



QUARTERLY STATEMENT

AS OF JUNE 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
-------------------	---------------------------------------	------------------------	-----------

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

Subscribed and sworn to before me this
12th day of August, 2016

Louis Charouhis, Sr. Staff Accountant
March 1, 2019

- 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



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

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	37,479,235	0	37,479,235	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 (\$740,473), cash equivalents (\$0) and short-term investments (\$0)	740,473	0	740,473	5,194,219
6. Contract loans (including \$premium notes)	0		0	0
7. Derivatives	0		0	0
8. Other invested assets	5,977,406	0	5,977,406	2,011,316
9. Receivables for securities	107,030		107,030	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)	44,304,144	0	44,304,144	45,295,429
13. Title plants less \$charged off (for Title insurers only)	0		0	0
14. Investment income due and accrued	123,579	0	123,579	136,320
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	10,033,580	0	10,033,580	7,906,485
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$earned but unbilled premiums)	22,878,099	0	22,878,099	25,510,670
15.3 Accrued retrospective premiums (\$) and contracts subject to redetermination (\$)	0		0	0
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	12,075,514		12,075,514	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	100,157		100,157	128,724
18.2 Net deferred tax asset	5,882,246	2,364,968	3,517,278	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	105,064		105,064	2,381
24. Health care (\$) and other amounts receivable			0	0
25. Aggregate write-ins for other-than-invested assets	588,015	204,741	383,274	360,176
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	96,090,399	2,569,708	93,520,690	87,428,660
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	96,090,399	2,569,708	93,520,690	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	159,247	159,247	0	0
2503. Other assets - other deposits	45,494	45,494	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	25,599	0	25,599	2,499
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	588,015	204,741	383,274	360,176

