a non-recognized interest related impairment remains):

a.	The aggregate amount of unrealized losses:	1.	Less than 12 Months	\$	4,660
		2.	12 Months or Longer	\$	3,111
b.	The aggregate related fair value of securities with unrealized losses:	1.	Less than 12 Months	\$	277,163
		2.	12 Months or Longer	\$	385,112

- (5) Management has the ability and intent to hold all investments currently in a loss position until their maturity or until the security has a more favorable market value and believes that any impairments are not other-than-temporary.

E. Repurchase Agreements and/or Securities Lending Transactions

None to report

F. Real Estate

None to report

G. Investments in Low-Income Housing Trade Credits (LIHTC)

None to report

H. Other Disclosures and Unusual Items**(1) Restricted Assets (Including Pledged)**

	Gross Restricted							Percentage		
	Current Period					6	7	8	9	10
	1	2	3	4	5					
	Total General Account (G/A)	G/A Supporting Protected Cell Restricted Assets (a)	Total Protected Cell Restricted Assets	Protected Cell Assets Supporting G/A Activity (b)	Total (1 plus 3)	Total From Prior Year	Increase/ (Decrease) (5 minus 6)	Total Current Period Admitted Restricted	Gross Restricted to Total Assets	Admitted Restricted to Total Admitted Assets
a.	Subject to contractual obligation for which liability is not shown									
b.	Collateral held under security lending arrangements									
c.	Subject to repurchase agreements									
d.	Subject to reverse repurchase agreements									

NOTES TO FINANCIAL STATEMENTS

e. Subject to dollar repurchase agreements										
f. Subject to dollar reverse repurchase agreements										
g. Placed under option contracts										
h. Letter stock or securities restricted as to sale-excluding FHLB capital stock										
i. FHLB capital stock										
j. On deposit with state	1,154,219				1,154,219	1,166,567	(12,348)	1,154,219	5.163	5.269
k. On deposit with other regulatory bodies										
l. Pledged as collateral to FHLB (including assets backing funding agreements)										
m. Pledged as collateral not captured in other categories										
n. Other restricted assets										
o. Total Restricted Assets	\$ 1,154,219	\$	\$	\$	\$ 1,154,219	\$ 1,166,567	\$ (12,348)	\$ 1,154,219	5.163	5.269

(a) Subset of column 1

(b) Subset of column 3

- (2) Detail of Assets Pledged as Collateral Not Captured in Other Categories (Contracts that Share Similar Characteristics, Such as Reinsurance and Derivatives, are Reported in the Aggregate)

None to report

- (3) Detail of Other Restricted Assets (Contracts that Share Similar Characteristics, such as Reinsurance and Derivatives, are Reported in the Aggregate)

None to report

I. Working Capital Finance Investments

None to report

J. Offsetting and Netting of Assets and Liabilities

None to report

K. Structured Notes

None to report

Note 6 – Joint Ventures, Partnerships and Limited Liability Companies

No significant changes

Note 7 – Investment Income

No significant changes

Note 8 – Derivative Instruments

A. No significant changes

B. No significant changes

C. No significant changes

D. The Company recognized a net unrealized gain of \$2,832 on derivatives for the 9 month period ended September 30, 2016. The Company recognized \$60,362 in losses from closing transactions during the 9 month period ended September 30, 2016.

E. None to report

F. None to report

Note 9 – Income Taxes

A. Deferred Tax Assets/(Liabilities)

NOTES TO FINANCIAL STATEMENTS

1. Components of Net Deferred Tax Asset/(Liability)

	Current Period			Prior Year			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Gross deferred tax assets	\$ 176,910	\$	\$ 176,910	\$ 142,428	\$	\$ 142,428	\$ 34,482	\$	\$ 34,482
b. Statutory valuation allowance adjustment									
c. Adjusted gross deferred tax assets (1a-1b)	176,910		176,910	142,428		142,428	34,482		34,482
d. Deferred tax assets nonadmitted	56,809		56,809	56,711		56,711	98		98
e. Subtotal net admitted deferred tax asset (1c-1d)	120,101		120,101	85,718		85,718	34,383		34,383
f. Deferred tax liabilities									
g. Net admitted deferred tax assets/(net deferred tax liability) (1e-1f)	\$ 120,101	\$	\$ 120,101	\$ 85,718	\$	\$ 85,718	\$ 34,383	\$	\$ 34,383

2. Admission Calculation Components

	Current Period			Prior Year			Change		
	1 Ordinary	2 Capital	3 (Col 1+2) Total	4 Ordinary	5 Capital	6 (Col 4+5) Total	7 (Col 1-4) Ordinary	8 (Col 2-5) Capital	9 (Col 7+8) Total
a. Federal income taxes paid in prior years recoverable through loss carrybacks	\$	\$	\$	\$	\$	\$	\$	\$	\$
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 2(b)1 and 2(b)2 below:									
Adjusted gross deferred tax assets expected to be realized following the balance sheet date	120,101		120,101	85,718		85,718	34,383		34,383
Adjusted gross deferred tax assets allowed per limitation threshold									
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	120,101		120,101	85,718		85,718	34,383		34,383
d. Deferred tax assets admitted as the result of application of SSAP 101. Total (2(a)+2(b)+2(c)	\$ 120,101	\$	\$ 120,101	\$ 85,718	\$	\$ 85,718	\$ 34,383	\$	\$ 34,383

3. Other Admissibility Criteria

No significant changes

4. Impact of Tax Planning Strategies

NOTES TO FINANCIAL STATEMENTS

(a) Determination of adjusted gross deferred tax assets and net admitted deferred tax assets, by tax character as a percentage.

	Current Period		Prior Year		Change	
	1 Ordinary	2 Capital	3 Ordinary	4 Capital	5 (Col. 1-3) Ordinary	6 (Col. 2-4) Capital
1. Adjusted gross DTAs amount from Note 9A1(c)	\$ 176,910	\$	\$ 142,428	\$	\$ 34,482	\$
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)	\$ 120,101	\$	\$ 85,718	\$	\$ 34,383	\$
4. Percentage of net admitted adjusted gross DTAs by tax character admitted because of the impact of tax planning strategies	%	%	%	%	%	%

(b) Does the company's tax planning strategies include the use of reinsurance? **NO**

B. Deferred Tax Liabilities Not Recognized

No significant changes

C. Current and Deferred Income Taxes

1. Current Income Tax

	1 Current Period	2 Prior Year	3 (Col 1-2) Change
a. Federal	\$ (9,430)	\$ (411,798)	\$ 402,368
b. Foreign			
c. Subtotal	\$ (9,430)	\$ (411,798)	\$ 402,368
d. Federal income tax on net capital gains	13,500	2,051	11,449
e. Utilization of capital loss carry-forwards			
f. Other			
g. Federal and Foreign income taxes incurred	\$ 4,070	\$ (409,747)	\$ 413,817

2. Deferred Tax Assets

	1 Current Period	2 Prior Year	3 (Col 1-2) Change
a. Ordinary:			
1. Discounting of unpaid losses	\$ 5,809	\$ 5,710	\$ 99
2. Unearned premium reserve	36,819	40,231	(3,412)
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	80,815		80,815
11. Net operating loss carry-forward			
12. Tax credit carry-forward			
13. Other (including items <5% of total ordinary tax assets)	53,467	96,488	(43,021)
99. Subtotal	\$ 176,910	\$ 142,428	\$ 34,482
b. Statutory valuation allowance adjustment			
c. Nonadmitted	56,809	56,711	98
d. Admitted ordinary deferred tax assets (2a99-2b-2c)	\$ 120,101	\$ 85,718	\$ 34,383
e. Capital:			
1. Investments	\$	\$	\$
2. Net capital loss carry-forward			
3. Real estate			
4. Other (including items <5% of total capital tax assets)			
99. Subtotal	\$	\$	\$
f. Statutory valuation allowance adjustment			
g. Nonadmitted			
h. Admitted capital deferred tax assets (2e99-2f-2g)			
i. Admitted deferred tax assets (2d+2h)	\$ 120,101	\$ 85,718	\$ 34,383

3. Deferred Tax Liabilities

	1 Current Period	2 Prior Year	3 (Col 1-2) Change
a. Ordinary:			
1. Investments	\$	\$	\$
2. Fixed assets			
3. Deferred and uncollected premium			

NOTES TO FINANCIAL STATEMENTS

4. Policyholder reserves			
5. Other (including items <5% of total ordinary tax liabilities)			
99. Subtotal	\$	\$	\$
b. Capital:			
1. Investments	\$	\$	\$
2. Real estate			
3. Other (including items <5% of total capital tax liabilities)			
99. Subtotal			
c. Deferred tax liabilities (3a99+3b99)	\$	\$	\$

4. Net Deferred Tax Assets (2i – 3c)	\$	120,101	\$	85,718	\$	34,383
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D. Reconciliation of Federal Income Tax Rate to Actual Effective Rate

Among the more significant book to tax adjustments were the following:

	Amount	Effective Tax Rate (%)
Permanent Differences:		
Provision computed at statutory rate	\$ 49,551	(34.00%)
Proration of tax exempt investment income	(37,573)	25.78%
Tax exempt income deduction	-	-%
Dividends received deduction	-	-%
Disallowed travel and entertainment	505	(0.35%)
Other permanent differences	56	(0.04%)
Temporary Differences:		
Total ordinary DTAs	\$ (37,794)	25.93%
Total ordinary DTLs	-	-%
Total capital DTAs	-	-%
Total capital DTLs	-	-%
Other:		
Statutory valuation allowance adjustment	\$ -	-%
Accrual adjustment – prior year	-	-%
Other	(5,155)	3.54%
Totals	\$ (30,411)	20.87%
Federal and foreign income taxes incurred	(9,430)	6.47%
Realized capital gains (losses) tax	13,500	(9.26%)
Change in net deferred income taxes	(34,481)	23.66%
Total statutory income taxes	\$ (30,411)	20.87%

E. Operating Loss and Tax Credit Carryforwards and Protective Tax Deposits

The Company's tax return will be filed with its parent with a fiscal year ended May 31st 2016. At December 31, 2015, all prior pro forma net operating loss tax carryforwards originating in 2006 in the amount of \$77,217 were utilized in 2007. After September 30, 2016, non-controlling ownership changes in the Company will require the Company to file a separate stand alone basis tax return for the short tax year ending December 31, 2016.

