



QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2016  
OF THE CONDITION AND AFFAIRS OF THE

American Country Insurance Company

NAIC Group Code	04795	04795	NAIC Company Code	38237	Employer's ID Number	36-4168532
	(Current Period)	(Prior Period)				
Organized under the Laws of	Illinois			State of Domicile or Port of Entry	Illinois	
Country of Domicile	United States					
Incorporated/Organized	12/07/1978			Commenced Business	12/31/1979	
Statutory Home Office	150 Northwest Point Blvd., 3rd Floor			Elk Grove Village, IL, US 60007		
	(Street and Number)			(City or Town, State, Country and Zip Code)		
Main Administrative Office	150 Northwest Point Blvd., 3rd Floor			Elk Grove Village, IL, US 60007		847-472-6700
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Mail Address	150 Northwest Point Blvd., 3rd Floor			Elk Grove Village, IL, US 60007		
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)		
Primary Location of Books and Records	150 Northwest Point Blvd., 3rd Floor			Elk Grove Village, IL, US 60007		847-700-8603
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)
Internet Web Site Address	www.atlas-fin.com					
Statutory Statement Contact	Paul Anthony Romano			847-700-8603		
	(Name)			(Area Code) (Telephone Number) (Extension)		
	promano@atlas-fin.com			847-264-2716		
	(E-Mail Address)			(Fax Number)		

OFFICERS

Name	Title	Name	Title
Scott David Wollney	President, CEO	Paul Anthony Romano	VP Finance, CFO, Treasurer
Leslie Patterson DiMaggio	Secretary, VP Operations & IT		

OTHER OFFICERS

Bruce Wayne Giles	VP Product Development & Underwriting	Joseph Raymond Shugrue	VP Claims
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DIRECTORS OR TRUSTEES

Leslie Patterson DiMaggio	Bruce Wayne Giles	Paul Anthony Romano	Joseph Raymond Shugrue
Scott David Wollney			

State of IL

County of Cook ss

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

Scott David Wollney  
President, CEO

Paul Anthony Romano  
VP Finance, CFO, Treasurer

Leslie Patterson DiMaggio  
Secretary, VP Operations & IT

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

Subscribed and sworn to before me this  
10th day of November, 2016

Louis Charouhis, Sr. Staff Accountant  
March 1, 2019

OFFICIAL SEAL  
LOUIS CHAROUHIS  
Notary Public - State of Illinois  
My Commission Expires Mar 1, 2019

ASSETS

	Current Statement Date			4  December 31 Prior Year Net Admitted Assets
	1	2	3	
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	
1. Bonds .....	33,438,170	0	33,438,170	38,089,894
2. Stocks:				
2.1 Preferred stocks .....	0	0	0	0
2.2 Common stocks .....	0	0	0	0
3. Mortgage loans on real estate:				
3.1 First liens .....	0		0	0
3.2 Other than first liens .....	0		0	0
4. Real estate:				
4.1 Properties occupied by the company (less \$ ..... encumbrances) .....	0	0	0	0
4.2 Properties held for the production of income (less \$ ..... encumbrances) .....	0	0	0	0
4.3 Properties held for sale (less \$ ..... encumbrances) .....	0	0	0	0
5. Cash (\$ .....5,356,588 ), cash equivalents (\$ .....0 ) and short-term investments (\$ .....0 ) .....	5,356,588	0	5,356,588	5,194,219
6. Contract loans (including \$ ..... premium notes) .....	0		0	0
7. Derivatives .....	0		0	0
8. Other invested assets .....	5,642,680	0	5,642,680	2,011,316
9. Receivables for securities .....	391,460		391,460	0
10. Securities lending reinvested collateral assets .....	0		0	0
11. Aggregate write-ins for invested assets .....	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11) .....	44,828,898	0	44,828,898	45,295,429
13. Title plants less \$ ..... charged off (for Title insurers only) .....	0		0	0
14. Investment income due and accrued .....	109,806	0	109,806	136,320
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection .....	8,321,779	0	8,321,779	7,906,485
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ ..... earned but unbilled premiums) .....	29,954,374	0	29,954,374	25,510,670
15.3 Accrued retrospective premiums (\$ ..... ) and contracts subject to redetermination (\$ ..... ) .....	0		0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers .....	11,192,963		11,192,963	4,440,430
16.2 Funds held by or deposited with reinsured companies .....	0		0	0
16.3 Other amounts receivable under reinsurance contracts .....	0		0	0
17. Amounts receivable relating to uninsured plans .....	0		0	0
18.1 Current federal and foreign income tax recoverable and interest thereon .....	323,829		323,829	128,724
18.2 Net deferred tax asset .....	5,975,779	2,285,314	3,690,465	3,648,046
19. Guaranty funds receivable or on deposit .....	0		0	0
20. Electronic data processing equipment and software .....	0	0	0	0
21. Furniture and equipment, including health care delivery assets (\$ ..... ) .....	0	0	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates .....	0		0	0
23. Receivables from parent, subsidiaries and affiliates .....	140,254		140,254	2,381
24. Health care (\$ ..... ) and other amounts receivable .....			0	0
25. Aggregate write-ins for other-than-invested assets .....	505,119	130,433	374,686	360,176
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....	101,352,800	2,415,747	98,937,053	87,428,660
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....			0	0
28. Total (Lines 26 and 27) .....	101,352,800	2,415,747	98,937,053	87,428,660
DETAILS OF WRITE-INS				
1101. ....				
1102. ....				
1103. ....				
1198. Summary of remaining write-ins for Line 11 from overflow page .....	0	0	0	0
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above) .....	0	0	0	0
2501. Deposits in pools and associations .....	357,675		357,675	357,677
2502. Prepaid expenses .....	80,433	80,433	0	0
2503. Other assets - other deposits .....	50,000	50,000	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page .....	17,011	0	17,011	2,499
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above) .....	505,119	130,433	374,686	360,176