LIABILITIES, SURPLUS AND OTHER FUNDS

	1 Current Statement Date	2 December 31, Prior Year
1. Losses (current accident year \$6,022,819)	15,720,677	18,163,303
2. Reinsurance payable on paid losses and loss adjustment expenses	6,522,005	2,282,753
3. Loss adjustment expenses	5,607,279	5,992,338
4. Commissions payable, contingent commissions and other similar charges	2,290,834	2,691,615
5. Other expenses (excluding taxes, licenses and fees)	462,934	864,352
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	384,101	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 \$27,094,847 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)	21,540,315	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)	7,746,348	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	351,146	268,369
15. Remittances and items not allocated	160,764	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	1,617,632	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	942,917	756,532
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	63,372,478	59,375,704
27. Protected cell liabilities		0
28. Total liabilities (Lines 26 and 27)	63,372,478	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)	9,033,560	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)	30,148,212	28,052,956
38. Totals (Page 2, Line 28, Col. 3)	93,520,690	87,428,660
DETAILS OF WRITE-INS		
2501. Unearned ceded commissions.....	725,060	689,647
2502. Escheatables.....	116,602	12,781
2503. Other liability - premium deficiency reserve.....	70,423	54,104
2598. Summary of remaining write-ins for Line 25 from overflow page	30,832	0
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	942,917	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 \$ 27,650,877)	32,185,703	34,988,582	71,961,801
1.2 Assumed (written \$ 20,056,238)	19,642,723	17,824,473	37,948,662
1.3 Ceded (written \$ 27,837,576)	32,325,515	35,103,449	72,206,552
1.4 Net (written \$ 19,869,539)	19,502,912	17,709,606	37,703,911
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 7,942,859):			
2.1 Direct	12,042,370	13,927,041	25,049,607
2.2 Assumed	8,185,389	7,165,885	14,064,287
2.3 Ceded	12,257,199	14,131,449	25,465,770
2.4 Net	7,970,560	6,961,477	13,648,124
3. Loss adjustment expenses incurred	3,589,214	3,125,320	8,400,650
4. Other underwriting expenses incurred	5,213,943	5,412,349	10,569,853
5. Aggregate write-ins for underwriting deductions	5,506	16,265	16,845
6. Total underwriting deductions (Lines 2 through 5)	16,779,224	15,515,412	32,635,472
7. Net income of protected cells	0	0	0
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,723,688	2,194,194	5,068,438
INVESTMENT INCOME			
9. Net investment income earned	109,026	234,687	361,779
10. Net realized capital gains (losses) less capital gains tax of \$ 30,621	49,980	(61,005)	(77,103)
11. Net investment gain (loss) (Lines 9 + 10)	159,006	173,682	284,676
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 73 amount charged off \$ 126,662)	(126,589)	(41,527)	(170,883)
13. Finance and service charges not included in premiums	63,708	85,902	168,003
14. Aggregate write-ins for miscellaneous income	39,064	35,641	(147,577)
15. Total other income (Lines 12 through 14)	(23,816)	80,016	(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)	2,858,877	2,447,892	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)	2,858,877	2,447,892	5,202,658
19. Federal and foreign income taxes incurred	680,446	925,613	1,814,304
20. Net income (Line 18 minus Line 19)(to Line 22)	2,178,431	1,522,279	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)	2,178,431	1,522,279	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 \$ 769	1,428	(66,413)	(37,765)
25. Change in net unrealized foreign exchange capital gain (loss)	0	0	0
26. Change in net deferred income tax	(309,498)	118,619	217,609
27. Change in nonadmitted assets	224,895	778,870	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)	2,095,256	6,953,355	9,627,538
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	30,148,212	25,378,774	28,052,956
DETAILS OF WRITE-INS			
0501. Premium deficiency expense	5,506	16,265	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)	5,506	16,265	16,845
1401. Retroactive reinsurance income/(expense)	39,610	32,121	(102,458)
1402. Miscellaneous income	147	4,334	5,983
1403. Fines and penalties	(693)	(814)	(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)	39,064	35,641	(147,577)
3701.		0	0
3702.		0	0
3703.		0	0
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
Cash from Operations			
1. Premiums collected net of reinsurance.....	22,197,295	16,266,990	36,377,158
2. Net investment income	233,802	375,656	607,747
3. Miscellaneous income	(23,816)	80,016	(150,456)
4. Total (Lines 1 to 3)	22,407,281	16,722,661	36,834,449
5. Benefit and loss related payments	14,529,563	7,460,083	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	9,257,418	8,005,599	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).....	682,500	1,160,000	1,875,000
10. Total (Lines 5 through 9)	24,469,481	16,625,682	33,292,913
11. Net cash from operations (Line 4 minus Line 10)	(2,062,200)	96,979	3,541,536
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	10,166,992	8,353,626	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	0	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0	0
12.7 Miscellaneous proceeds	0	0	1
12.8 Total investment proceeds (Lines 12.1 to 12.7)	10,166,992	8,353,626	16,564,535
13. Cost of investments acquired (long-term only):			
13.1 Bonds	9,533,053	10,555,771	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	4,018,605	385,740	385,740
13.6 Miscellaneous applications	107,030	1	1
13.7 Total investments acquired (Lines 13.1 to 13.6)	13,658,689	10,941,512	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)	(3,491,696)	(2,587,886)	(6,210,221)
Cash from Financing and Miscellaneous Sources			
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).....	1,100,151	(3,769,829)	(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).....	1,100,151	830,171	4,404,784
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS			
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(4,453,745)	(1,660,735)	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)	740,473	1,797,384	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	\$ 2,178,431	\$ 3,388,354
(2)	State prescribed practices that increase/(decrease) NAIC SAP:	IL	\$ 0	\$ 0
(3)	NAIC SAP (1-2=3)	IL	\$ 2,178,431	\$ 3,388,354
SURPLUS				
(4)	Illinois Company state basis (page 3, line 37, columns 1 & 2)	IL	\$ 30,148,212	\$ 28,052,956
(5)	State prescribed practices that increase/(decrease) NAIC SAP:	IL	\$ 0	\$ 0
(6)	NAIC SAP (4-5=6)	IL	\$ 30,148,212	\$ 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	\$	23,062
2.	12 Months or Longer	\$	0
(b) The aggregate related fair value of securities with unrealized losses:			
1.	Less than 12 Months	\$	4,280,230
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 \$186,680 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	\$278,231	\$0	\$278,231
Total assets at fair value	\$0	\$278,231	\$0	\$278,231

- 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	\$38,009,925	\$37,479,235	\$4,207,517	\$33,802,408	\$0	\$0

D. The Company does not have any assets that are not practicable to estimate fair value as of June 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 June 30, 2016, \$11.5 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 \$12.7 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 \$36,000 from December 31, 2015 to June 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? 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 [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:\$