At end of current period, 2016, the Company had an unused operating loss carryforwards of \$519,628 available to offset against future taxable income.

The following is income tax expense for Current Period and Prior Year that is available for recoupment in the event of future net losses:

Year	Amount
Current Period	\$ 4,070
Prior Year	\$ (409,747)

The Company did not have any protective tax deposits under Section 6603 of the Internal Revenue Code.

F. Consolidated Federal Income Tax Return

1. The Company's federal income tax return is consolidated with the following entities:

Jacobs Financial Group, Inc. (Parent)
 Jacobs & Company
 FS Investments, Inc.
 Triangle Surety Agency, Inc.

2. The method of sharing of tax liability among the members of the group is determined by a written Tax Sharing Agreement approved by the Board of Directors and the West Virginia Insurance Commissioner. Pursuant to the tax sharing agreement, the parent collects from, or refunds to, the Company and other members of the group the amount of taxes or benefits determined as if the Company and each other member of the group filed a separate return, provided that in the event of operating losses, the Company could utilize such loss or deduction on a stand-alone basis.

After September 30, 2016, non-controlling ownership changes in the Company will require the Company to file a separate stand alone basis tax return for the short tax year ending December 31, 2016.

G. Federal or Foreign Federal Income Tax Loss Contingencies

The Company does not have any tax loss contingencies for which it is reasonably possible that the total liability will significantly increase within twelve months of the reporting date.

NOTES TO FINANCIAL STATEMENTS

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

As more fully described in Note 10 of Notes to Financial Statements in the Annual Statement for the year ended December 31, 2015, the Company has an agency agreement, approved by the West Virginia Insurance Commissioner, with an affiliated company whereby the affiliate receives commission on premium written in the amount of 15% on renewal business and 30% on new business written. In the nine-month period ended September 30, 2016, the Company incurred commission expense of \$289,574 under said agreement.

As more fully described in Note 10 of Notes to Financial Statements in the Annual Statement for the year ended December 31, 2015, the Company has an Investment Management Agreement, approved by the West Virginia Insurance Commissioner, with an affiliated company whereby the affiliate receives investment advisory fees based on established fee schedules. In the nine-month period ended September 30, 2016, the Company incurred investment advisory fee expense of \$38,227 under said agreement.

As more fully described in Note 10 of Notes to Financial Statements in the Annual Statement for the year ended December 31, 2015, the Company had a Tax Sharing Agreement, approved by the West Virginia Insurance Commissioner, with its parent company whereby the parent collects from, or refunds to, the Company and other members of the group the amount of taxes or benefits determined as if the Company and each other member of the group filed a separate return, provided that in the event of operating losses, the Company could utilize such loss or deduction on a stand-alone basis. In the nine month period ended September 30, 2016, the Company made no payments under said agreement. After September 30, 2016, non-controlling ownership changes in the Company will require the Company to file a separate tax return for the short tax year ended December 31, 2016, therefore the Tax Sharing Agreement between JFG and the Company will no longer apply.

As more fully described in Note 10 of Notes to Financial Statements in the Annual Statement for the year ended December 31, 2015, the Company has an Expense Sharing Agreement among the parent company and its affiliates that specifically address cost allocation and reimbursement of accounting, administrative, and support services. In the nine-month period ended September 30, 2016, the Company made payments under such agreement that amounted to \$14,635.

Note 11 – Debt

No significant change

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

No significant change

Note 13 – Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations

No significant changes

Note 14 – Liabilities, Contingencies and Assessments

No significant changes

Note 15 – Leases

No significant changes

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

No significant changes

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

No significant changes

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

No significant changes

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

No significant changes

Note 20 – Fair Value Measurements

A. Invested assets are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain of these invested assets and the level of uncertainty related to changes in the value of these assets, it is possible that changes in risks in the near term may significantly affect the amounts reported in the Consolidated Condensed Balance Sheets and Statements of Income.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Company uses the following fair value hierarchy in selecting inputs, with the highest priority given to Level 1, as these are the most transparent or reliable:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are observable in active markets.
- Level 3 – Valuations derived from valuation techniques in which one or more significant inputs are unobservable.

Fair market values are provided by the Company's independent investment custodians that utilize third-party quotation services for the valuation of the fixed-income investment securities and money-market funds held. The Company's investment custodians are large money-center banks.

The following section describes the valuation methodologies used to measure different financial instruments at fair value, including an indication of the level in the fair value hierarchy in which the instrument is generally classified.

Equity Securities

Level 1 includes publicly traded securities valued using quoted market prices.

NOTES TO FINANCIAL STATEMENTS**Short-Term Investments**

The valuation of securities that are actively traded or have quoted prices are classified as Level 1. These securities include money market funds and U.S. Treasury bills. Level 2 includes commercial paper, for which all significant inputs are observable.

Derivative Liabilities – Covered Calls

Level 1 includes publicly traded covered calls valued using quoted market prices.

(1) Fair Value Measurements at Reporting Date - There were no transfers between Level 1 and Level 2 during the six month period ended June 30, 2016.

Assets at Fair Value	Level 1	Level 2	Level 3	Total
Equity Securities	\$ 1,796,424	\$	\$	\$ 1,796,424
Short Term Investments	12,086,000			12,086,000
Total	\$ 13,882,424	\$	\$	\$ 13,882,424

Liabilities at Fair Value	Level 1	Level 2	Level 3	Total
Covered calls	\$ 76,727	\$	\$	\$ 76,727
Total	\$ 76,727	\$	\$	\$ 76,727

(2) Fair Value Measurements in (Level 3) of the Fair Value Hierarchy - The Company had no assets or liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at September 30, 2016.

(3) There were no transfers between Level 1 and Level 2 during the nine-month period ending September 30, 2016

(4) The Company had no assets or liabilities measured at fair value on a recurring basis in Level 2 or Level 3 at September 30, 2016.

(5) Derivative liabilities, in the form of covered calls, measured at fair value on a recurring basis are summarized in note 20 A (1) above. There were no transfers between Level 1 and Level 2 during the nine-month period ending September 30, 2016. The Company had no assets or liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at September 30, 2016.

B. Not applicable.

C.

Type of Financial Instrument	Aggregate Fair Value	Admitted Assets	(Level 1)	(Level 2)	(Level 3)	Not Practicable (Carrying Value)
Fixed Income Securities	\$ 7,007,503	\$ 7,015,173	\$	\$ 7,007,503	\$	\$
Equity Securities	1,796,424	1,726,406	1,796,424			
Short Term Investments	12,086,000	12,086,000	12,086,000			
Covered Calls	76,727	79,559	76,727			

D. Not Practicable to Estimate Fair Value - Not applicable

Note 21 – Other Items

No significant changes

Note 22 – Events Subsequent

After September 30, 2016, non-controlling ownership changes in the Company will require the Company to file a separate tax return for the short tax year ended December 31, 2016, and thereafter.

Note 23 – Reinsurance

No significant changes

Note 24 – Retrospectively Rated Contracts and Contracts Subject to Redetermination

No significant changes

Note 25 – Change in Incurred Losses and Loss Adjustment Expenses

Since its acquisition at December 31, 2005, the Company has experienced two claims for paid losses (one in 2014 and one in 2015) and is currently investigating circumstances regarding eight surety bonds. In August 2015, the Company paid a claim on a called bond in the amount of \$550,000, of which \$75,000 was paid using collateral of the principal. The remaining \$475,000 has been established as a salvage reserve to be repaid with an assignment of proceeds from sales of stock and an assignment of a promissory note as additional collateral with a total value in excess of the salvage reserve. During the quarter ended September 30, 2016, \$20,000 was collected resulting in a remaining salvage of \$455,000.

As a result of an Examination by the West Virginia Insurance Commissioner, a reserve strengthening in the form of an increase to the Loss Reserve was recorded in 2015 in the amount of \$820,402.

Accordingly, the Company's current year provision for loss and loss adjustment expenses are based upon an increase in the Company's reserve for bulk IBNR to 23% of gross earned premium beginning January of 2016. Such loss ratios have been established with the assistance of consulting actuaries and are continually reviewed and updated based on both industry and Company historical experience.

At September 30, 2016 and December 31, 2015, the reserve for net unpaid losses consisted of:

	September 30, 2016	December 31, 2015
Direct unpaid losses – case basis	\$ 1,185,641	\$ 1,188,000
Reserve for incurred but not reported	918,586	713,742
	\$ 2,104,227	\$ 1,901,742

The Company had no reserves for unpaid loss adjustment expenses as of September 30, 2016 and December 31, 2015. The Company did incur loss adjustment expenses of \$28,090 during the nine-month period ending September 30, 2016.