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$ .....8,334,584 ) .....	13,447,675	18,163,303
2. Reinsurance payable on paid losses and loss adjustment expenses .....	5,152,819	2,282,753
3. Loss adjustment expenses .....	5,475,421	5,992,338
4. Commissions payable, contingent commissions and other similar charges .....	2,281,652	2,691,615
5. Other expenses (excluding taxes, licenses and fees) .....	638,060	864,352
6. Taxes, licenses and fees (excluding federal and foreign income taxes) .....	455,903	562,834
7.1 Current federal and foreign income taxes (including \$ ..... on realized capital gains (losses)) .....	0	0
7.2 Net deferred tax liability .....	0	0
8. Borrowed money \$ .....0 and interest thereon \$ ..... .....	0	0
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ .....31,252,040 and including warranty reserves of \$ ..... and accrued accident and health experience rating refunds including \$ ..... for medical loss ratio rebate per the Public Health Service Act) .....	24,609,230	21,173,688
10. Advance premium .....	0	0
11. Dividends declared and unpaid:		
11.1 Stockholders .....	0	0
11.2 Policyholders .....	0	0
12. Ceded reinsurance premiums payable (net of ceding commissions) .....	14,206,670	5,924,067
13. Funds held by company under reinsurance treaties .....	25,526	25,526
14. Amounts withheld or retained by company for account of others .....	93,284	268,369
15. Remittances and items not allocated .....	94,655	235,103
16. Provision for reinsurance (including \$ ..... certified) .....	0	0
17. Net adjustments in assets and liabilities due to foreign exchange rates .....	0	0
18. Drafts outstanding .....	0	0
19. Payable to parent, subsidiaries and affiliates .....	735,314	435,224
20. Derivatives .....	0	0
21. Payable for securities .....	0	0
22. Payable for securities lending .....	0	0
23. Liability for amounts held under uninsured plans .....	0	0
24. Capital notes \$ ..... and interest thereon \$ ..... .....	0	0
25. Aggregate write-ins for liabilities .....	774,255	756,532
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25) .....	67,990,464	59,375,704
27. Protected cell liabilities .....		0
28. Total liabilities (Lines 26 and 27) .....	67,990,464	59,375,704
29. Aggregate write-ins for special surplus funds .....	0	0
30. Common capital stock .....	5,000,000	5,000,000
31. Preferred capital stock .....	0	0
32. Aggregate write-ins for other than special surplus funds .....	0	0
33. Surplus notes .....	4,600,000	4,600,000
34. Gross paid in and contributed surplus .....	11,514,652	11,514,652
35. Unassigned funds (surplus) .....	9,831,936	6,938,304
36. Less treasury stock, at cost:		
36.1 ..... shares common (value included in Line 30 \$ ..... ) .....	0	0
36.2 ..... shares preferred (value included in Line 31 \$ ..... ) .....	0	0
37. Surplus as regards policyholders (Lines 29 to 35, less 36) .....	30,946,588	28,052,956
38. Totals (Page 2, Line 28, Col. 3)	98,937,053	87,428,660
DETAILS OF WRITE-INS		
2501. Unearned ceded commissions.....	539,454	689,647
2502. Escheatables.....	126,957	12,781
2503. Other liability - premium deficiency reserve.....	107,845	54,104
2598. Summary of remaining write-ins for Line 25 from overflow page .....	0	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	774,255	756,532
2901. ....		0
2902. ....		
2903. ....		
2998. Summary of remaining write-ins for Line 29 from overflow page .....	0	0
2999. Totals (Lines 2901 through 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 through 3203 plus 3298) (Line 32 above)	0	0

STATEMENT OF INCOME

	1	2	3
	Current Year	Prior Year	Prior Year Ended
	to Date	to Date	December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 46,157,324 )	46,587,078	53,783,207	71,961,801
1.2 Assumed (written \$ 33,427,549 )	29,892,999	27,993,624	37,948,662
1.3 Ceded (written \$ 46,483,961 )	46,814,707	53,965,159	72,206,552
1.4 Net (written \$ 33,100,911 )	29,665,369	27,811,672	37,703,911
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 11,990,618 ):			
2.1 Direct	16,902,635	21,527,772	25,049,607
2.2 Assumed	12,338,712	11,302,178	14,064,287
2.3 Ceded	17,222,313	21,819,117	25,465,770
2.4 Net	12,019,034	11,010,833	13,648,124
3. Loss adjustment expenses incurred	5,432,031	5,064,688	8,400,650
4. Other underwriting expenses incurred	8,787,095	8,243,844	10,569,853
5. Aggregate write-ins for underwriting deductions	35,162	19,615	16,845
6. Total underwriting deductions (Lines 2 through 5)	26,273,322	24,338,980	32,635,472
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	3,392,047	3,472,692	5,068,438
INVESTMENT INCOME			
9. Net investment income earned	302,871	254,732	361,779
10. Net realized capital gains (losses) less capital gains tax of \$ 148,123	211,048	(66,237)	(77,103)
11. Net investment gain (loss) (Lines 9 + 10)	513,919	188,495	284,676
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 107 amount charged off \$ 192,797 )	(192,689)	(106,735)	(170,883)
13. Finance and service charges not included in premiums	91,569	128,468	168,003
14. Aggregate write-ins for miscellaneous income	53,083	(133,195)	(147,577)
15. Total other income (Lines 12 through 14)	(48,037)	(111,462)	(150,456)
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	3,857,929	3,549,725	5,202,658
17. Dividends to policyholders	0	0	0
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	3,857,929	3,549,725	5,202,658
19. Federal and foreign income taxes incurred	1,039,272	1,611,952	1,814,304
20. Net income (Line 18 minus Line 19)(to Line 22)	2,818,657	1,937,773	3,388,354
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	28,052,956	18,425,419	18,425,419
22. Net income (from Line 20)	2,818,657	1,937,773	3,388,354
23. Net transfers (to) from Protected Cell accounts	0	0	0
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (30,501)	(56,645)	20,487	(37,765)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(247,235)	419,662	217,609
27. Change in nonadmitted assets	378,856	1,302,546	1,459,339
28. Change in provision for reinsurance	0	0	0
29. Change in surplus notes	0	4,600,000	4,600,000
30. Surplus (contributed to) withdrawn from protected cells	0	0	0
31. Cumulative effect of changes in accounting principles	0	0	0
32. Capital changes:			
32.1 Paid in	0	0	0
32.2 Transferred from surplus (Stock Dividend)	0	0	0
32.3 Transferred to surplus	0	0	0
33. Surplus adjustments:			
33.1 Paid in	0	0	0
33.2 Transferred to capital (Stock Dividend)	0	0	0
33.3 Transferred from capital	0	0	0
34. Net remittances from or (to) Home Office	0	0	0
35. Dividends to stockholders	0	0	0
36. Change in treasury stock	0	0	0
37. Aggregate write-ins for gains and losses in surplus	0	0	0
38. Change in surplus as regards policyholders (Lines 22 through 37)	2,893,632	8,280,467	9,627,538
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	30,946,588	26,705,886	28,052,956
DETAILS OF WRITE-INS			
0501. Premium deficiency expense	35,162	19,615	16,845
0502.			
0503.			
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0
0599. TOTALS (Lines 0501 through 0503 plus 0598) (Line 5 above)	35,162	19,615	16,845
1401. Retroactive reinsurance income	55,320	(89,067)	(102,458)
1402. Miscellaneous income	723	5,122	5,983
1403. Fines and penalties	(2,960)	(49,251)	(51,102)
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. TOTALS (Lines 1401 through 1403 plus 1498) (Line 14 above)	53,083	(133,195)	(147,577)
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page	0	0	0
3799. TOTALS (Lines 3701 through 3703 plus 3798) (Line 37 above)	0	0	0