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 JUNE 30, 2016 OF THE American Country Insurance Company

SCHEDULE F - CEDED REINSURANCE

Showing All New Reinsurers - Current Year to Date

[illegible]

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

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN

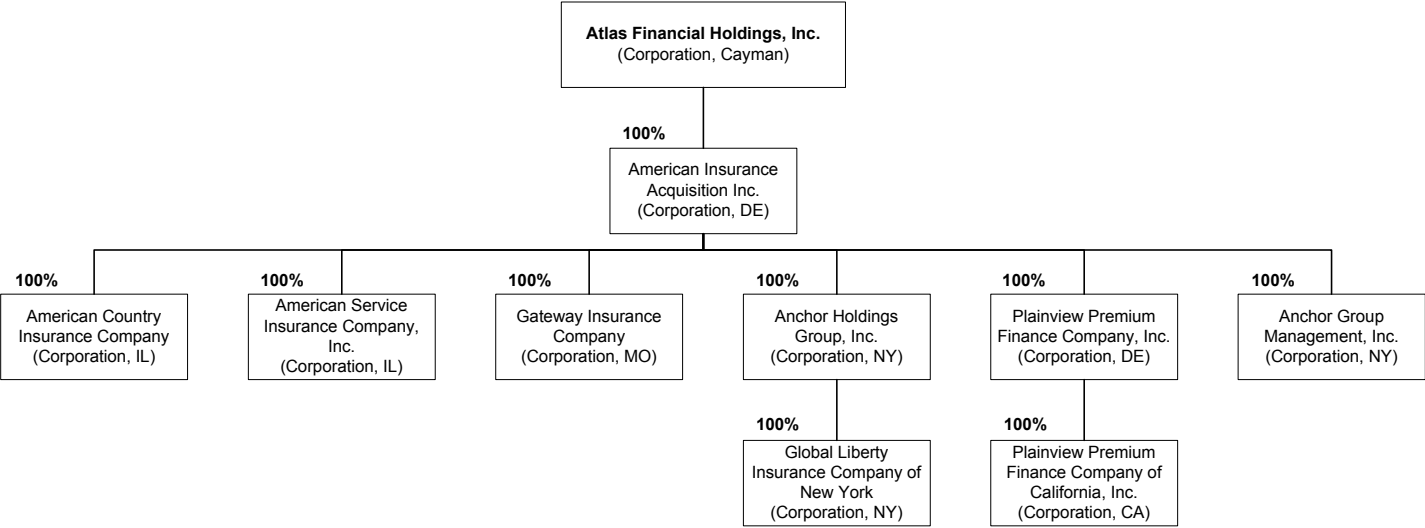
Current Year to Date - Allocated by States and Territories							
States, etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid	
		2	3	4	5	6	7
	Active Status	Current Year To Date	Prior Year To Date	Current Year To Date	Prior Year To Date	Current Year To Date	Prior 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	74,942	0	889	0	4,746	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	6,102,381	6,735,081	2,300,545	1,914,259	3,497,068	6,815,949
15. Indiana	IN L	811,490	513,221	137,835	198,034	433,352	305,156
16. Iowa	IA L	158,867	183,684	31,387	29,150	123,265	66,578
17. Kansas	KS E	0	0	0	0	0	0
18. Kentucky	KY L	46,044	425,247	258,018	370,498	144,471	272,823
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	3,048,028	7,112,061	5,729,221	4,404,953	891,967	6,630,689
24. Minnesota	MN L	1,921,039	3,448,591	1,102,169	1,296,273	2,015,293	2,337,552
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	(261,430)	2,438,552	340,946	414,190	426,478	895,625
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	13,995,773	11,043,111	5,770,222	4,054,549	22,303,853	21,192,908
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	452,927	404,345	200,303	226,193	334,595	2,089,333
38. Oregon	OR E	0	0	0	0	0	0
39. Pennsylvania	PA L	381,195	1,242,787	418,175	275,554	847,733	1,349,308
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	774,783	4,231,915	1,126,202	983,310	1,377,730	1,926,799
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	144,838	778,038	339,410	301,141	544,804	1,002,360
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	27,650,877	38,556,633	17,758,448	14,506,103	32,885,595	44,871,080
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:
June 30, 2016