NOTES TO FINANCIAL STATEMENTS

Changes in the Company's reserve for net unpaid loss for the nine-month period ended September 30, 2016 and the year ended December 31, 2015 are as follows:

	September 30, 2016	December 31, 2015
Reserve for unpaid losses – beginning of year	\$ 1,901,742	\$ 1,390,383
Amounts incurred in current year:		
On current year losses	250,575	165,957
On prior year losses	-	820,402
Total incurred	250,575	986,359
Amounts paid in current year:		
On current year losses	(3,090)	(475,000)
On prior year losses	(25,000)	-
Salvage recovered	20,000	-
Total paid	(8,090)	(475,000)
Reserve for unpaid losses, end of year	\$ 2,144,227	\$ 1,901,742
Reinsurance recoverable on known case loss reserves	(84,700)	(84,700)
Reserve for net unpaid losses, end of year	\$ 2,059,527	\$ 1,817,042

Note 26 – Intercompany Pooling Arrangements

No significant changes

Note 27 – Structured Settlements

No significant changes

Note 28 – Health care receivables

No significant changes

Note 29 – Participating policies

No significant changes

Note 30 – Premium Deficiency Reserves

No significant changes

Note 31 – High Deductibles

No significant changes

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

No significant changes

Note 33 – Asbestos/Environmental Reserves

No significant changes

Note 34 – Subscriber Savings Accounts

No significant changes

Note 35 – Multiple Peril Crop Insurance

No significant changes

Note 36 – Financial Guaranty Insurance

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

GENERAL

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

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

- 5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? If yes, attach an explanation. Yes [] No [] N/A [X]
- 6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2014
- 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. 12/31/2014
- 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). 03/14/2016
- 6.4 By what department or departments?
WV Insurance Commissioner
- 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 []
- 7.1 Has this reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period? Yes [] No [X]
- 7.2 If yes, give full information:
- 8.1 Is the company a subsidiary of a bank holding company regulated with the Federal Reserve Board? Yes [] No [X]
- 8.2 If response to 8.1 is yes, please identify the name of the bank holding company.

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

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

- 9.1 Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? Yes [X] No []
 - (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
 - (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
 - (c) Compliance with applicable governmental laws, rules and regulations;
 - (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
 - (e) Accountability for adherence to the code.
- 9.11 If the response to 9.1 is No, please explain:
- 9.2 Has the code of ethics for senior managers been amended? Yes [] No [X]
- 9.21 If the response to 9.2 is Yes, provide information related to amendment(s).
- 9.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes [] No [X]
- 9.31 If the response to 9.3 is Yes, provide the nature of any waiver(s).

FINANCIAL

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

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES

10.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ 0

INVESTMENT

11.1 Were any of the stocks, bonds, or other assets of the reporting entity loaned, placed under option agreement, or otherwise made available for use by another person? (Exclude securities under securities lending agreements.) Yes [] No [X]

11.2 If yes, give full and complete information relating thereto:

12. Amount of real estate and mortgages held in other invested assets in Schedule BA: \$ 0

13. Amount of real estate and mortgages held in short-term investments: \$ 0

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

14.2 If yes, please complete the following:

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

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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes [] No []

If no, attach a description with this statement.

16. For the reporting entity's security lending program, state the amount of the following as of current statement date:

16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

16.2 Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2: \$ 0

16.3 Total payable for securities lending reported on the liability page: \$ 0

17. Excluding items in Schedule E-Part 3-Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC *Financial Condition Examiners Handbook*? Yes [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
Branch Banking and Trust Company	PO Box 2887, 233 West Nash Street, Wilson, NC 27894
Wellington, Shields & Company	140 Broadway, 44th Floor, New York, NY 10005

17.2 For all agreements that do not comply with the requirements of the NAIC *Financial Condition Examiners Handbook*, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

17.3 Have there been any changes, including name changes, in the custodian(s) identified in 17.1 during the current quarter? Yes [] No [X]

17.4 If yes, give full and complete information relating thereto:

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

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

1 Central Registration Depository	2 Name(s)	3 Address

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

18.2 If no, list exceptions:

GENERAL INTERROGATORIES (continued)

PART 2 – PROPERTY & CASUALTY INTERROGATORIES

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

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

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

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

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

- 4.2 If yes, complete the following schedule:

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

- 5.1 Operating Percentages:

5.1 A&H loss percent 0.000%

5.2 A&H cost containment percent 0.000%

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

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

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

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

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

FIRST SURETY CORPORATION

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

1 NAIC Company Code	2 ID Number	3 Name of Reinsurer	4 Domiciliary Jurisdiction	5 Type of Reinsurer	6 Certified Reinsurer Rating (1 through 6)	7 Effective Date of Certified Reinsurer Rating
All Other Insurers						
00000.....	AA-1120084.....	Barbican Syndicate 1955.....	GB.....	Authorized.....	.....3.....	.....01/01/2011
00000.....	AA-1128001.....	Amlin Underwriting Ltd. Syndicate 2001.....	GB.....	Authorized.....	.....3.....	.....01/01/2011
00000.....	AA-1120102.....	Renaissance Re Syndicate Management Ltd. Syndicate 1458.....	GB.....	Authorized.....	.....3.....	.....01/01/2011
00000.....	AA-1126780.....	Advent Underwriting Limited Syndicate 780.....	GB.....	Authorized.....	.....3.....	.....01/01/2011
00000.....	AA-1128003.....	Catlin Syndicate 2003.....	GB.....	Authorized.....	.....3.....	.....01/01/2011

FIRST SURETY CORPORATION

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

Current Year to Date - Allocated by States and Territories

States, Etc.	1 Active Status	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	N					
2. Alaska.....	AK	N					
3. Arizona.....	AZ	N					
4. Arkansas.....	AR	N					
5. California.....	CA	N					
6. Colorado.....	CO	N					
7. Connecticut.....	CT	N					
8. Delaware.....	DE	N					
9. District of Columbia.....	DC	N					
10. Florida.....	FL	N					
11. Georgia.....	GA	N					
12. Hawaii.....	HI	N					
13. Idaho.....	ID	N					
14. Illinois.....	IL	N					
15. Indiana.....	IN	N					
16. Iowa.....	IA	N					
17. Kansas.....	KS	N					
18. Kentucky.....	KY	N					
19. Louisiana.....	LA	N					
20. Maine.....	ME	N					
21. Maryland.....	MD	N					
22. Massachusetts.....	MA	N					
23. Michigan.....	MI	N					
24. Minnesota.....	MN	N					
25. Mississippi.....	MS	N					
26. Missouri.....	MO	N					
27. Montana.....	MT	N					
28. Nebraska.....	NE	N					
29. Nevada.....	NV	N					
30. New Hampshire.....	NH	N					
31. New Jersey.....	NJ	N					
32. New Mexico.....	NM	N					
33. New York.....	NY	N					
34. North Carolina.....	NC	N					
35. North Dakota.....	ND	N					
36. Ohio.....	OH	L	105,130	119,071		30,732	18,901
37. Oklahoma.....	OK	N					
38. Oregon.....	OR	N					
39. Pennsylvania.....	PA	N					
40. Rhode Island.....	RI	N					
41. South Carolina.....	SC	N					
42. South Dakota.....	SD	N					
43. Tennessee.....	TN	N					
44. Texas.....	TX	N					
45. Utah.....	UT	N					
46. Vermont.....	VT	N					
47. Virginia.....	VA	N					
48. Washington.....	WA	N					
49. West Virginia.....	WV	L	1,279,774	839,886		219,844	101,580
50. Wisconsin.....	WI	N					
51. Wyoming.....	WY	N					
52. American Samoa.....	AS	N					
53. Guam.....	GU	N					
54. Puerto Rico.....	PR	N					
55. US Virgin Islands.....	VI	N					
56. Northern Mariana Islands.....	MP	N					
57. Canada.....	CAN	N					
58. Aggregate Other Alien.....	OT	XXX	0	0	0	0	0
59. Totals.....	(a).....2		1,384,904	958,957	0	250,576	120,480

DETAILS OF WRITE-INS

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

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

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

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

**Sch. Y - Pt. 1
NONE**

**Sch. Y - Pt. 1A
NONE**

FIRST SURETY CORPORATION

PART 1 - LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire.....			0.000	
2. Allied lines.....			0.000	
3. Farmowners multiple peril.....			0.000	
4. Homeowners multiple peril.....			0.000	
5. Commercial multiple peril.....			0.000	
6. Mortgage guaranty.....			0.000	
8. Ocean marine.....			0.000	
9. Inland marine.....			0.000	
10. Financial guaranty.....			0.000	
11.1. Medical professional liability - occurrence.....			0.000	
11.2. Medical professional liability - claims-made.....			0.000	
12. Earthquake.....			0.000	
13. Group accident and health.....			0.000	
14. Credit accident and health.....			0.000	
15. Other accident and health.....			0.000	
16. Workers' compensation.....			0.000	
17.1. Other liability-occurrence.....			0.000	
17.2. Other liability-claims made.....			0.000	
17.3. Excess workers' compensation.....			0.000	
18.1. Products liability-occurrence.....			0.000	
18.2. Products liability-claims made.....			0.000	
19.1, 19.2. Private passenger auto liability.....			0.000	
19.3, 19.4. Commercial auto liability.....			0.000	
21. Auto physical damage.....			0.000	
22. Aircraft (all perils).....			0.000	
23. Fidelity.....			0.000	
24. Surety.....	1,157,725	222,485	19.217	11.868
26. Burglary and theft.....			0.000	
27. Boiler and machinery.....			0.000	
28. Credit.....			0.000	
29. International.....			0.000	
30. Warranty.....			0.000	
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	.0	.0	0.000	
35. Totals.....	1,157,725	222,485	19.217	11.868

DETAILS OF WRITE-INS

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

PART 2 - DIRECT PREMIUMS WRITTEN

Lines of Business	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire.....			
2. Allied lines.....			
3. Farmowners multiple peril.....			
4. Homeowners multiple peril.....			
5. Commercial multiple peril.....			
6. Mortgage guaranty.....			
8. Ocean marine.....			
9. Inland marine.....			
10. Financial guaranty.....			
11.1. Medical professional liability - occurrence.....			
11.2. Medical professional liability - claims made.....			
12. Earthquake.....			
13. Group accident and health.....			
14. Credit accident and health.....			
15. Other accident and health.....			
16. Workers' compensation.....			
17.1. Other liability-occurrence.....			
17.2. Other liability-claims made.....			
17.3. Excess workers' compensation.....			
18.1. Products liability-occurrence.....			
18.2. Products liability-claims made.....			
19.1 19.2. Private passenger auto liability.....			
19.3 19.4. Commercial auto liability.....			
21. Auto physical damage.....			
22. Aircraft (all perils).....			
23. Fidelity.....			
24. Surety.....	630,998	1,384,904	958,957
26. Burglary and theft.....			
27. Boiler and machinery.....			
28. Credit.....			
29. International.....			
30. Warranty.....			
31. Reinsurance-nonproportional assumed property.....	XXX	XXX	XXX
32. Reinsurance-nonproportional assumed liability.....	XXX	XXX	XXX
33. Reinsurance-nonproportional assumed financial lines.....	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business.....	.0	.0	.0
35. Totals.....	630,998	1,384,904	958,957