CASH FLOW

	1 Current Year To Date	2 Prior Year To Date	3 Prior Year Ended December 31
<b>Cash from Operations</b>			
1. Premiums collected net of reinsurance.....	36,524,516	21,960,896	36,377,158
2. Net investment income .....	495,933	428,858	607,747
3. Miscellaneous income .....	(48,037)	(111,462)	(150,456)
4. Total (Lines 1 to 3) .....	36,972,412	22,278,292	36,834,449
5. Benefit and loss related payments .....	21,049,580	11,251,586	14,988,594
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....	0	0	0
7. Commissions, expenses paid and aggregate write-ins for deductions .....	15,292,220	12,152,776	16,429,319
8. Dividends paid to policyholders .....	0	0	0
9. Federal and foreign income taxes paid (recovered) net of \$ ..... tax on capital gains (losses).....	1,382,500	1,460,000	1,875,000
10. Total (Lines 5 through 9) .....	37,724,300	24,864,362	33,292,913
11. Net cash from operations (Line 4 minus Line 10) .....	(751,888)	(2,586,070)	3,541,536
<b>Cash from Investments</b>			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds .....	16,624,115	14,379,309	16,564,534
12.2 Stocks .....	0	0	0
12.3 Mortgage loans .....	0	0	0
12.4 Real estate .....	0	0	0
12.5 Other invested assets .....	391,460	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments .....	0	0	0
12.7 Miscellaneous proceeds .....	0	1	1
12.8 Total investment proceeds (Lines 12.1 to 12.7) .....	17,015,575	14,379,310	16,564,535
13. Cost of investments acquired (long-term only):			
13.1 Bonds .....	11,863,132	10,967,761	22,389,014
13.2 Stocks .....	0	0	0
13.3 Mortgage loans .....	0	0	0
13.4 Real estate .....	0	0	0
13.5 Other invested assets .....	4,026,605	385,740	385,740
13.6 Miscellaneous applications .....	391,460	0	1
13.7 Total investments acquired (Lines 13.1 to 13.6) .....	16,281,197	11,353,501	22,774,755
14. Net increase (or decrease) in contract loans and premium notes .....	0	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14) .....	734,378	3,025,809	(6,210,221)
<b>Cash from Financing and Miscellaneous Sources</b>			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes .....	0	4,600,000	4,600,000
16.2 Capital and paid in surplus, less treasury stock.....	0	0	0
16.3 Borrowed funds .....	0	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities .....	0	0	0
16.5 Dividends to stockholders .....	0	0	0
16.6 Other cash provided (applied).....	179,879	(2,135,805)	(195,216)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6).....	179,879	2,464,195	4,404,784
<b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b>			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....	162,369	2,903,934	1,736,100
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year.....	5,194,219	3,458,119	3,458,119
19.2 End of period (Line 18 plus Line 19.1) .....	5,356,588	6,362,053	5,194,219

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies:

A. Accounting Practices

The accompanying financial statements of American Country Insurance Company (the Company) have been prepared in conformity with accounting practices prescribed or permitted by the Illinois Department of Insurance.

Prescribed statutory accounting practices (SAP) include the National Association of Insurance Commissioners’ (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP), as well as state laws, regulations, and general administrative rules. Permitted statutory accounting practices encompass all accounting practices not so prescribed when such practices are approved by the insurance department of the insurer’s state of domicile. The Company did not use any permitted or prescribed practices during 2016 or 2015.

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

NET INCOME		State of Domicile	2016	2015
(1)	Illinois Company state basis (page 4, line 20, columns 1 & 3)	IL	\$ 2,818,657	\$ 3,388,354
(2)	State prescribed practices that increase/(decrease) NAIC SAP:	IL	\$ 0	\$ 0
(3)	NAIC SAP (1-2=3)	IL	\$ 2,818,657	\$ 3,388,354
SURPLUS				
(4)	Illinois Company state basis (page 3, line 37, columns 1 & 2)	IL	\$ 30,946,588	\$ 28,052,956
(5)	State prescribed practices that increase/(decrease) NAIC SAP:	IL	\$ 0	\$ 0
(6)	NAIC SAP (4-5=6)	IL	\$ 30,946,588	\$ 28,052,956

C. Accounting Policy

Loan-backed securities are stated at either amortized cost or the lower of amortized cost or fair value. The retrospective adjustment method is used to value all securities except for interest only securities or securities where the yield had become negative that are valued using the prospective method.

No significant changes to the remainder of the note.

2. Accounting Changes and Corrections of Errors:

No significant changes.

3. Business Combinations and Goodwill:

No significant changes.

4. Discontinued Operations:

No significant changes.

5. Investments:

D. Loan-Backed Securities

- 1) Prepayment assumptions were obtained from Bloomberg market data and the Company’s investment manager’s internal estimates.
- 2) The Company does not have any loan-backed securities with a recognized other-than-temporary impairment.
- 3) The Company does not have any loan-backed securities with a recognized other-than-temporary impairment.
- 4) All impaired securities for which an other-than-temporary impairment has not been recognized in earnings as a realized loss are as follows:

(a) The aggregate amount of unrealized losses:

1. Less than 12 Months

\$ 10,855

2. 12 Months or Longer

\$ 0

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

1. Less than 12 Months

\$ 4,119,694

2. 12 Months or Longer

\$ 0
- 5) Bonds in an unrealized loss position are regularly reviewed for other-than-temporary declines in value. Factors considered in determining whether a decline is other-than-temporary include the length of time a bond has been in an unrealized loss position and the reasons for the decline in value. Assessments include judgments about an obligor’s or guarantor’s current and projected financial position, projected ability to service and repay its debt obligations, the existence of, and realizable value for, any collateral backing the obligations, and the macro-economic and micro-economic outlooks for specific industries and issuers. Estimating the future cash flows of loan-backed securities also involves assumptions regarding the underlying collateral such as prepayment rates, default and recovery rates, existence of subordinated classes capable of absorbing losses, and third-party servicing abilities.

NOTES TO FINANCIAL STATEMENTS

E. Repurchase Agreements

The Company does not have any repurchase agreements.

I. Working Capital Finance Investments

The Company does not have any working capital finance investments.

J. Offsetting and Netting of Assets and Liabilities

The Company does not have offsetting or netting to report.

No significant changes for the remainder of the note.

6. Joint Ventures, Partnerships, and Limited Liability Companies:

No significant changes for the remainder of the note.

7. Investment Income:

No significant changes.

8. Derivative Investments:

No significant changes.

9. Income Taxes:

No significant changes.

10. Information Concerning Parent, Subsidiaries and Affiliates:

No significant changes.

11. Debt:

During the period covered by this statement, the Company had no outstanding debt.

12. Retirement Plans, Deferred Compensation, Post-employment Benefits and Compensated Absences and Other Post-retirement Benefit Plans:

A. Defined Benefit Plan

The Company does not participate in a defined benefit plan.

No significant changes for the remainder of the note.

13. Capital and Surplus, Dividend Restrictions and Quasi-Reorganizations:

11) The Company issued the following surplus debentures or similar obligations:

On May 1, 2015, a surplus note in the amount of \$4,600,000 was issued to American Insurance Acquisition, Inc., the Company's parent, in exchange for cash. Interest in the amount of \$250,276 was paid on this note during the year.

No significant changes for the remainder of the note.

14. Liabilities, Contingencies and Assessments:

No significant changes.

15. Leases:

No significant changes.

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

No significant changes.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishment of Liabilities:

The Company had no transfers of receivables reported as sales, no transfers and servicing of financial assets and no wash sales.

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

No significant changes.

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

No significant changes.

NOTES TO FINANCIAL STATEMENTS

20. Fair Value Measurements:

A.

1) Fair Value Measurements at Reporting Date

<u>Description</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
a. Assets at fair value				
Bonds				
Industrial and Misc.	\$0	\$281,438	\$0	\$281,438
Total assets at fair value	\$0	\$281,438	\$0	\$281,438

- 2) The Company does not have any fair value measurements categorized within Level 3.
- 3) Level 2 bonds were adjusted to fair market value due to categorization to Class 3.
- 4) The fair values of the Level 2 securities are obtained from independent pricing services or from the Company’s investment manager and are determined using quoted market prices from an orderly market at the reporting date for those or similar investments. If quoted market prices from an orderly market are not available, the fair values are determined by the Company’s investment manager using an income approach valuation technique (present value using the discount rate adjustment technique).
- 5) The Company does not have derivative assets and liabilities.