Atlas Ownership Percentages

Public Shareholders Holding	100%
Less Than 10% Each	
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	495,531	173,436	35.0	36.5
17.1	Other liability occurrence	460,598	170,421	37.0	39.4
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	29,731,935	10,809,793	36.4	40.0
21.	Auto physical damage	1,497,640	888,720	59.3	37.3
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	32,185,703	12,042,370	37.4	39.8
DETAILS OF WRITE-INS					
3401.					
3402.					
3403.					
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	60,927	1,027,026	960,046
17.1	Other liability occurrence	232,820	537,025	414,823
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	7,737,392	24,688,496	35,172,501
21.	Auto physical damage	747,577	1,398,330	2,009,263
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	8,778,716	27,650,877	38,556,633
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 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	3,656	406	4,062	3,277	364	(1,416)	2,225	2,215	(2,242)	(27)
2. 2014	2,055	1,324	3,379	2,649	294	2,943	1,493	166	(1,222)	437	2,087	(2,086)	1
3. Subtotals 2014 + prior	6,773	2,920	9,693	6,305	700	7,005	4,770	530	(2,638)	2,662	4,302	(4,328)	(26)
4. 2015	2,934	11,530	14,464	4,018	446	4,464	2,341	260	7,461	10,062	3,425	(3,363)	62
5. Subtotals 2015 + prior	9,707	14,450	24,157	10,323	1,146	11,469	7,111	790	4,823	12,724	7,727	(7,691)	36
6. 2016	XXX	XXX	XXX	XXX	2,917	2,917	XXX	1,953	6,651	8,604	XXX	XXX	XXX
7. Totals	9,707	14,450	24,157	10,323	4,063	14,386	7,111	2,743	11,474	21,328	7,727	(7,691)	36
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. 79.6	2. (53.2)	3. 0.1
											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.




38237201649000002

2.




38237201645500002

3.



38237201636500002

4.



38237201650500002

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.....	25,599		25,599	2,499
2505.			0	
2597. Summary of remaining write-ins for Line 25 from Page 02	25,599	0	25,599	2,499

PQ003 Additional Aggregate Lines for Page 03 Line 25.
*LIAB

	1	2
	Current Statement Date	December 31, Prior Year
2504. Miscellaneous payable.....	30,832	0
2597. Summary of remaining write-ins for Line 25 from Page 03	30,832	0

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	20,517	385,740
3. Capitalized deferred interest and other		0
4. Accrual of discount		0
5. Unrealized valuation increase (decrease)	(52,515)	2,648
6. Total gain (loss) on disposals		0
7. Deduct amounts received on disposals		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)	5,977,406	2,011,316
12. Deduct total nonadmitted amounts	0	0
13. Statement value at end of current period (Line 11 minus Line 12)	5,977,406	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	9,533,053	22,389,014
3. Accrual of discount	3,230	2,008
4. Unrealized valuation increase (decrease)	54,712	(62,701)
5. Total gain (loss) on disposals	80,601	(66,221)
6. Deduct consideration for bonds and stocks disposed of	10,166,987	16,564,534
7. Deduct amortization of premium	115,265	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)	37,479,235	38,089,891
11. Deduct total nonadmitted amounts	0	0
12. Statement value at end of current period (Line 10 minus Line 11)	37,479,235	38,089,891

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).....	36,083,032	(370,734)	1,696,457	(45,614)	36,083,032	33,970,227	0	35,875,188
2. NAIC 2 (a).....	3,234,457			(3,682)	3,234,457	3,230,775	0	3,524,653
3. NAIC 3 (a).....	252,225			26,006	252,225	278,231	0	190,000
4. NAIC 4 (a).....	220,625		252,151	31,526	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	39,790,339	(370,734)	1,948,608	8,236	39,790,339	37,479,234	0	39,589,841
PREFERRED STOCK								
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	39,790,339	(370,734)	1,948,608	8,236	39,790,339	37,479,234	0	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

SCHEDULE BA - PART 2

[illegible]

SCHEDULE BA - PART 3

[illegible]

E03

E04

[illegible]