DETAILS OF WRITE-INS

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

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2016 Loss and LAE Payments on Claims Reported as of Prior Year-End	2016 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2016 Loss and LAE Payments (Cols. 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss and LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols. 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 minus Col. 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 minus Col. 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2013 + Prior.....		1,310	1,310			0			1,310	1,310	0	0	0
2. 2014.....		80	80			0		(83)	163	80	0	0	0
3. Subtotals 2014 + Prior.....	0	1,390	1,390	0	0	0	0	(83)	1,473	1,390	0	0	0
4. 2015.....		427	427			0	(85)	(475)	987	427	(85)	85	0
5. Subtotals 2015 + Prior.....	0	1,817	1,817	0	0	0	(85)	(558)	2,460	1,817	(85)	85	0
6. 2016.....	XXX	XXX	XXX	XXX	8	8	XXX	20	223	243	XXX	XXX	XXX
7. Totals.....	0	1,817	1,817	0	8	8	(85)	(538)	2,683	2,060	(85)	85	0
8. Prior Year-End's Surplus As Regards Policyholders	5,023										Col. 11, Line 7 As % of Col. 1, Line 7	Col. 12, Line 7 As % of Col. 2, Line 7	Col. 13, Line 7 As % of Col. 3, Line 7
											1. ....0.000 %	2. ....4.678 %	3. ....0.000 %
													Col. 13, Line 7 Line 8
													4. ....0.000 %

Q14

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

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

Bar Code:



Overflow Page for Write-Ins

Additional Write-ins for Assets:

	Current Statement Date			4 December 31, Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
2504. Prepaid Federal Income Taxes.....			0	
2505. Other Income Due and Accrued.....	40		40	39
2506. Deposits receivable from Reinsurers.....			0	27,111
2597. Summary of remaining write-ins for Line 25.....	40	0	40	27,150

Additional Write-ins for Statement of Income:

	1 Current Year to Date	2 Prior Year to Date	3 Prior Year Ended December 31
1404. Net loss from payment of forgiven commission on collected premium balances charged off.....	(6,000)		
1497. Summary of remaining write-ins for Line 14.....	(6,000)	0	0

FIRST SURETY CORPORATION
SCHEDULE A - VERIFICATION

Real Estate

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	.0	
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 end of current period (Lines 1+2+3+4-5+6-7-8).....	.0	0
10. Deduct total nonadmitted amounts.....		
11. Statement value at end of current period (Line 9 minus Line 10).....	.0	0

NONE

SCHEDULE B - VERIFICATION

Mortgage Loans

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

NONE

SCHEDULE BA - VERIFICATION

Other Long-Term Invested Assets

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

NONE

SCHEDULE D - VERIFICATION

Bonds and Stocks

	1 Year to Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year.....	8,407,335	8,032,793
2. Cost of bonds and stocks acquired.....	3,120,001	3,200,484
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		(85,048)
5. Total gain (loss) on disposals.....	94,976	33,214
6. Deduct consideration for bonds and stocks disposed of.....	2,806,748	2,674,641
7. Deduct amortization of premium.....	73,986	99,466
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).....	8,741,579	8,407,335
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	8,741,579	8,407,335

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
BONDS								
1. NAIC 1 (a).....	7,551,777	11,750,345	174,487	(26,463)	9,947,674	7,551,777	19,101,173	11,165,277
2. NAIC 2 (a).....							.0	
3. NAIC 3 (a).....							.0	
4. NAIC 4 (a).....							.0	
5. NAIC 5 (a).....							.0	
6. NAIC 6 (a).....							.0	
7. Total Bonds.....	7,551,777	11,750,345	174,487	(26,463)	9,947,674	7,551,777	19,101,173	11,165,277
PREFERRED STOCK								
8. NAIC 1.....	124,610	28,122		(72)	122,130	124,610	152,660	93,810
9. NAIC 2.....							.0	
10. NAIC 3.....							.0	
11. NAIC 4.....							.0	
12. NAIC 5.....							.0	
13. NAIC 6.....							.0	
14. Total Preferred Stock.....	124,610	28,122	.0	(72)	122,130	124,610	152,660	93,810
15. Total Bonds and Preferred Stock.....	7,676,387	11,778,467	174,487	(26,535)	10,069,803	7,676,387	19,253,832	11,259,087

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

SCHEDULE DA - PART 1

Short-Term Investments

	1 Book/Adjusted Carrying Value	2 Par Value	3 Actual Cost	4 Interest Collected Year To Date	5 Paid for Accrued Interest Year To Date
9199999.....	12,086,000	XXX.....	12,086,000	187	

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	3,788,375	1,331,571
2. Cost of short-term investments acquired.....	8,409,895	3,788,375
3. Accrual of discount.....		
4. Unrealized valuation increase (decrease).....		
5. Total gain (loss) on disposals.....		
6. Deduct consideration received on disposals.....	112,270	1,331,571
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).....	12,086,000	3,788,375
11. Deduct total nonadmitted amounts.....		
12. Statement value at end of current period (Line 10 minus Line 11).....	12,086,000	3,788,375

SCHEDULE DB - PART A - VERIFICATION

Options, Caps, Floors, Collars, Swaps and Forwards

1. Book/adjusted carrying value, December 31, prior year (Line 9, prior year).....	(29,016)
2. Cost paid/(consideration received) on additions.....	(776,840)
3. Unrealized valuation increase/(decrease).....	
4. Total gain (loss) on termination recognized.....	(60,362)
5. Considerations received/(paid) on terminations.....	(786,659)
6. Amortization.....	
7. Adjustment to the book/adjusted carrying value of hedge item.....	
8. Total foreign exchange change in book/adjusted carrying value.....	
9. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 - 5 + 6 + 7 + 8).....	(79,560)
10. Deduct nonadmitted assets.....	
11. Statement value at end of current period (Line 9 minus Line 10).....	(79,560)

SCHEDULE DB - PART B - VERIFICATION

Futures Contracts

1. Book/adjusted carrying value, December 31, prior year (Line 6, prior year).....	
2. Cumulative cash change (Section 1, Broker Name/Net Cash Deposits Footnote - Cumulative Cash Change column).....	
3.1 Add:	
Change in variation margin on open contracts - Highly Effective Hedges:	
3.11 Section 1, Column 15, current year to date minus.....	
3.12 Section 1, Column 15, prior year.....	0
Change in variation margin on open contracts - All Other:	
3.13 Section 1, Column 18, current year to date minus.....	
3.14 Section 1, Column 18, prior year.....	0
3.2 Add:	
Change in adjustment to basis of hedged item:	
3.21 Section 1, Column 17, current year to date minus.....	
3.22 Section 1, Column 17, prior year.....	0
Change in amount recognized:	
3.23 Section 1, Column 19, current year to date minus.....	
3.24 Section 1, Column 19, prior year.....	0
3.3 Subtotal (Line 3.1 minus Line 3.2).....	0
4.1 Cumulative variation margin on terminated contracts during the year.....	
4.2 Less:	
4.21 Amount used to adjust basis of hedged item.....	
4.22 Amount recognized.....	0
4.3 Subtotal (Line 4.1 minus Line 4.2).....	0
5. Dispositions gains (losses) on contracts terminated in prior year:	
5.1 Total gain (loss) recognized for terminations in prior year.....	
5.2 Total gain (loss) adjusted into the hedged item(s) for the terminations in prior year.....	
6. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3.3 - 4.3 - 5.1 - 5.2).....	0
7. Deduct nonadmitted assets.....	
8. Statement value at end of current period (Line 6 minus Line 7).....	0

NONE

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

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

SCHEDULE DB - VERIFICATION

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

Book/Adjusted Carrying Value Check

1. Part A, Section 1, Column 14.....	(79,559)	
2. Part B, Section 1, Column 15 plus Part B, Section 1 Footnote - Total Ending Cash Balance.....		
3. Total (Line 1 plus Line 2).....		(79,559)
4. Part D, Section 1, Column 5.....		
5. Part D, Section 1, Column 6.....	(79,559)	
6. Total (Line 3 minus Line 4 minus Line 5).....		0

Fair Value Check

7. Part A, Section 1, Column 16.....	(76,727)	
8. Part B, Section 1, Column 13.....		
9. Total (Line 7 plus Line 8).....		(76,727)
10. Part D, Section 1, Column 8.....		
11. Part D, Section 1, Column 9.....	(76,727)	
12. Total (Line 9 minus Line 10 minus Line 11).....		0