C.

<u>Type of Financial Instrument</u>	<u>Aggregate Fair Value</u>	<u>Admitted Assets</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Not Practicable (Carrying Value)</u>
Long Term Bonds	\$33,814,443	\$33,438,170	\$3,398,097	\$30,416,346	\$0	\$0

D. The Company does not have any assets that are not practicable to estimate fair value as of September 30, 2016.

21. Other Items:

I. Risk Sharing Provisions of the Affordable Care Act

The Company does not transact any accident and health business.

No significant changes for the remainder of the note.

22. Events Subsequent:

There are no material subsequent events.

23. Reinsurance:

No significant changes.

24. Retrospectively Rated Contracts & Contracts Subject to Redetermination:

No significant changes.

25. Change in Incurred Losses and Loss Adjustment Expenses:

Reserves as of December 31, 2015 were \$24.2 million. As of September 30, 2016, \$17.4 million has been paid for incurred losses and loss adjustment expenses attributable to insured events of prior years. Reserves remaining for prior years are now \$6.8 million as a result of re-estimation of unpaid claims and claim adjustment expenses principally on private passenger and commercial auto lines of insurance. Therefore, there has been unfavorable prior-year development of \$39,000 from December 31, 2015 to September 30, 2016. Any change is generally the result of ongoing analysis of recent loss development trends. Original estimates are increased or decreased, as additional information becomes known regarding individual claims.

26. Intercompany Pooling Arrangements:

No significant changes.

27. Structured Settlements:

No significant changes.

28. Health Care Receivables:

No significant changes.

29. Participating Policies:

No significant changes.

30. Premium Deficiency Reserves:

No significant changes.



NOTES TO FINANCIAL STATEMENTS

- 31.   **High Deductibles:**  
No significant changes.
- 32.   **Discounting of Liabilities for Unpaid Losses or Unpaid Loss Adjustment Expenses:**  
No significant changes.
- 33.   **Asbestos/Environmental Reserves:**  
No significant changes.
- 34.   **Subscriber Savings Accounts:**  
No significant changes.
- 35.   **Multiple Peril Crop Insurance:**  
No significant changes.
- 36.   **Financial Guaranty Insurance:**  
The Company does not write 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 ☒
- 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 ☒
- 2.2

If yes, date of change:
- 3.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐
- If yes, complete Schedule Y, Parts 1 and 1A.
- 3.2

Have there been any substantial changes in the organizational chart since the prior quarter end?

Yes ☐ No ☒
- 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 ☒
- 4.2

If yes, provide the name of entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

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

5.

If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved?

Yes ☐ No ☒ NA ☐
- If yes, attach an explanation.
- 6.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2015
- 6.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010
- 6.3

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

06/29/2012
- 6.4

By what department or departments?

Illinois Department of Insurance
- 6.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ NA ☒
- 6.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☒ No ☐ NA ☐
- 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 ☒
- 7.2

If yes, give full information:
- 8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes ☐ No ☒
- 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 ☒
- 8.4

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

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

GENERAL INTERROGATORIES

9.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards? .....  
(a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;  
(b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;  
(c) Compliance with applicable governmental laws, rules and regulations;  
(d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and  
(e) Accountability for adherence to the code.

Yes [X] No [ ]

9.11

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

9.2

Has the code of ethics for senior managers been amended? .....

Yes [ ] No [X]

9.21

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

9.3

Have any provisions of the code of ethics been waived for any of the specified officers? .....

Yes [ ] No [X]

9.31

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

FINANCIAL

10.1

Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?.....

Yes [X] No [ ]

10.2

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

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: .....\$ .....3,350,081

13.

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

14.1

Does the reporting entity have any investments in parent, subsidiaries and affiliates? .....

Yes [ ] No [X]

14.2

If yes, please complete the following:

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

15.1

Has the reporting entity entered into any hedging transactions reported on Schedule DB? .....

Yes [ ] No [X]

15.2

If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? .....

Yes [ ] No [ ]

If no, attach a description with this statement.

GENERAL INTERROGATORIES

- 16 For the reporting entity's security lending program, state the amount of the following as of the current statement date:
- 16.1 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2

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

16.3 Total payable for securities lending reported on the liability page
- \$ .....

\$ .....

\$ .....

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

Yes [X] No [ ]

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

1 Name of Custodian(s)	2 Custodian Address
Fifth Third Bank.....	5001 Kingsley Drive, Maildrop 1MOB2J, Cincinnati, OH 45227.....

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
109875.....	Asset Allocation & Management Company, LLC.....	30 West Monroe Street, 3rd Floor, Chicago, IL 60603.....

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

Yes [X] No [ ]

18.2 If no, list exceptions:  
.....

GENERAL INTERROGATORIES  
PART 2 - PROPERTY & CASUALTY INTERROGATORIES

1. If the reporting entity is a member of a pooling arrangement, did the agreement or the reporting entity's participation change? ..... Yes [ ] No [X] NA [ ]  
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:

			TOTAL DISCOUNT				DISCOUNT TAKEN DURING PERIOD			
1	2	3	4	5	6	7	8	9	10	11
Line of Business	Maximum Interest	Discount Rate	Unpaid Losses	Unpaid LAE	IBNR	TOTAL	Unpaid Losses	Unpaid LAE	IBNR	TOTAL
TOTAL			0	0	0	0	0	0	0	0

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

6.1 Do you act as a custodian for health savings accounts?..... Yes [ ] No [X]  
6.2 If yes, please provide the amount of custodial funds held as of the reporting date..... \$  
6.3 Do you act as an administrator for health savings accounts?..... Yes [ ] No [X]  
6.4 If yes, please provide the balance of the funds administered as of the reporting date..... \$