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

STATEMENT AS OF JUNE 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	F o r e i g n	Disposal Date	Name of Purchaser	Number of Shares of Stock	Consideration	Par Value	Actual Cost	Prior Year Book/Adjusted Carrying Value	Unrealized Valuation Increase/ (Decrease)	Current Year's (Amortization)/ Accretion	Current Year's Other Than Temporary Impairment Recognized	Total Change in B./A.C.V. (11+12-13)	Total Foreign Exchange Change in B./A.C.V.	Book/ Adjusted Carrying Value at Disposal Date	Foreign Exchange Gain (Loss) on Disposal	Realized Gain (Loss) on Disposal	Total Gain (Loss) on Disposal	Bond Interest/Stock Dividends Received During Year	Stated Contractual Maturity Date	NAIC Designation or Market Indicator (a)
Bonds - U.S. Governments																					
36202D-KK-6...	RMBS - G2 002998.....		06/20/2016..	Direct.....		190	190	229	226		(36)		(36)		190			0	6	11/20/2030..	1
38378B-AS-8...	CMBS - GNR 11161 A.....		06/16/2016..	Direct.....		2,134	2,134	2,144	2,142		(8)				2,134			0	15	01/16/2034..	1
38378D-CE-3...	CMO/RMBS - GNR 1217B KG.....		06/20/2016..	Direct.....		38,610	38,610	39,862	39,637		(1,026)		(1,026)		38,610			0	404	07/20/2039..	1
0599999 - Bonds - U.S. Governments						40,935	40,935	42,235	42,005	0	(1,070)	0	(1,070)	0	40,935	0	0	0	426	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-CQ-7...	RMBS - FH A80979.....		06/15/2016..	Direct.....		10,583	10,583	11,601	11,587		(1,004)		(1,004)		10,583		0	0	266	08/01/2038..	1
31292H-FI-6...	RMBS - FH C01078.....		06/15/2016..	Direct.....		206	206	244	242		(36)				206			0	7	10/01/2030..	1
3136A7-FL-1...	CMO/RMBS - FNR 1270D HP.....		06/27/2016..	Direct.....		25,729	25,729	26,097	26,024		(295)		(295)		25,729		0	0	214	01/25/2041..	1
3136AH-6A-3...	CMO/RMBS - FNR 145E LB.....		06/27/2016..	Direct.....		37,704	37,704	37,952	37,935		(230)		(230)		37,704		0	0	385	07/25/2043..	1
3136AH-FS-4...	CMO/RMBS - FNR 13119E VA.....		06/27/2016..	Direct.....		15,033	15,033	15,696	15,662		(662)		(662)		15,033		0	0	150	10/25/2033..	1
3136AP-EE-8...	CMO/RMBS - FNR 1547C GA.....		06/27/2016..	Direct.....		27,591	27,591	28,652	28,646		(1,054)		(1,054)		27,591		0	0	346	06/25/2044..	1
31388R-4M-6...	RMBS - FN 612928.....		06/27/2016..	Direct.....		882	882	935	895		(13)		(13)		882		0	0	23	12/01/2016..	1
3138EO-SF-7...	RMBS - FN AJ7717.....		06/27/2016..	Direct.....		20,732	20,732	21,872	21,708		(976)		(976)		20,732		0	0	261	12/01/2026..	1
3138MA-ZR-6...	RMBS - FN AP1651.....		06/27/2016..	Direct.....		31,821	31,821	33,081	32,974		(1,153)		(1,153)		31,821		0	0	381	08/01/2042..	1
31403C-6L-0...	RMBS - FN 745275.....		06/27/2016..	Direct.....		2,422	2,422	2,625	2,625		(198)				2,422		0	0	51	02/01/2036..	1
31405U-WT-2...	RMBS - FN 799958.....		06/27/2016..	Direct.....		1,328	1,328	1,413	1,403		(75)		(75)		1,328		0	0	14	11/01/2034..	1
31417A-QE-2...	RMBS - FN AB4052.....		06/27/2016..	Direct.....		26,731	26,731	29,060	28,942		(2,211)		(2,211)		26,731		0	0	459	12/01/2041..	1
31417B-RN-9...	RMBS - FN AB4992.....		06/27/2016..	Direct.....		27,337	27,337	28,518	28,330		(993)		(993)		27,337		0	0	287	04/01/2027..	1