Potential Exposure Check

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

Sch. E - Verification
NONE

Sch. A - Pt. 2
NONE

Sch. A - Pt. 3
NONE

Sch. B - Pt. 2
NONE

Sch. B - Pt. 3
NONE

Sch. BA - Pt. 2
NONE

Sch. BA - Pt. 3
NONE

SCHEDULE D - PART 3

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

1	2		3	4	5		6	7	8	9	10
CUSIP Identification	Description		Foreign	Date Acquired	Name of Vendor		Number of Shares of Stock	Actual Cost	Par Value	Paid for Accrued Interest and Dividends	NAIC Designation or Market Indicator (a)
Bonds - U.S. Special Revenue and Special Assessment											
927676 TT 3	Virgin Islands Pub Fin Auth.....			07/06/2016....	Wellington Shields and Company.....			116,978	100,000	1,389	1FE.....
552172 GZ 5	Lyons IL Ser DB B/E.....			07/08/2016....	Wellington Shields and Company.....			237,616	200,000	1,167	1FE.....
93974D YP 7	Washington St Various Purp Ser.....			07/27/2016....	Wellington Shields and Company.....			312,390	250,000	590	1FE.....
3199999. Total Bonds - U.S. Special Revenue and Special Assessment.....								666,983	550,000	3,146	XXX
8399997. Total Bonds - Part 3.....								666,983	550,000	3,146	XXX
8399999. Total Bonds.....								666,983	550,000	3,146	XXX
Preferred Stocks - Industrial and Miscellaneous											
48127A 16 1	JP Morgan 6.7% Pfd.....			08/03/2016....	Wellington Shields and Company.....		1,000,000	28,123	28,122.62		P2L.....
8499999. Total Preferred Stocks - Industrial and Miscellaneous.....								28,123	XXX	0	XXX
8999997. Total Preferred Stocks - Part 3.....								28,123	XXX	0	XXX
8999999. Total Preferred Stocks.....								28,123	XXX	0	XXX
Common Stocks - Industrial and Miscellaneous											
20825C 10 4	Conocophillips.....			07/13/2016....	Wellington Shields and Company.....		2,500,000	107,419	XXX		L.....
165240 10 2	Chesapeake Lodging Trust.....			07/07/2016....	Wellington Shields and Company.....		5,000,000	119,996	XXX		L.....
254687 10 6	Disney Walt Company.....			08/05/2016....	Wellington Shields and Company.....		300,000	28,913	XXX		L.....
832696 40 5	JM Smucker Co.....			08/23/2016....	Wellington Shields and Company.....		500,000	72,372	XXX		L.....
037411 10 5	Apache Corp.....			09/28/2016....	Wellington Shields and Company.....		300,000	18,264	XXX		L.....
9099999. Total Common Stocks - Industrial and Miscellaneous.....								346,964	XXX	0	XXX
9799997. Total Common Stocks - Part 3.....								346,964	XXX	0	XXX
9799999. Total Common Stocks.....								346,964	XXX	0	XXX
9899999. Total Preferred and Common Stocks.....								375,087	XXX	0	XXX
9999999. Total Bonds, Preferred and Common Stocks.....								1,042,070	XXX	3,146	XXX

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

QE04

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	For re ig n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than- Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designa- tion or Market Indicator (a)
Bonds - U.S. Government																					
36202C	YS 6 GNMA II Pool # 2521.....			Principal paydown.....		3,929	3,929	3,929	3,929				0		3,929			0			1FE.....
36202C	5S 8 GNMA II Pool # 2657.....			Principal paydown.....		238	238	238	238				0		238			0			1FE.....
36202C	6G 3 GNMA II Pool # 2671.....			Principal paydown.....		1,518	1,518	1,518	1,518				0		1,518			0			1FE.....
36202C	6L 2 GNMA II Pool # 2675.....			Principal paydown.....		238	238	238	238				0		238			0			1FE.....
36202C	7L 1 GNMA II Pool # 2699.....			Principal paydown.....		1,642	1,642	1,642	1,642				0		1,642			0			1FE.....
36202D	A5 0 GNMA II Pool # 2728.....			Principal paydown.....		2,695	2,695	2,695	2,695				0		2,695			0			1FE.....
36202D	BH 3 GNMA II Pool # 2740.....			Principal paydown.....		982	982	982	982				0		982			0			1FE.....
36202D	BW 0 GNMA II Pool # 2753.....			Principal paydown.....		589	589	589	589				0		589			0			1FE.....
36202D	T6 8 GNMA Pool # 3273.....			Principal paydown.....		1,170	1,170	1,170	1,170				0		1,170			0			1FE.....
26202D	V3 2 GNMA II Pool # 3334.....			Principal paydown.....		779	779	779	779				0		779			0			1FE.....
36202D	XD 8 GNMA II Pool # 3376.....			Principal paydown.....		925	925	925	925				0		925			0			1FE.....
36202D	X8 9 GNMA II Pool # 3403.....			Principal paydown.....		149	149	149	149				0		149			0			1FE.....
36202D	YM 7 GNMA II Pool # 3416.....			Principal paydown.....		1,009	1,009	1,009	1,009				0		1,009			0			1FE.....
36202D	5D 9 GNMA II Pool # 3544.....			Principal paydown.....		5,655	5,655	5,655	5,655				0		5,655			0			1FE.....
36202D	6F 3 GNMA II Pool # 3570.....			Principal paydown.....		4,178	4,178	4,178	4,178				0		4,178			0			1FE.....
36202D	6V 8 GNMA II Pool # 3584.....			Principal paydown.....		1,472	1,472	1,472	1,472				0		1,472			0			1FE.....
36202E	AL 3 GNMA II Pool # 3611.....			Principal paydown.....		936	936	936	936				0		936			0			1FE.....
36202E	AM 1 GNMA II Pool # 3612.....			Principal paydown.....		1,441	1,441	1,441	1,441				0		1,441			0			1FE.....
36202E	A3 3 GNMA II Pool # 3626.....			Principal paydown.....		988	988	988	988				0		988			0			1FE.....
36202E	CA 5 GNMA II Pool # 3665.....			Principal paydown.....		251	251	251	251				0		251			0			1FE.....
36202E	CB 3 GNMA II Pool # 3666.....			Principal paydown.....		1,953	1,953	1,953	1,953				0		1,953			0			1FE.....
36202E	CQ 0 GNMA II Pool # 3679.....			Principal paydown.....		1,529	1,529	1,529	1,529				0		1,529			0			1FE.....
36202E	FA 2 GNMA II Pool # 3761.....			Principal paydown.....		1,623	1,623	1,623	1,623				0		1,623			0			1FE.....
36202E	FP 9 GNMA II Pool # 3774.....			Principal paydown.....		2,573	2,573	2,573	2,573				0		2,573			0			1FE.....
36202E	GD 5 GNMA II Pool # 3796.....			Principal paydown.....		7,182	7,182	7,182	7,182				0		7,182			0			1FE.....
36202E	MP 1 GNMA Pool # 3966.....			Principal paydown.....		374	374	374	374				0		374			0			1FE.....
36202E	MY 2 GNMA Pool # 3975.....			Principal paydown.....		411	411	411	411				0		411			0			1FE.....
36202E	7K 9 GNMA Pool # 4498.....			Principal paydown.....		338	338	338	338				0		338			0			1FE.....
36202F	AX 4 GNMA Pool # 4522.....			Principal paydown.....		2,589	2,589	2,589	2,589				0		2,589			0			1FE.....
36202F	BK 1 GNMA Pool # 4542.....			Principal paydown.....		5,523	5,523	5,523	5,523				0		5,523			0			1FE.....
36202F	FW 1 GNMA Pool # 4681.....			Principal paydown.....		518	518	518	518				0		518			0			1FE.....
36202F	NA 0 GNMA Pool # 4885.....			Principal paydown.....		6,608	6,608	6,608	6,608				0		6,608			0			1FE.....
36202F	T5 5 GNMA Pool # 5072.....			Principal paydown.....		3,526	3,526	3,526	3,526				0		3,526			0			1FE.....
362195	UV 9 GNMA Pool # 267996.....			Principal paydown.....		68	68	68	68				0		68			0			1FE.....
36202D	V3 2 GNMA Pool # 398596.....			Principal paydown.....		583	583	583	583				0		583			0			1FE.....
36208L	YX 9 GNMA Pool # 454426.....			Principal paydown.....		163	163	163	163				0		163			0			1FE.....
36209G	RN 9 GNMA Pool # 471293.....			Principal paydown.....		170	170	170	170				0		170			0			1FE.....
36210B	BN 4 GNMA Pool # 487045.....			Principal paydown.....		69	69	69	69				0		69			0			1FE.....
36211S	QK 6 GNMA Pool # 521658.....			Principal paydown.....		156	156	156	156				0		156			0			1FE.....
36212A	WP 6 GNMA Pool # 528154.....			Principal paydown.....		122	122	122	122				0		122			0			1FE.....
36213A	L3 6 GNMA Pool # 548546.....			Principal paydown.....		157	157	157	157				0		157			0			1FE.....
36213A	PK 4 GNMA Pool # 548626.....			Principal paydown.....		84	84	84	84				0		84			0			1FE.....
36213F	F2 4 GNMA Pool # 552885.....			Principal paydown.....		121	121	121	121				0		121			0			1FE.....
36213R	XR 3 GNMA Pool # 562388.....			Principal paydown.....		2,178	2,178	2,178	2,178				0		2,178			0			1FE.....
36213U	L8 1 GNMA Pool # 564751.....			Principal paydown.....		464	464	464	464				0		464			0			1FE.....

