

QUARTERLY STATEMENT

OF THE

MGA Insurance Company, Inc.

of **Dallas**

in the state of **Texas**

TO THE

Insurance Department

OF THE

STATE OF

FOR THE QUARTER ENDED

September 30, 2015

PROPERTY AND CASUALTY

2015



40150201520100103

QUARTERLY STATEMENT

AS OF SEPTEMBER 30, 2015
OF THE CONDITION AND AFFAIRS OF THE
MGA Insurance Company, Inc.

NAIC Group Code	0000	,	0000	NAIC Company Code	40150	Employer's ID Number	75-1767545
	(Current Period)		(Prior Period)				
Organized under the Laws of	Texas			State of Domicile or Port of Entry	Texas		
Country of Domicile	United States of America						
Incorporated/Organized	May 22, 1981			Commenced Business	August 13, 1981		
Statutory Home Office	3333 Lee Parkway Suite 1200			Dallas, TX US 75219			
	(Street and Number)			(City or Town, State, Country and Zip Code)			
Main Administrative Office	3333 Lee Parkway Suite 1200			Dallas, TX US 75219			
	(Street and Number)			(Area Code)		(Telephone Number)	
Mail Address	Post Office Box 199023			Dallas, TX US 75219-9023			
	(Street and Number or P.O. Box)			(City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	3333 Lee Parkway Suite 1200			Dallas, TX US 75219		972-629-4301	
	(Street and Number)			(City or Town, State, Country and Zip Code)		(Area Code) (Telephone Number)	
Internet Website Address	www.gainsco.com						
Statutory Statement Contact	Donald Alan Baker			972-629-4379		(Extension)	
	(Name)			(Area Code)		(Telephone Number)	
	don.baker@gainsco.com			972-629-4339			
	(E-Mail Address)			(Fax Number)			

OFFICERS

	Name	Title
1.	Glenn Walden Anderson	President
2.	Richard Millard Buxton	Secretary
3.	Daniel Jay Coots	Treasurer

VICE-PRESIDENTS

Name	Title	Name	Title
Richard Millard Buxton	Senior Vice President	Gregory Alan Castleman	Senior Vice President
Daniel Jay Coots	Senior Vice President	Terence James Lynch	Senior Vice President
Brian Christopher Dosser	Senior Vice President	Phillip John West	Senior Vice President
Danny Ray Earnest	Vice President	Donald Alan Baker	Vice President
Jin Liu	Vice President	Scott David Harris	Vice President
Nicole Marie Dalal	Vice President		

DIRECTORS OR TRUSTEES

Robert William Stallings	Glenn Walden Anderson	Gregory Alan Castleman	Daniel Jay Coots
Richard Millard Buxton	Jin Liu	Phillip John West	

State of Texas

County of Dallas ss

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

_____ (Signature) Glenn Walden Anderson	_____ (Signature) Richard Millard Buxton	_____ (Signature) Daniel Jay Coots
_____ (Printed Name) 1.	_____ (Printed Name) 2.	_____ (Printed Name) 3.
_____ President	_____ Secretary	_____ Treasurer
_____ (Title)	_____ (Title)	_____ (Title)

Subscribed and sworn to before me this
10 day of November, 2015

Susan Morrison

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

ASSETS

	Current Statement Date			4 December 31 Prior Year Net Admitted Assets
	1 Assets	2 Nonadmitted Assets	3 Net Admitted Assets (Cols. 1 - 2)	
1. Bonds	159,111,004		159,111,004	163,955,618
2. Stocks:				
2.1 Preferred stocks	500,000		500,000	1,000,000
2.2 Common stocks	642,025		642,025	525
3. Mortgage loans on real estate:				
3.1 First liens				
3.2 Other than first liens				
4. Real estate:				
4.1 Properties occupied by the company (less \$ 0 encumbrances)				
4.2 Properties held for the production of income (less \$ 0 encumbrances)				
4.3 Properties held for sale (less \$ 0 encumbrances)				
5. Cash (\$ (5,340,917)), cash equivalents (\$ 0), and short-term investments (\$ 22,794,135)	17,453,218		17,453,218	13,105,018
6. Contract loans (including \$ 0 premium notes)				
7. Derivatives				
8. Other invested assets	19,236,848		19,236,848	16,442,291
9. Receivables for securities				
10. Securities lending reinvested collateral assets				
11. Aggregate write-ins for invested assets				
12. Subtotals, cash and invested assets (Lines 1 to 11)	196,943,095		196,943,095	194,503,452
13. Title plants less \$ 0 charged off (for Title insurers only)				
14. Investment income due and accrued	2,022,265		2,022,265	1,575,215
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	2,913,968	104,780	2,809,188	2,447,698
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$ 0 earned but unbilled premiums)	41,811,361		41,811,361	35,700,118
15.3 Accrued retrospective premiums				
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers				2,799
16.2 Funds held by or deposited with reinsured companies				
16.3 Other amounts receivable under reinsurance contracts	67,460		67,460	
17. Amounts receivable relating to uninsured plans				
18.1 Current federal and foreign income tax recoverable and interest thereon				
18.2 Net deferred tax asset	12,835,000		12,835,000	13,737,000
19. Guaranty funds receivable or on deposit				
20. Electronic data processing equipment and software	1,315,639		1,315,639	1,449,632
21. Furniture and equipment, including health care delivery assets (\$ 0)	2,780,839	2,731,952	48,887	7,022
22. Net adjustment in assets and liabilities due to foreign exchange rates				
23. Receivables from parent, subsidiaries and affiliates	286,255		286,255	302,935
24. Health care (\$ 0) and other amounts receivable				
25. Aggregate write-ins for other than invested assets	626,065	626,065		9,027
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	261,601,947	3,462,797	258,139,150	249,734,898
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts				
28. Total (Lines 26 and 27)	261,601,947	3,462,797	258,139,150	249,734,898