**STATEMENT AS OF SEPTEMBER 30, 2016 OF THE American Country Insurance Company**

## 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
		NONE				

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

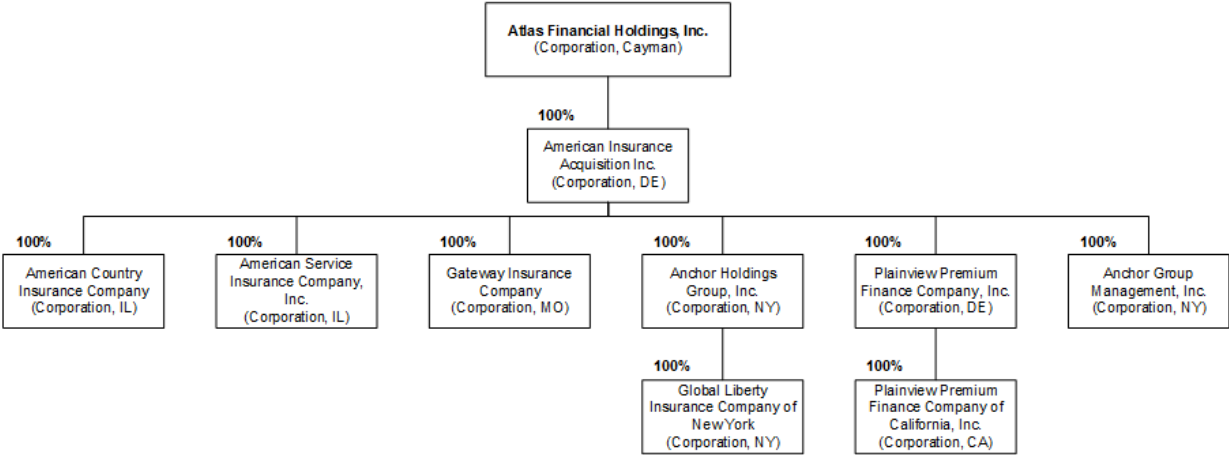
Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date
1. Alabama	AL..N	0	0	0	0	0	0
2. Alaska	AK..N	0	0	0	0	0	0
3. Arizona	AZ..N	0	0	0	0	0	0
4. Arkansas	AR..N	0	0	0	0	0	0
5. California	CA..N	0	0	0	0	0	0
6. Colorado	CO..N	0	0	0	0	0	0
7. Connecticut	CT..L	0	0	0	0	(56,632)	0
8. Delaware	DE..N	0	0	0	0	0	0
9. Dist. Columbia	DC..L	145,652	0	2,135	0	16,336	0
10. Florida	FL..N	0	0	0	0	0	0
11. Georgia	GA..N	0	0	0	0	0	0
12. Hawaii	HI..N	0	0	0	0	0	0
13. Idaho	ID..E	0	0	0	0	0	0
14. Illinois	IL..L	6,256,036	6,220,844	3,225,153	3,278,353	3,371,707	6,094,770
15. Indiana	IN..L	1,143,440	780,149	172,148	306,657	539,994	297,833
16. Iowa	IA..L	308,521	314,215	60,481	49,528	126,816	82,673
17. Kansas	KS..E	0	0	0	0	0	0
18. Kentucky	KY..L	47,645	588,078	291,912	498,927	133,706	259,385
19. Louisiana	LA..N	0	0	0	0	0	0
20. Maine	ME..N	0	0	0	0	0	0
21. Maryland	MD..N	0	0	0	0	0	0
22. Massachusetts	MA..L	0	0	3,127	0	(3,127)	0
23. Michigan	MI..L	4,101,336	9,706,627	8,591,863	8,684,551	(1,342,879)	3,231,332
24. Minnesota	MN..L	1,856,297	3,611,961	2,300,637	1,789,559	1,080,309	2,474,299
25. Mississippi	MS..L	0	0	0	0	0	0
26. Missouri	MO..N	0	0	0	0	0	0
27. Montana	MT..N	0	0	0	0	0	0
28. Nebraska	NE..N	0	0	0	0	0	0
29. Nevada	NV..L	(339,577)	2,883,631	442,490	607,358	289,926	1,104,655
30. New Hampshire	NH..N	0	0	0	0	0	0
31. New Jersey	NJ..N	0	0	0	0	0	0
32. New Mexico	NM..N	0	0	0	0	0	0
33. New York	NY..L	28,967,073	30,442,773	11,323,950	6,420,064	19,254,686	22,312,605
34. No. Carolina	NC..N	0	0	0	0	0	0
35. No. Dakota	ND..E	0	0	0	0	0	0
36. Ohio	OH..L	0	0	0	38,000	0	(14,000)
37. Oklahoma	OK..L	678,613	643,791	359,059	306,363	289,503	2,135,683
38. Oregon	OR..E	0	0	0	0	0	0
39. Pennsylvania	PA..L	1,762,688	2,368,772	826,924	449,459	633,343	1,439,255
40. Rhode Island	RI..N	0	0	0	0	0	0
41. So. Carolina	SC..N	0	0	0	0	0	0
42. So. Dakota	SD..L	0	0	0	0	0	0
43. Tennessee	TN..E	0	0	0	0	0	0
44. Texas	TX..L	933,173	4,264,356	1,611,935	1,669,457	1,002,237	1,959,341
45. Utah	UT..L	0	0	0	0	0	0
46. Vermont	VT..N	0	0	0	0	0	0
47. Virginia	VA..N	0	0	0	0	0	0
48. Washington	WA..N	0	0	0	0	0	0
49. West Virginia	WV..E	0	0	0	0	0	0
50. Wisconsin	WI..L	296,427	1,152,362	556,263	404,780	400,307	1,097,026
51. Wyoming	WY..N	0	0	0	0	0	0
52. American Samoa	AS..N	0	0	0	0	0	0
53. Guam	GU..N	0	0	0	0	0	0
54. Puerto Rico	PR..N	0	0	0	0	0	0
55. U.S. Virgin Islands	VI..N	0	0	0	0	0	0
56. Northern Mariana Islands	MP..N	0	0	0	0	0	0
57. Canada	CAN..N	0	0	0	0	0	0
58. Aggregate Other Alien	OT..XXX	0	0	0	0	0	0
59. Totals	(a) 19	46,157,324	62,977,559	29,768,076	24,503,055	25,736,231	42,474,859
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 through 58003 plus 58998) (Line 58 above)	XXX	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

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

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

As At:  
September 30, 2016



Atlas Ownership Percentages

Public Shareholders Holding Less Than 10% Each	100%
Total	100%



## 12

## 12

## 12

1212

PART 1 - LOSS EXPERIENCE

Line 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	0	0.0	0.0
2.	Allied lines	0	0	0.0	0.0
3.	Farmowners multiple peril	0	0	0.0	0.0
4.	Homeowners multiple peril	0	0	0.0	0.0
5.	Commercial multiple peril	0	0	0.0	0.0
6.	Mortgage guaranty	0	0	0.0	0.0
8.	Ocean marine	0	0	0.0	0.0
9.	Inland marine	0	0	0.0	0.0
10.	Financial guaranty	0	0	0.0	0.0
11.1	Medical professional liability -occurrence	0	0	0.0	0.0
11.2	Medical professional liability -claims made	0	0	0.0	0.0
12.	Earthquake	0	0	0.0	0.0
13.	Group accident and health	0	0	0.0	0.0
14.	Credit accident and health	0	0	0.0	0.0
15.	Other accident and health	0	0	0.0	0.0
16.	Workers' compensation	761,488	266,521	35.0	36.5
17.1	Other liability occurrence	715,222	264,632	37.0	38.5
17.2	Other liability-claims made	0	0	0.0	0.0
17.3	Excess Workers' Compensation	0	0	0.0	0.0
18.1	Products liability-occurrence	0	0	0.0	0.0
18.2	Products liability-claims made	0	0	0.0	0.0
19.1,19.2	Private passenger auto liability	0	0	0.0	0.0
19.3,19.4	Commercial auto liability	42,968,311	15,096,112	35.1	39.2
21.	Auto physical damage	2,142,057	1,275,370	59.5	59.7
22.	Aircraft (all perils)	0	0	0.0	0.0
23.	Fidelity	0	0	0.0	0.0
24.	Surety	0	0	0.0	0.0
26.	Burglary and theft	0	0	0.0	0.0
27.	Boiler and machinery	0	0	0.0	0.0
28.	Credit	0	0	0.0	0.0
29.	International	0	0	0.0	0.0
30.	Warranty	0	0	0.0	0.0
31.	Reinsurance - Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32.	Reinsurance - Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33.	Reinsurance - Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34.	Aggregate write-ins for other lines of business	0	0	0.0	0.0
35.	TOTALS	46,587,078	16,902,635	36.3	40.0
DETAILS OF WRITE-INS					
3401.				0.0	0.0
3402.				0.0	0.0
3403.				0.0	0.0
3498.	Sum. of remaining write-ins for Line 34 from overflow page	0	0	0.0	0.0
3499.	Totals (Lines 3401 through 3403 plus 3498) (Line 34)	0	0	0.0	0.0