QE05

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	For e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than- Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Design- ation or Market Indicator (a)
36200R	BG 6 GNMA Pool # 569839			Principal paydown		150	150	150	150				0		150		0	0			1FE
36201G	2L 8 GNMA Pool # 583179			Principal paydown		170	170	170	170				0		170		0	0			1FE
36201H	3R 2 GNMA Pool # 584108			Principal paydown		110	110	110	110				0		110		0	0			1FE
36201M	D7 4 GNMA Pool # 587026			Principal paydown		334	334	334	334				0		334		0	0			1FE
36201M	NT 5 GNMA Pool # 587302			Principal paydown		685	685	685	685				0		685		0	0			1FE
36200A	C4 9 GNMA Pool # 595091			Principal paydown		425	425	425	425				0		425		0	0			1FE
36200A	FV 6 GNMA Pool # 595180			Principal paydown		330	330	330	330				0		330		0	0			1FE
36200A	JS 9 GNMA Pool # 595273			Principal paydown		614	614	614	614				0		614		0	0			1FE
36200K	BV 8 GNMA Pool # 603152			Principal paydown		132	132	132	132				0		132		0	0			1FE
36200K	EA 1 GNMA Pool # 603229			Principal paydown		606	606	606	606				0		606		0	0			1FE
36200N	LJ 8 GNMA Pool # 605229			Principal paydown		182	182	182	182				0		182		0	0			1FE
36200N	YS 4 GNMA Pool # 605621			Principal paydown		35	35	35	35				0		35		0	0			1FE
25101U	3R 2 GNMA Pool # 610208			Principal paydown		1,274	1,274	1,274	1,274				0		1,274		0	0			1FE
36290S	B3 4 GNMA Pool # 615758			Principal paydown		127	127	127	127				0		127		0	0			1FE
36290S	CV 1 GNMA Pool # 615784			Principal paydown		226	226	226	226				0		226		0	0			1FE
36290S	C3 3 GNMA Pool # 615790			Principal paydown		44	44	44	44				0		44		0	0			1FE
36290S	6F 3 GNMA Pool # 616570			Principal paydown		472	472	472	472				0		472		0	0			1FE
36290T	CX 5 GNMA Pool # 616686			Principal paydown		845	845	845	845				0		845		0	0			1FE
36290T	K6 5 GNMA Pool # 616917			Principal paydown		206	206	206	206				0		206		0	0			1FE
36290T	LP 2 GNMA Pool # 616934			Principal paydown		659	659	659	659				0		659		0	0			1FE
36290T	VE 6 GNMA Pool # 617213			Principal paydown		5,119	5,119	5,119	5,119				0		5,119		0	0			1FE
36290U	EU 6 GNMA Pool # 617647			Principal paydown		41,684	41,684	41,684	41,684				0		41,684		0	0			1FE
36290U	KA 3 GNMA Pool # 617789			Principal paydown		51	51	51	51				0		51		0	0			1FE
36291A	W6 2 GNMA Pool # 622669			Principal paydown		45	45	45	45				0		45		0	0			1FE
36291B	H3 4 GNMA Pool # 623150			Principal paydown		472	472	472	472				0		472		0	0			1FE
36291G	A6 3 GNMA Pool # 627429			Principal paydown		4,221	4,221	4,221	4,221				0		4,221		0	0			1FE
36291H	CX 0 GNMA Pool # 628386			Principal paydown		1,759	1,759	1,759	1,759				0		1,759		0	0			1FE
36292C	AX 2 GNMA Pool # 644522			Principal paydown		10,113	10,113	10,113	10,113				0		10,113		0	0			1FE
36292C	MQ 4 GNMA Pool # 644867			Principal paydown		1,167	1,167	1,167	1,167				0		1,167		0	0			1FE
36292D	WV 0 GNMA Pool # 646060			Principal paydown		1,399	1,399	1,399	1,399				0		1,399		0	0			1FE
36292L	K6 0 GNMA Pool # 652017			Principal paydown		15	15	15	15				0		15		0	0			1FE
36294Q	DE 8 GNMA Pool # 656301			Principal paydown		1,260	1,260	1,260	1,260				0		1,260		0	0			1FE
36294R	KK 4 GNMA Pool # 657398			Principal paydown		31	31	31	31				0		31		0	0			1FE
36294T	MR 3 GNMA Pool # 659268			Principal paydown		4,019	4,019	4,019	4,019				0		4,019		0	0			1FE
36294X	AN 6 GNMA Pool # 662513			Principal paydown		219	219	219	219				0		219		0	0			1FE
36295F	HB 3 GNMA Pool # 669026			Principal paydown		2,383	2,383	2,383	2,383				0		2,383		0	0			1FE
36296F	P3 1 GNMA Pool # 689942			Principal paydown		2,034	2,034	2,034	2,034				0		2,034		0	0			1FE
36296U	M4 9 GNMA Pool # 701579			Principal paydown		7,805	7,805	7,805	7,805				0		7,805		0	0			1FE
36296X	6A 7 GNMA Pool # 704765			Principal paydown		292	292	292	292				0		292		0	0			1FE
36297A	KV 4 GNMA Pool # 706008			Principal paydown		314	314	314	314				0		314		0	0			1FE
36297K	SG 7 GNMA Pool # 714319			Principal paydown		1,997	1,997	1,997	1,997				0		1,997		0	0			1FE
3620AL	7M 0 GNMA Pool # 733600			Principal paydown		4,405	4,405	4,405	4,405				0		4,405		0	0			1FE
3620AQ	JB 0 GNMA Pool # 736558			Principal paydown		1,962	1,962	1,962	1,962				0		1,962		0	0			1FE
36225B	DT 2 GNMA Pool # 781014			Principal paydown		1,579	1,579	1,579	1,579				0		1,579		0	0			1FE
36225B	ZF 8 GNMA Pool # 781642			Principal paydown		344	344	344	344				0		344		0	0			1FE
36225B	2Q 0 GNMA Pool # 781683			Principal paydown		375	375	375	375				0		375		0	0			1FE

QE05 1

SCHEDULE D - PART 4

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

1	2		3	4	5	6	7	8	9	10	Change in Book/Adjusted Carrying Value					16	17	18	19	20	21	22
											11	12	13	14	15							
CUSIP Identification	Description		For re i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other-Than- Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest / Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Design- ation or Market Indicator (a)
36225B 5X 2	GNMA Pool # 781762.....		.	.....	Principal paydown.....	.....	.....205	.....205	.....205	.....205	.....	.....	.....	.....0	.....	.....205	.....	.....	.....0	.....	.....	1FE.....
36241K AD 0	GNMA Pool # 781804.....		.	.....	Principal paydown.....	.....	.....739	.....739	.....739	.....739	.....	.....	.....	.....0	.....	.....739	.....	.....	.....0	.....	.....	1FE.....
36241K EK 0	GNMA Pool # 781938.....		.	.....	Principal paydown.....	.....	.....269	.....269	.....269	.....269	.....	.....	.....	.....0	.....	.....269	.....	.....	.....0	.....	.....	1FE.....
36241K MK 1	GNMA Pool # 782162.....		.	.....	Principal paydown.....	.....	.....719	.....719	.....719	.....719	.....	.....	.....	.....0	.....	.....719	.....	.....	.....0	.....	.....	1FE.....
0599999	Total Bonds - U.S Government.....						.....174,487	.....174,487	.....174,487	.....174,487	.....0	.....0	.....0	.....0	.....0	.....174,487	.....0	.....0	.....0	.....0	.....	XXX XXX
8399997	Total Bonds - Part 4.....						.....174,487	.....174,487	.....174,487	.....174,487	.....0	.....0	.....0	.....0	.....0	.....174,487	.....0	.....0	.....0	.....0	.....	XXX XXX
8399999	Total Bonds.....						.....174,487	.....174,487	.....174,487	.....174,487	.....0	.....0	.....0	.....0	.....0	.....174,487	.....0	.....0	.....0	.....0	.....	XXX XXX
Common Stocks - Industrial and Miscellaneous																						
984121 10 3	Xerox Corp.....		.	07/26/2016	Wellington, Shields and Company.....	.....4,000,000	.....39,404	XXX	.....39,469	.....39,469	.....	.....	.....	.....0	.....	.....39,469	.....	.....(65)	.....(65)	.....310	XXX	L.....
438516 10 6	Honeywell International.....		.	09/29/2016	Wellington, Shields and Company.....	.....500,000	.....76,009	XXX	.....62,359	.....62,359	.....	.....	.....	.....0	.....	.....62,359	.....	.....13,651	.....13,651	.....1,050	XXX	L.....
402424 10 4	L-3 Communications.....		.	09/29/2016	Wellington, Shields and Company.....	.....1,000,000	.....116,657	XXX	.....102,663	.....102,663	.....	.....	.....	.....0	.....	.....102,663	.....	.....13,994	.....13,994	.....1,785	XXX	L.....
9099999	Total Common Stocks - Industrial and Miscellaneous.....						.....232,071	XXX	.....204,490	.....204,490	.....0	.....0	.....0	.....0	.....0	.....204,490	.....0	.....27,580	.....27,580	.....3,145	XXX	XXX
9799997	Total Common Stocks - Part 4.....						.....232,071	XXX	.....204,490	.....204,490	.....0	.....0	.....0	.....0	.....0	.....204,490	.....0	.....27,580	.....27,580	.....3,145	XXX	XXX
9799999	Total Common Stocks.....						.....232,071	XXX	.....204,490	.....204,490	.....0	.....0	.....0	.....0	.....0	.....204,490	.....0	.....27,580	.....27,580	.....3,145	XXX	XXX
9899999	Total Preferred and Common Stocks.....						.....232,071	XXX	.....204,490	.....204,490	.....0	.....0	.....0	.....0	.....0	.....204,490	.....0	.....27,580	.....27,580	.....3,145	XXX	XXX
9999999	Total Bonds, Preferred and Common Stocks.....						.....406,557	XXX	.....378,977	.....378,977	.....0	.....0	.....0	.....0	.....0	.....378,977	.....0	.....27,580	.....27,580	.....3,145	XXX	XXX