31418A-JV-1...	RMBS - FN MA1175.....		06/27/2016..	Direct.....		38,445	38,445	39,967	39,831		(1,386)		(1,386)		38,445		0	0	474	09/01/2042..	1
31419J-TQ-1...	RMBS - FN AE7758.....		06/27/2016..	Direct.....		17,002	17,002	18,056	17,913		(911)		(911)		17,002		0	0	249	11/01/2025..	1
54627R-AB-6...	ENVIRONMENTAL FACS & ABS - LOUISIANA LOC GOVT.....		04/01/2016..	Adjustment.....		(425,653)	(419,685)	(436,519)					0		(425,653)		0	0	(4,319)	02/01/2019..	1FE
54627R-AB-6...	ENVIRONMENTAL FACS & ABS - LOUISIANA LOC GOVT.....		04/01/2016..	Adjustment.....		(188,163)	(188,163)	(195,710)			2,676		2,676		(188,163)		0	0	(2,324)	02/01/2019..	1FE
54627R-AB-6...	ENVIRONMENTAL FACS & ABS - LOUISIANA LOC GOVT.....		04/01/2016..	Adjustment.....		188,163	188,163	195,710					0		188,163		0	0		02/01/2019..	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						(142,106)	(136,138)	(140,750)	279,050	0	(8,523)	0	(8,523)	0	(142,106)	0	0	0	(3,076)	XXX	XXX
Bonds - Industrial and Miscellaneous (Unaffiliated)																					
00440E-AU-1...	ACE INA HOLDINGS INC.....		04/15/2016..	Wells Fargo BK.....		1,035,970	1,000,000	1,010,475		(318)			(318)		1,010,157		25,813	25,813	13,177	11/03/2022..	1FE
00842C-AF-2...	CMO/RMBS - ABMT 157 A6.....		06/27/2016..	Direct.....		93,742	93,742	94,695	94,695		(952)		(952)		93,742		0	0	1,150	11/27/2045..	1FM
12489W-MY-7...	ABS - CBASS 05CB5 AF4.....		06/27/2016..	Direct.....		6,997	6,997	6,879	6,884		113		113		6,997		0	0	125	01/25/2033..	1FM
210717-AA-2...	ABS - CMRS 14A A1.....		06/01/2016..	Direct.....		58,734	58,734	58,733	58,733		1		1		58,734		0	0	392	11/02/2020..	1FE
46644M-AS-5...	CMO/RMBS - JPMMT 153 A3.....		06/27/2016..	Direct.....		36,234	36,234	36,749	36,742		(509)		(509)		36,234		0	0	515	05/25/2045..	1FE
477877-AD-6...	ABS - JDOT 14B A3.....		06/16/2016..	Direct.....		76,388	76,388	76,371	76,380		7		7		76,388		0	0	391	11/15/2018..	1FE
64829E-AA-2...	CMO - NRZT 152 A1.....		06/27/2016..	Direct.....		15,272	15,272	15,682		(410)			(410)		15,272		0	0	135	08/25/2055..	1FE
65475W-AD-0...	ABS - NAROT 15B A3.....		04/18/2016..	Intl FcStone Financial Inc.....		500,313	500,000	500,117		(13)			(13)		500,104		208	208	1,731	03/16/2020..	1FE
878742-AX-3...	TECK RESOURCES LTD.....		06/07/2016..	Not Available.....		253,125	250,000	254,528	190,000	62,701	(550)		62,151		252,151		974	974	5,313	02/01/2018..	4FE
3899999 - Bonds - Industrial and Miscellaneous (Unaffiliated)						2,076,774	2,037,367	2,054,228	463,435	62,701	(2,632)	0	60,070	0	2,049,779	0	26,995	26,995	22,928	XXX	XXX
8399997 - Subtotals - Bonds - Part 4						1,975,603	1,942,163	1,955,713	784,490	62,701	(12,224)	0	50,477	0	1,948,608	0	26,995	26,995	20,279	XXX	XXX
8399999 - Subtotals - Bonds						1,975,603	1,942,163	1,955,713	784,490	62,701	(12,224)	0	50,477	0	1,948,608	0	26,995	26,995	20,279	XXX	XXX
9999999 Totals						1,975,603	XXX	1,955,713	784,490	62,701	(12,224)	0	50,477	0	1,948,608	0	26,995	26,995	20,279	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

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

SCHEDULE E - PART 1 - CASH

[illegible]

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