PART 2 - DIRECT PREMIUMS WRITTEN

Line of Business		1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1.	Fire	0	0	0
2.	Allied lines	0	0	0
3.	Farmowners multiple peril	0	0	0
4.	Homeowners multiple peril	0	0	0
5.	Commercial multiple peril	0	0	0
6.	Mortgage guaranty	0	0	0
8.	Ocean marine	0	0	0
9.	Inland marine	0	0	0
10.	Financial guaranty	0	0	0
11.1	Medical professional liability-occurrence	0	0	0
11.2	Medical professional liability-claims made	0	0	0
12.	Earthquake	0	0	0
13.	Group accident and health	0	0	0
14.	Credit accident and health	0	0	0
15.	Other accident and health	0	0	0
16.	Workers' compensation	1,000	1,028,026	960,046
17.1	Other liability occurrence	247,927	784,952	636,607
17.2	Other liability-claims made	0	0	0
17.3	Excess Workers' Compensation	0	0	0
18.1	Products liability-occurrence	0	0	0
18.2	Products liability-claims made	0	0	0
19.1,19.2	Private passenger auto liability	0	0	0
19.3,19.4	Commercial auto liability	17,592,145	42,280,641	58,572,331
21.	Auto physical damage	665,375	2,063,705	2,808,575
22.	Aircraft (all perils)	0	0	0
23.	Fidelity	0	0	0
24.	Surety	0	0	0
26.	Burglary and theft	0	0	0
27.	Boiler and machinery	0	0	0
28.	Credit	0	0	0
29.	International	0	0	0
30.	Warranty	0	0	0
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	18,506,447	46,157,324	62,977,559
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
3499.	Totals (Lines 3401 through 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 .....	4,718	1,596	6,314	5,467	607	6,074	2,645	294	(2,724)	215	3,394	(3,419)	(25)
2. 2014 .....	2,055	1,324	3,379	3,978	442	4,420	1,310	146	(2,497)	(1,041)	3,233	(3,233)	0
3. Subtotals 2014 + prior .....	6,773	2,920	9,693	9,445	1,049	10,494	3,955	440	(5,221)	(826)	6,627	(6,652)	(25)
4. 2015 .....	2,934	11,530	14,464	6,195	688	6,883	2,164	240	5,241	7,645	5,425	(5,361)	64
5. Subtotals 2015 + prior .....	9,707	14,450	24,157	15,640	1,737	17,377	6,119	680	20	6,819	12,052	(12,013)	39
6. 2016 .....	XXX	XXX	XXX	XXX	5,306	5,306	XXX	3,796	8,309	12,105	XXX	XXX	XXX
7. Totals .....	9,707	14,450	24,157	15,640	7,043	22,683	6,119	4,476	8,329	18,924	12,052	(12,013)	39
8. Prior Year-End Surplus As Regards Policy-holders	28,053										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. 124.2	2. (83.1)	3. 0.2
											Col. 13, Line 7 Line 8		
											4. 0.1		

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.
- 2.
- 3.
- 4.


Bar Code:

1.




38237201649000003

2.




38237201645500003

3.



38237201636500003

4.



38237201650500003

OVERFLOW PAGE FOR WRITE-INS

PQ002 Additional Aggregate Lines for Page 02 Line 25.  
\*ASSETS

	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	December 31 Prior Year Net Admitted Assets
2504. Receivable from pools.....	17,011		17,011	2,499
2505. ....			0	
2597. Summary of remaining write-ins for Line 25 from Page 02	17,011	0	17,011	2,499

SCHEDULE A – VERIFICATION

Real Estate

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

SCHEDULE B – VERIFICATION

Mortgage Loans

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

SCHEDULE BA – VERIFICATION

Other Long-Term Invested Assets

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year .....	2,011,316	1,622,928
2. Cost of acquired:		
2.1 Actual cost at time of acquisition .....	3,998,088	0
2.2 Additional investment made after acquisition .....	28,517	385,740
3. Capitalized deferred interest and other .....		0
4. Accrual of discount .....		0
5. Unrealized valuation increase (decrease) .....	(145,241)	2,648
6. Total gain (loss) on disposals .....	141,460	0
7. Deduct amounts received on disposals .....	391,460	0
8. Deduct amortization of premium and depreciation .....		0
9. Total foreign exchange change in book/adjusted carrying value .....		0
10. Deduct current year's other-than-temporary impairment recognized .....		0
11. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5+6-7-8+9-10) .....	5,642,680	2,011,316
12. Deduct total nonadmitted amounts .....	0	0
13. Statement value at end of current period (Line 11 minus Line 12) .....	5,642,680	2,011,316

SCHEDULE D – VERIFICATION

Bonds and Stocks

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year .....	38,089,891	32,622,187
2. Cost of bonds and stocks acquired .....	11,863,132	22,389,014
3. Accrual of discount .....	4,647	2,008
4. Unrealized valuation increase (decrease) .....	58,095	(62,701)
5. Total gain (loss) on disposals .....	217,712	(66,221)
6. Deduct consideration for bonds and stocks disposed of .....	16,624,115	16,564,534
7. Deduct amortization of premium .....	171,192	229,862
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other-than-temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	33,438,170	38,089,891
11. Deduct total nonadmitted amounts .....	0	0
12. Statement value at end of current period (Line 10 minus Line 11) .....	33,438,170	38,089,891

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE American Country Insurance Company

SCHEDULE D - PART 1B

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

NAIC Designation	1 Book/Adjusted Carrying Value Beginning of Current Quarter	2 Acquisitions During Current Quarter	3 Dispositions During Current Quarter	4 Non-Trading Activity During Current Quarter	5 Book/Adjusted Carrying Value End of First Quarter	6 Book/Adjusted Carrying Value End of Second Quarter	7 Book/Adjusted Carrying Value End of Third Quarter	8 Book/Adjusted Carrying Value December 31 Prior Year
<b>BONDS</b>								
1. NAIC 1 (a).....	33,970,227	1,510,679	5,037,559	(50,704)	36,083,032	33,970,227	30,392,643	35,875,188
2. NAIC 2 (a).....	3,230,775	819,399	1,282,455	(3,632)	3,234,457	3,230,775	2,764,089	3,524,653
3. NAIC 3 (a).....	278,231			3,206	252,225	278,231	281,438	190,000
4. NAIC 4 (a).....	0				220,625	0	0	0
5. NAIC 5 (a).....	0				0	0	0	0
6. NAIC 6 (a).....	0				0	0	0	0
7. Total Bonds	37,479,234	2,330,078	6,320,014	(51,129)	39,790,339	37,479,234	33,438,169	39,589,841
<b>PREFERRED STOCK</b>								
8. NAIC 1 .....	0				0	0	0	0
9. NAIC 2 .....	0				0	0	0	0
10. NAIC 3 .....	0				0	0	0	0
11. NAIC 4 .....	0				0	0	0	0
12. NAIC 5 .....	0				0	0	0	0
13. NAIC 6 .....	0				0	0	0	0
14. Total Preferred Stock.....	0	0	0	0	0	0	0	0
15. Total Bonds & Preferred Stock	37,479,234	2,330,078	6,320,014	(51,129)	39,790,339	37,479,234	33,438,169	39,589,841

(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 \$ ..... ; NAIC 2 \$ ..... ;

NAIC 3 \$ ..... ; NAIC 4 \$ ..... ; NAIC 5 \$ ..... ; NAIC 6 \$ .....