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

QE05.2

SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Effectiveness at Inception and at Year-end (b)
Written Options - Income Generation - Call Options and Warrants																						
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/04/2016.....	.....	8.....	.....	.....	.....	(3,168).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/04/2016.....	.....	3.....	.....	.....	.....	(651).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/04/2016.....	.....	5.....	.....	.....	.....	(2,791).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/04/2016.....	.....	5.....	.....	.....	.....	(1,032).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Verizon Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/04/2016.....	.....	10.....	.....	.....	.....	(970).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/05/2016.....	.....	15.....	.....	.....	.....	(1,901).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/05/2016.....	.....	5.....	.....	.....	.....	(2,746).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/05/2016.....	.....	8.....	.....	.....	.....	(3,572).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Flowers Foods Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/06/2016.....	.....	20.....	.....	.....	.....	(2,376).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/06/2016.....	.....	15.....	.....	.....	.....	(3,236).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/06/2016.....	.....	8.....	.....	.....	.....	(3,444).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/07/2016.....	.....	15.....	.....	.....	.....	(1,646).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/07/2016.....	.....	8.....	.....	.....	.....	(3,564).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/11/2016.....	.....	15.....	.....	.....	.....	(941).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/11/2016.....	.....	5.....	.....	.....	.....	(1,204).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/11/2016.....	.....	15.....	.....	.....	.....	(5,273).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/11/2016.....	.....	3.....	.....	.....	.....	(771).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/12/2016.....	.....	5.....	.....	.....	.....	(2,927).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/12/2016.....	.....	3.....	.....	.....	.....	(825).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/13/2016.....	.....	5.....	.....	.....	.....	(1,177).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/13/2016.....	.....	5.....	.....	.....	.....	(1,506).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/13/2016.....	.....	15.....	.....	.....	.....	(1,061).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/15/2016.....	.....	5.....	.....	.....	.....	(1,312).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/15/2016.....	.....	5.....	.....	.....	.....	(2,336).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/15/2016.....	.....	2.....	.....	.....	.....	(8,870).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Xerox Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/15/2016.....	.....	25.....	.....	.....	.....	(1,346).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/19/2016.....	.....	8.....	.....	.....	.....	(2,740).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/20/2016.....	.....	5.....	.....	.....	.....	(1,157).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Flowers Foods Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/20/2016.....	.....	20.....	.....	.....	.....	(2,048).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/20/2016.....	.....	15.....	.....	.....	.....	(1,271).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/20/2016.....	.....	5.....	.....	.....	.....	(751).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/20/2016.....	.....	8.....	.....	.....	.....	(2,747).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/22/2016.....	.....	15.....	.....	.....	.....	(2,156).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/22/2016.....	.....	5.....	.....	.....	.....	(1,656).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
JM Smuckers Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/22/2016.....	.....	5.....	.....	.....	.....	(1,266).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/22/2016.....	.....	15.....	.....	.....	.....	(2,456).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/26/2016.....	.....	3.....	.....	.....	.....	(1,074).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Verizon Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/26/2016.....	.....	10.....	.....	.....	.....	(1,206).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/27/2016.....	.....	5.....	.....	.....	.....	(1,031).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/27/2016.....	.....	15.....	.....	.....	.....	(2,522).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/28/2016.....	.....	15.....	.....	.....	.....	(1,421).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/28/2016.....	.....	5.....	.....	.....	.....	(1,111).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	01/29/2016.....	.....	8.....	.....	.....	.....	(2,268).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/01/2016.....	.....	2.....	.....	.....	.....	(16,200).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/01/2016.....	.....	5.....	.....	.....	.....	(3,197).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
JM Smuckers Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/01/2016.....	.....	5.....	.....	.....	.....	(2,966).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/01/2016.....	.....	15.....	.....	.....	.....	(2,183).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/02/2016.....	.....	2.....	.....	.....	.....	(22,078).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/02/2016.....	.....	8.....	.....	.....	.....	(1,974).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/02/2016.....	.....	5.....	.....	.....	.....	(1,016).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Boeing Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/03/2016.....	.....	3.....	.....	.....	.....	(1,017).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/03/2016.....	.....	5.....	.....	.....	.....	(1,491).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/04/2016.....	.....	3.....	.....	.....	.....	(1,466).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/04/2016.....	2.....	(15,935).....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	02/05/2016.....	15.....	(2,546).....

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SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Item(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Effectiveness at Inception and at Year-end (b)
Microsoft Corp.....	Stocks.....	D1.....	Equity	Exchange	02/05/2016		5				(1,706)											
L-3 Communications.....	Stocks.....	D1.....	Equity	Exchange	02/05/2016		5				(4,056)											
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity	Exchange	02/05/2016		2				(16,452)											
JM Smuckers Co.....	Stocks.....	D1.....	Equity	Exchange	02/05/2016		5				(3,441)											
Saint Jude Medical.....	Stocks.....	D1.....	Equity	Exchange	02/05/2016		15				(5,141)											
Boeing Corp.....	Stocks.....	D1.....	Equity	Exchange	02/08/2016		3				(1,505)											
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity	Exchange	02/08/2016		2				(15,668)											
Blackstone Group LP.....	Stocks.....	D1.....	Equity	Exchange	02/08/2016		15				(2,021)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	02/08/2016		5				(1,091)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	02/10/2016		5				(1,246)											
International Business Mach.....	Stocks.....	D1.....	Equity	Exchange	02/10/2016		3				(1,577)											
Boeing Corp.....	Stocks.....	D1.....	Equity	Exchange	02/11/2016		3				(2,414)											
Boeing Corp.....	Stocks.....	D1.....	Equity	Exchange	02/11/2016		3				(1,763)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	02/11/2016		3				(893)											
Apple Inc.....	Stocks.....	D1.....	Equity	Exchange	02/11/2016		8				(2,436)											
Blackstone Group LP.....	Stocks.....	D1.....	Equity	Exchange	02/11/2016		15				(1,584)											
Honeywell Intl Inc.....	Stocks.....	D1.....	Equity	Exchange	02/16/2016		10				(5,186)											
Apache Corp.....	Stocks.....	D1.....	Equity	Exchange	02/17/2016		3				(698)											
Johnson & Johnson.....	Stocks.....	D1.....	Equity	Exchange	02/17/2016		5				(1,020)											
Apache Corp.....	Stocks.....	D1.....	Equity	Exchange	02/19/2016		3				(518)											
Blackstone Group LP.....	Stocks.....	D1.....	Equity	Exchange	02/22/2016		15				(3,233)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	02/22/2016		5				(2,597)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	02/22/2016		3				(1,560)											
Microsoft Corp.....	Stocks.....	D1.....	Equity	Exchange	02/25/2016		5				(1,276)											
International Business Mach.....	Stocks.....	D1.....	Equity	Exchange	02/25/2016		3				(3,224)											
Apple Inc.....	Stocks.....	D1.....	Equity	Exchange	02/25/2016		8				(4,484)											
Xerox Corp.....	Stocks.....	D1.....	Equity	Exchange	02/25/2016		25				(1,715)											
Saint Jude Medical.....	Stocks.....	D1.....	Equity	Exchange	02/25/2016		15				(4,091)											
Boeing Corp.....	Stocks.....	D1.....	Equity	Exchange	02/26/2016		3				(3,224)		(3,224)		(4,050)							
Verizon Communication.....	Stocks.....	D1.....	Equity	Exchange	02/26/2016		10				(2,000)											
Johnson & Johnson.....	Stocks.....	D1.....	Equity	Exchange	02/29/2016		5				(1,620)											
Apple Inc.....	Stocks.....	D1.....	Equity	Exchange	03/01/2016		8				(4,996)											
L-3 Communications.....	Stocks.....	D1.....	Equity	Exchange	03/04/2016		5				(4,128)											
Xerox Corp.....	Stocks.....	D1.....	Equity	Exchange	03/04/2016		25				(1,202)											
Blackstone Group LP.....	Stocks.....	D1.....	Equity	Exchange	03/02/2016		15				(2,768)											
Apache Corp.....	Stocks.....	D1.....	Equity	Exchange	03/03/2016		3				(1,568)											
Carlyle Group LP.....	Stocks.....	D1.....	Equity	Exchange	03/03/2016		15				(1,719)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	03/03/2016		8				(4,740)											
Honeywell Intl Inc.....	Stocks.....	D1.....	Equity	Exchange	03/09/2016		10				(5,386)											
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity	Exchange	03/09/2016		5				(2,070)											
Blackstone Group LP.....	Stocks.....	D1.....	Equity	Exchange	03/10/2016		15				(3,206)											
Microsoft Corp.....	Stocks.....	D1.....	Equity	Exchange	03/10/2016		5				(1,691)											
L-3 Communications.....	Stocks.....	D1.....	Equity	Exchange	03/10/2016		5				(4,721)											
International Business Mach.....	Stocks.....	D1.....	Equity	Exchange	03/17/2016		3				(3,194)											
Flowers Foods Inc.....	Stocks.....	D1.....	Equity	Exchange	03/18/2016		100				(10,828)											
Carlyle Group LP.....	Stocks.....	D1.....	Equity	Exchange	03/21/2016		30				(3,449)											
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity	Exchange	03/29/2016		8				(2,341)											
Xerox Corp.....	Stocks.....	D1.....	Equity	Exchange	03/29/2016		25				(1,699)											
Honeywell Intl Inc.....	Stocks.....	D1.....	Equity	Exchange	03/29/2016		10				(6,066)											
Microsoft Corp.....	Stocks.....	D1.....	Equity	Exchange	03/29/2016		5				(2,131)											
JM Smucker Co.....	Stocks.....	D1.....	Equity	Exchange	03/29/2016		5				(3,381)											
Nike Inc.....	Stocks.....	D1.....	Equity	Exchange	03/30/2016		10				(2,936)											
Apple Inc.....	Stocks.....	D1.....	Equity	Exchange	03/30/2016		8				(7,028)											
Apache Corp.....	Stocks.....	D1.....	Equity	Exchange	03/30/2016		3				(2,000)											
Disney Walt Company.....	Stocks.....	D1.....	Equity	Exchange	04/05/2016		8				(4,460)											
Nike Inc.....	Stocks.....	D1.....	Equity	Exchange	04/05/2016		10				(2,976)											