SCHEDULE DA - PART 1  
Short-Term Investments

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

SCHEDULE DA - VERIFICATION  
Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	0	639,804
2. Cost of short-term investments acquired .....		18,058,297
3. Accrual of discount .....		0
4. Unrealized valuation increase (decrease).....		0
5. Total gain (loss) on disposals .....		0
6. Deduct consideration received on disposals .....		18,698,101
7. Deduct amortization of premium.....		0
8. Total foreign exchange change in book/adjusted carrying value.....		0
9. Deduct current year's other-than-temporary impairment recognized.....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9).....	0	0
11. Deduct total nonadmitted amounts.....		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	0



Schedule DB - Part A - Verification

NONE

Schedule DB - Part B - Verification

NONE

Schedule DB - Part C - Section 1

NONE

Schedule DB - Part C - Section 2

NONE

Schedule DB - Verification

NONE

SCHEDULE E - VERIFICATION  
(Cash Equivalents)

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year.....	1,499,946	0
2. Cost of cash equivalents acquired .....		1,499,938
3. Accrual of discount .....	54	8
4. Unrealized valuation increase (decrease) .....		0
5. Total gain (loss) on disposals.....		0
6. Deduct consideration received on disposals .....	1,500,000	0
7. Deduct amortization of premium .....		0
8. Total foreign exchange change in book/adjusted carrying value .....		0
9. Deduct current year's other than temporary impairment recognized .....		0
10. Book/adjusted carrying value at end of current period (Lines 1+2+3+4+5-6-7+8-9) .....	0	1,499,946
11. Deduct total nonadmitted amounts .....		0
12. Statement value at end of current period (Line 10 minus Line 11)	0	1,499,946

Schedule A - Part 2

NONE

Schedule A - Part 3

NONE

Schedule B - Part 2

NONE

Schedule B - Part 3

NONE

## E03

**Showing Other Long-Term Invested Assets ACQUIRED AND ADDITIONS MADE During the Current Quarter**

[illegible]

**Showing Other Long-Term Invested Assets DISPOSED, Transferred or Repaid During the Current Quarter**

1  CUSIP Identification	2  Name or Description	Location		5  Name of Purchaser or Nature of Disposal	6  Date Originally Acquired	7  Disposal Date	8  Book/ Adjusted Carrying Value Less Encumbrances Prior Year	Change in Book/Adjusted Carrying Value						15  Book/Adjusted Carrying Value Less Encumbrances on Disposal	16  Consideration	17  Foreign Exchange Gain (Loss) on Disposal	18  Realized Gain (Loss) on Disposal	19  Total Gain (Loss) on Disposal	20  Investment Income
		3  City	4  State					9  Unrealized Valuation Increase (Decrease)	10  Current Year's (Depreciation) or (Amortization)/ Accretion	11  Current Year's Other Than Temporary Impairment Recognized	12  Capitalized Deferred Interest and Other	13  Total Change in B./A.C.V. (9+10-11+12)	14  Total Foreign Exchange Change in B./A.C.V.						
Joint, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Other - Unaffiliated																			
000000-00-0	Single-tenant Class A Office	Waukesha	WI	Sale of building	07/11/2012	09/30/2016	392,432	0	(972)			(972)		391,460	391,460		141,460	141,460	
2199999 - Joint, Partnership or Limited Liability Company Interests that have the Underlying Characteristics - Other - Unaffiliated							392,432	0	(972)	0	0	(972)	0	391,460	391,460	0	141,460	141,460	0
4499999 – Subtotals - Unaffiliated							392,432	0	(972)	0	0	(972)	0	391,460	391,460	0	141,460	141,460	0
4599999 – Subtotals - Affiliated							0	0	0	0	0	0	0	0	0	0	0	0	0
4699999 Totals							392,432	0	(972)	0	0	(972)	0	391,460	391,460	0	141,460	141,460	0

## E04

[illegible]