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SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Effectiveness at Inception and at Year-end (b)
JM Smucker Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/06/2016.....	.....	3.....	.....	.....	.....	(1,478).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Saint Jude Medical.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/14/2016.....	.....	15.....	.....	.....	.....	(4,241).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/15/2016.....	.....	10.....	.....	.....	.....	(3,656).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/19/2016.....	.....	8.....	.....	.....	.....	(6,578).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/21/2016.....	.....	15.....	.....	.....	.....	(3,187).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
International Business Mach.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/20/2016.....	.....	3.....	.....	.....	.....	(815).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/20/2016.....	.....	8.....	.....	.....	.....	(4,796).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/22/2016.....	.....	2.....	.....	.....	.....	(18,300).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/25/2016.....	.....	8.....	.....	.....	.....	(6,652).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	04/29/2016.....	.....	20.....	.....	.....	.....	(2,616).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/06/2016.....	.....	15.....	.....	.....	.....	(2,681).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/09/2016.....	.....	20.....	.....	.....	.....	(2,416).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/10/2016.....	.....	8.....	.....	.....	.....	(2,220).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/10/2016.....	.....	5.....	.....	.....	.....	(986).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
JM Smucker Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/10/2016.....	.....	8.....	.....	.....	.....	(2,828).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/12/2016.....	.....	8.....	.....	.....	.....	(2,260).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/13/2016.....	.....	20.....	.....	.....	.....	(2,596).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/13/2016.....	.....	15.....	.....	.....	.....	(2,711).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/13/2016.....	.....	10.....	.....	.....	.....	(3,846).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/16/2016.....	.....	8.....	.....	.....	.....	(3,892).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/16/2016.....	.....	8.....	.....	.....	.....	(3,396).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/19/2016.....	.....	15.....	.....	.....	.....	(2,204).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/19/2016.....	.....	20.....	.....	.....	.....	(2,943).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/19/2016.....	.....	8.....	.....	.....	.....	(4,180).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
JM Smucker Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/19/2016.....	.....	8.....	.....	.....	.....	(3,380).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Verizon Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/20/2016.....	.....	25.....	.....	.....	.....	(2,869).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/23/2016.....	.....	5.....	.....	.....	.....	(1,491).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/24/2016.....	.....	5.....	.....	.....	.....	(2,510).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/24/2016.....	.....	8.....	.....	.....	.....	(5,228).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/25/2016.....	.....	35.....	.....	.....	.....	(4,895).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/25/2016.....	.....	5.....	.....	.....	.....	(3,716).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	05/26/2016.....	.....	10.....	.....	.....	.....	(3,826).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/08/2016.....	.....	3.....	.....	.....	.....	(1,808).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
JM Smucker Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/09/2016.....	.....	8.....	.....	.....	.....	(7,124).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/10/2016.....	.....	35.....	.....	.....	.....	(4,825).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Verizon Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/10/2016.....	.....	25.....	.....	.....	.....	(4,321).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/13/2016.....	.....	8.....	.....	.....	.....	(5,844).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/14/2016.....	.....	35.....	.....	.....	.....	(5,105).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Xerox Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/15/2016.....	.....	40.....	.....	.....	.....	(2,313).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/16/2016.....	.....	35.....	.....	.....	.....	(5,525).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/16/2016.....	.....	3.....	.....	.....	.....	(2,015).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/16/2016.....	.....	10.....	.....	.....	.....	(3,656).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/16/2016.....	.....	8.....	.....	.....	.....	(6,484).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/23/2016.....	.....	8.....	.....	.....	.....	(6,674).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Honeywell Intl.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/27/2016.....	.....	10.....	.....	.....	.....	(6,796).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/27/2016.....	.....	3.....	.....	.....	.....	(2,105).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/27/2016.....	.....	8.....	.....	.....	.....	(6,236).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/27/2016.....	.....	2.....	.....	.....	.....	(12,944).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Carlyle Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/28/2016.....	.....	45.....	.....	.....	.....	(5,755).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	06/28/2016.....	.....	8.....	.....	.....	.....	(1,068).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/06/2016.....	.....	35.....	.....	.....	.....	(4,271).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Conocophillips.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/14/2016.....	.....	25.....	.....	.....	.....	(5,770).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/14/2016.....	.....	8.....	.....	.....	.....	(4,404).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Honeywell Intl.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/14/2016.....	.....	10.....	.....	.....	.....	(5,256).....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/14/2016.....	5.....	(1,181).....
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/14/2016.....	10.....	(4,206).....

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SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Code	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Effectiveness at Inception and at Year-end (b)	
Verizon Communicatn.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/18/2016		25				(6,070)												
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/19/2016		3				(2,399)												
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/22/2016		35				(6,190)												
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/22/2016		8				(4,180)												
Conocophillips.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/25/2016		25				(7,370)												
Flowers Foods Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/26/2016		100				(8,595)												
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/27/2016		8				(5,140)												
Nike Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	07/28/2016		10				(3,516)												
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/02/2016		8				(3,972)												
Flowers Foods Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/02/2016		100				(12,515)												
Alphabet Inc CL A.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		2				(18,872)		(18,872)		(18,640)								
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		5				(1,186)		(1,186)		(1,165)								
Carlyle Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		45				(3,139)												
Honeywell Intl Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		10				(3,006)												
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		5				(2,790)												
Chesapeake Lodging.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/03/2016		50				(5,944)												
Verizon.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/19/2016		25				(7,720)		(7,720)		(6,525)								
L-3 Communications.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/29/2016		5				(5,331)												
Apache Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/31/2016		3				(864)												
Systemic corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/31/2016		20				(2,796)		(2,796)		(3,920)								
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/31/2016		5				(2,490)												
JM Smuckers Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	08/31/2016		13				(5,248)												
SPDR Gold Trust ETF.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/06/2016		5				(2,576)		(2,576)		(1,770)								
Disney Walt Company.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/07/2016		8				(3,468)		(3,468)		(2,880)								
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/13/2016		8				(6,236)												
Blackstone Group LP.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/14/2016		35				(4,271)		(4,271)		(4,025)								
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/15/2016		8				(7,628)												
JM Smuckers Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/16/2016		13				(5,605)												
Apache Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/19/2016		3				(1,602)												
Flowers Foods Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/20/2016		100				(8,088)		(8,088)		(4,000)								
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/21/2016		3				(441)												
Honeywell Intl Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/26/2016		10				(3,436)												
Microsoft Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/26/2016		10				(3,196)		(3,196)		(3,540)								
Apple Inc.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/26/2016		8				(8,268)		(8,268)		(8,096)								
JM Smuckers Co.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/27/2016		13				(6,357)		(6,357)		(7,501)								
Apache Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/28/2016		3				(1,181)		(1,181)		(1,905)								
Apache Corp.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/29/2016		3				(2,318)		(2,318)		(2,250)								
Conocophillips.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/29/2016		25				(4,920)		(4,921)		(5,350)								
IBM.....	Stocks.....	D1.....	Equity.....	Exchange.....	09/29/2016		3				(1,116)		(1,116)		(1,110)								
0649999. Total-Written Options-Income Generation-Call Options and Warrants.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX
Written Options - Income Generation - Put Options																							
Apple Inc.....																							
0659999. Total-Written Options-Income Generation-Put Options.....										0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
Written Options - Income Generation - Caps																							
Alphabet Inc CL A.....																							
0669999. Total-Written Options-Income Generation-Caps.....										0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
0709999. Total-Written Options-Income Generation.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX
0789999. Total-Written Options-Call Options and Warrants.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX
0799999. Total-Written Options-Put Options.....										0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
0809999. Total-Written Options-Caps.....										0	0	0	0	XXX	0	0	0	0	0	0	0	XXX	XXX
0849999. Total-Written Options.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX
1429999. Total-Income Generation.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX
1449999. TOTAL.....										0	(776,840)	0	(79,559)	XXX	(76,727)	0	0	0	0	0	0	XXX	XXX

QE063

SCHEDULE DB - PART A - SECTION 1

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

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Description	Description of Items(s) Hedged, Used for Income Generation or Replicated	Schedule / Exhibit Identifier	Type(s) of Risk(s) (a)	Exchange, Counterparty or Central Clearinghouse	Trade Date	Date of Maturity or Expiration	Number of Contracts	Notional Amount	Strike Price, Rate of Index Received (Paid)	Prior Year(s) Initial Cost of Premium (Received) Paid	Current Year Initial Cost of Premium (Received) Paid	Current Year Income	Book/Adjusted Carrying Value	Co d e	Fair Value	Unrealized Valuation Increase (Decrease)	Total Foreign Exchange Change in B./A.C.V.	Current Year's (Amortization) / Accretion	Adjustment to Carrying Value of Hedged Items	Potential Exposure	Credit Quality of Reference Entity	Effectiveness at Inception and at Year-end (b)

QE06.4

SCHEDULE DB - PART B - SECTION 1

Futures Contracts Open as of the Current Statement Date

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

NONE

QE07

SCHEDULE DB - PART D - SECTION 1
Counterparty Exposure for Derivative Instruments Open as of Current Statement Date

1 Description of Exchange, Counterparty or Central Clearinghouse	2 Master Agreement (Y or N)	3 Credit Support Annex (Y or N)	4 Fair Value of Acceptable Collateral	Book Adjusted Carrying Value			Fair Value			11 Potential Exposure	12 Off-Balance Sheet Exposure
				5 Contracts with Book/Adjusted Carrying Value > 0	6 Contracts with Book/Adjusted Carrying Value < 0	7 Exposure Net of Collateral	8 Contracts with Fair Value > 0	9 Contracts with Fair Value < 0	10 Exposure Net of Collateral		
Exchange Traded Derivatives											
0199999. Aggregate Sum of Exchange Traded.....	XXX	XXX	XXX	.....	.....(79,559)	.....0	.....	.....(76,727)	.....	.....	.....
0999999. Gross Totals.....			.....0	.....0	.....(79,559)	.....0	.....0	.....(76,727)	.....0	.....0	.....0
1. Offset per SSAP No. 64.....											
2. Net after right of offset per SSAP No. 64.....				.....0	.....(79,559)						

QE08

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

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

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

FIRST SURETY CORPORATION

SCHEDULE E - PART 1 - CASH

Month End Depository Balances

1 Depository	2 Code	3 Rate of Interest	4 Amount of Interest Received During Current Quarter	5 Amount of Interest Accrued at Current Statement Date	Book Balance at End of Each Month During Current Quarter			9 *
					6 First Month	7 Second Month	8 Third Month	
Open Depositories								
Poca Valley Bank..... Walton, WV.....					.....122,862	.....15,103	.....125,187	XXX
Poca Valley Bank..... Walton, WV.....					.....11,116	.....1,116	.....1,086	XXX
Poca Valley Bank..... Walton, WV.....					.....205,386	.....213,886	.....226,237	XXX
0199999. Total Open Depositories.....	XXX	XXX	.....0	.....0	.....339,363	.....230,105	.....352,509	XXX
0399999. Total Cash on Deposit.....	XXX	XXX	.....0	.....0	.....339,363	.....230,105	.....352,509	XXX
0599999. Total Cash.....	XXX	XXX	.....0	.....0	.....339,363	.....230,105	.....352,509	XXX

SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter

1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
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NONE

QE13