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

STATEMENT AS OF SEPTEMBER 30, 2016 OF THE American Country Insurance Company

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	Foreign	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36202D-KK-6..	RMBS - G2 002998.....		09/20/2016..	Direct.....		.88	.88	106	105		(17)		(17)		.88			.0	.4	11/20/2030..	1
38378B-AS-8..	CMBS - GNR 11161 A.....		09/16/2016..	Direct.....		15,500	15,500	15,575	15,556		(56)		(56)		15,500			.0	177	01/16/2034..	1
38378D-CE-3..	CMO/RMBS - GNR 1217B KG.....		09/20/2016..	Direct.....		42,358	42,358	43,731	43,484		(1,126)		(1,126)		42,358			.0	708	07/20/2039..	1
912828-RF-9..	UNITED STATES TREASURY.....		08/31/2016..	Maturity.....		1,000,000	1,000,000	1,002,308	1,000,317		(317)		(317)		1,000,000			.0	10,000	08/31/2016..	1
912828-XN-5..	UNITED STATES TREASURY.....		07/25/2016..	Nomura.....		600,135	600,000	598,981	598,986		364		364		599,350		785	785	1,514	07/31/2017..	1
0599999 - Bonds - U.S. Governments						1,658,081	1,657,946	1,660,701	1,658,448	0	(1,152)	0	(1,152)	0	1,657,296	0	785	785	12,404	XXX	XXX
Bonds - U.S. Political Subdivisions of States, Territories and Possessions																					
613340-3M-8..	MONTGOMERY CNTY MD.....		09/07/2016..	STFEL NICOLAUS & COMPANY INC.....		444,920	350,000	425,254	420,499		(5,025)		(5,025)		415,473		29,447	29,447	15,118	11/01/2028..	1FE
2499999 - Bonds - U.S. Political Subdivisions of States, Territories and Possessions						444,920	350,000	425,254	420,499	0	(5,025)	0	(5,025)	0	415,473	0	29,447	29,447	15,118	XXX	XXX
Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions																					
312927-CO-7..	RMBS - FH A80979.....		09/15/2016..	Direct.....		6,913	6,913	7,579	7,569		(666)		(666)		6,913			.0	295	08/01/2038..	1
31292H-FT-6..	RMBS - FH C01078.....		09/15/2016..	Direct.....		.73	.73	.87	.86		(13)		(13)		.73			.0	.4	10/01/2030..	1
3136A7-FL-1..	CMO/RMBS - FNR 1270D HP.....		09/26/2016..	Direct.....		25,196	25,196	25,556	25,484		(289)		(289)		25,196			.0	336	01/25/2041..	1
3136AH-6A-3..	CMO/RMBS - FNR 145E LB.....		09/26/2016..	Direct.....		29,091	29,091	29,282	29,269		(178)		(178)		29,091			.0	480	07/25/2043..	1
3136AH-FS-4..	CMO/RMBS - FNR 13119E YA.....		09/26/2016..	Direct.....		15,146	15,146	15,814	15,448		(667)		(667)		15,146		.0	.0	269	10/25/2033..	1
3136AP-EE-8..	CMO/RMBS - FNR 1547C GA.....		09/26/2016..	Direct.....		30,290	30,290	31,455	31,448		(1,158)		(1,158)		30,290			.0	607	06/25/2044..	1
31388R-4M-6..	RMBS - FN 612928.....		09/26/2016..	Direct.....		.609	.609	.645	.618		(9)		(9)		.609			.0	24	12/01/2016..	1
3138EO-SF-7..	RMBS - FN A17717.....		09/26/2016..	Direct.....		24,438	24,438	25,782	25,589		(1,151)		(1,151)		24,438			.0	492	12/01/2026..	1
3138M4-ZR-6..	RMBS - FN AP1651.....		09/26/2016..	Direct.....		31,884	31,884	33,146	33,040		(1,159)		(1,159)		31,884			.0	634	08/01/2042..	1
31403C-6L-0..	RMBS - FN 745275.....		09/26/2016..	Direct.....		2,261	2,261	2,451	2,445		(189)		(189)		2,261			.0	76	02/01/2036..	1
31405U-WT-2..	RMBS - FN 799958.....		09/26/2016..	Direct.....		1,503	1,503	1,599	1,588		(85)		(85)		1,503		.0	.0	25	11/01/2034..	1
31417A-QE-2..	RMBS - FN AB4052.....		09/26/2016..	Direct.....		50,514	50,514	54,916	54,693		(4,179)		(4,179)		50,514			.0	1,356	12/01/2041..	1
31417B-RN-9..	RMBS - FN AB4992.....		09/26/2016..	Direct.....		44,846	44,846	46,784	46,475		(1,630)		(1,630)		44,846			.0	763	04/01/2027..	1
31418A-JV-1..	RMBS - FN MA1175.....		09/26/2016..	Direct.....		46,798	46,798	48,651	48,485		(1,687)		(1,687)		46,798			.0	962	09/01/2042..	1
31419J-TQ-1..	RMBS - FN AE7758.....		09/26/2016..	Direct.....		15,950	15,950	16,939	16,805		(854)		(854)		15,950			.0	374	11/01/2025..	1
54627R-AB-6..	LOUISIANA LOC GOVT ENVIRONMENTAL FACS & ABS - LOUISIANA LOC GOVT ENVIRONMENTAL F.....		07/01/2016..	Adjustment.....		425,653	419,685	436,519					.0		425,653			.0	4,319	02/01/2019..	1FE
54627R-AB-6..	LOUISIANA LOC GOVT ENVIRONMENTAL F.....		08/02/2016..	Direct.....		153,466	153,466	159,621			(4,858)		(4,858)		153,466		.0	.0	6,114	02/01/2019..	1FE
54627R-AJ-9..	LOUISIANA LOC GOVT ENVIRONMENTAL FACS & NEW YORK ST DORM AUTH ST PERS INCOME TAX.....		08/01/2016..	Redemption.....		15,706	15,706	15,703	15,704		.0		.0		15,704		.2	.2	261	02/01/2022..	1FE
64990E-CH-8..	PERS INCOME TAX.....		09/07/2016..	PIPER JAFFRAY.....		611,680	500,000	604,655	595,156		(8,964)		(8,964)		586,192		25,488	25,488	18,542	12/15/2026..	1FE
917547-VL-9..	UTAH ST BLDG OWNERSHIP AUTH LEASE REV.....		09/07/2016..	PIPER JAFFRAY.....		625,425	500,000	600,350	594,092		(6,639)		(6,639)		587,453		37,972	37,972	20,625	05/15/2028..	1FE
3199999 - Bonds - U.S. Special Revenue and Special Assessment and all Non-Guaranteed Obligations of Agencies and Authorities of Governments and Their Political Subdivisions						2,157,443	1,914,370	2,157,531	1,528,545	0	(34,355)	0	(34,355)	0	2,093,981	0	63,463	63,463	56,553	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00842C-AF-2..	CMO/RMBS - ABMT 157 A6.....		09/26/2016..	Direct.....		87,221	87,221	88,107	88,107		(886)		(886)		87,221		.0	.0	1,775	11/27/2045..	1FM
12489W-MY-7..	CMO - CBASS 05CB5 AF4.....		09/26/2016..	Direct.....		6,729	6,729	6,615	6,621		109		109		6,729			.0	186	01/25/2033..	1FM
458140-AL-4..	INTEL CORP.....		07/25/2016..	US Bank.....		603,114	600,000	603,708	602,827		(814)		(814)		602,013		1,101	1,101	4,973	12/15/2017..	1FE
46644W-AS-5..	CMO/RMBS - JPWMT 153 A3.....		09/26/2016..	Direct.....		26,497	26,497	26,874	26,869		(372)		(372)		26,497			.0	634	05/25/2045..	1FE
477877-AD-6..	ABS - JDOT 14B A3.....		09/15/2016..	Direct.....		132,513	132,513	132,484	132,501		.13		.13		132,513			.0	943	11/15/2018..	1FE
501044-CO-2..	THE KROGER CO.....		09/23/2016..	MARKETAXESS.....		530,985	500,000	523,035	516,606		(1,881)		(1,881)		514,725		16,260	16,260	16,197	04/15/2022..	2FE
64829E-AA-2..	CMO - NRZT 152 A1.....		09/26/2016..	Direct.....		15,836	15,836	16,261			(426)		(426)		15,836			.0	297	08/25/2055..	1FE
760759-AP-5..	REPUBLIC SERVICES INC.....		09/23/2016..	R W BAIRD & CO.....		547,786	510,000	535,459	528,493		(2,047)		(2,047)		526,446		21,340	21,340	14,937	06/01/2022..	2FE
87938W-AQ-6..	TELEFONICA EMISIONES SAU, R.....		08/30/2016..	MILLENNIUM ADVISORS, LLC.....		245,998	240,000	243,677	241,784		(500)		(500)		241,283		4,714	4,714	6,490	04/27/2018..	2FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						2,196,679	2,118,797	2,176,221	2,143,806	0	(6,804)	0	(6,804)	0	2,153,264	0	43,415	43,415	46,432	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						6,457,123	6,041,113	6,419,707	5,751,298	0	(47,336)	0	(47,336)	0	6,320,014	0	137,110	137,110	130,508	XXX	XXX
8399999 - Subtotals - Bonds						6,457,123	6,041,113	6,419,707	5,751,298	0	(47,336)	0	(47,336)	0	6,320,014	0	137,110	137,110	130,508	XXX	XXX
9999999 Totals						6,457,123	XXX	6,419,707	5,751,298	0	(47,336)	0	(47,336)	0	6,320,014	0	137,110	137,110	130,508	XXX	XXX

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

Schedule DB - Part A - Section 1

NONE

Schedule DB - Part B - Section 1

NONE

Schedule DB - Part D - Section 1

NONE

Schedule DB - Part D - Section 2

NONE

Schedule DL - Part 1

NONE

Schedule DL - Part 2

NONE





SCHEDULE E - PART 2 - CASH EQUIVALENTS

Show Investments Owned End of Current Quarter							
1 Description	2 Code	3 Date Acquired	4 Rate of Interest	5 Maturity Date	6 Book/Adjusted Carrying Value	7 Amount of Interest Due & Accrued	8 Amount Received During Year
NONE							
8699999 Total Cash Equivalents					0	0	0