DETAILS OF WRITE-IN LINES				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page				
1199. Totals (Lines 1101 through 1103 plus 1198) (Line 11 above)				
2501. Prepaid expenses	625,815	625,815		
2502. Other assets	250	250		9,027
2503.				
2598. Summary of remaining write-ins for Line 25 from overflow page				
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	626,065	626,065		9,027

LIABILITIES, SURPLUS AND OTHER FUNDS

	1	2
	Current Statement Date	December 31, Prior Year
1. Losses (current accident year \$ 43,512,215)	70,732,012	69,241,814
2. Reinsurance payable on paid losses and loss adjustment expenses	458	5,078
3. Loss adjustment expenses	11,148,485	7,691,158
4. Commissions payable, contingent commissions and other similar charges	139,918	147,503
5. Other expenses (excluding taxes, licenses and fees)	7,194,183	5,984,424
6. Taxes, licenses and fees (excluding federal and foreign income taxes)	994,047	1,831,903
7.1. Current federal and foreign income taxes (including \$ 0 on realized capital gains (losses))	71,714	208,932
7.2. Net deferred tax liability		
8. Borrowed money \$ 0 and interest thereon \$ 0		
9. Unearned premiums (after deducting unearned premiums for ceded reinsurance of \$ 0 and including warranty reserves of \$ 0 and accrued accident and health experience rating refunds including \$ 0 for medical loss ratio rebate per the Public Health Service Act)	60,354,732	51,430,801
10. Advance premium		
11. Dividends declared and unpaid:		
11.1. Stockholders		
11.2. Policyholders		
12. Ceded reinsurance premiums payable (net of ceding commissions)		126,700
13. Funds held by company under reinsurance treaties		
14. Amounts withheld or retained by company for account of others		
15. Remittances and items not allocated	14,077	8,088
16. Provision for reinsurance (including \$ 0 certified)		4,814
17. Net adjustments in assets and liabilities due to foreign exchange rates		
18. Drafts outstanding		
19. Payable to parent, subsidiaries and affiliates	1,595,085	2,438,550
20. Derivatives		
21. Payable for securities		
22. Payable for securities lending		
23. Liability for amounts held under uninsured plans		
24. Capital notes \$ 0 and interest thereon \$ 0		
25. Aggregate write-ins for liabilities	8,370	32,072
26. Total liabilities excluding protected cell liabilities (Lines 1 through 25)	152,253,081	139,151,837
27. Protected cell liabilities		
28. Total liabilities (Lines 26 and 27)	152,253,081	139,151,837
29. Aggregate write-ins for special surplus funds		
30. Common capital stock	12,000,000	12,000,000
31. Preferred capital stock		
32. Aggregate write-ins for other than special surplus funds		
33. Surplus notes		
34. Gross paid in and contributed surplus	80,325,157	80,325,157
35. Unassigned funds (surplus)	19,560,912	24,257,904
36. Less treasury stock, at cost:		
36.1. 6,000,000 shares common (value included in Line 30 \$ 6,000,000)	6,000,000	6,000,000
36.2. 0 shares preferred (value included in Line 31 \$ 0)		
37. Surplus as regards policyholders (Lines 29 to 35, less 36)	105,886,069	110,583,061
38. Totals (Page 2, Line 28, Col. 3)	258,139,150	249,734,898

DETAILS OF WRITE-IN LINES		
2501. Unclaimed property	8,370	13,087
2502. Unearned interest		18,985
2503.		
2598. Summary of remaining write-ins for Line 25 from overflow page		
2599. Totals (Lines 2501 through 2503 plus 2598) (Line 25 above)	8,370	32,072
2901.		
2902.		
2903.		
2998. Summary of remaining write-ins for Line 29 from overflow page		
2999. Totals (Lines 2901 through 2903 plus 2998) (Line 29 above)		
3201.		
3202.		
3203.		
3298. Summary of remaining write-ins for Line 32 from overflow page		
3299. Totals (Lines 3201 through 3203 plus 3298) (Line 32 above)		

STATEMENT OF INCOME

	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
UNDERWRITING INCOME			
1. Premiums earned:			
1.1 Direct (written \$ 170,770,765)	161,833,625	145,178,773	195,598,511
1.2 Assumed (written \$ 190,197)	203,407	280,111	360,380
1.3 Ceded (written \$ 410,039)	410,040	504,945	676,700
1.4 Net (written \$ 170,550,923)	161,626,992	144,953,939	195,282,191
DEDUCTIONS:			
2. Losses incurred (current accident year \$ 96,719,791):			
2.1 Direct	89,936,029	79,253,915	107,256,044
2.2 Assumed	(327,245)	(374,629)	(368,868)
2.3 Ceded	(379)	(5,852)	(5,927)
2.4 Net	89,609,163	78,885,138	106,893,103
3. Loss adjustment expenses incurred	24,426,810	21,937,190	28,663,332
4. Other underwriting expenses incurred	44,608,857	39,032,035	52,385,896
5. Aggregate write-ins for underwriting deductions			
6. Total underwriting deductions (Lines 2 through 5)	158,644,830	139,854,363	187,942,331
7. Net income of protected cells			
8. Net underwriting gain (loss) (Line 1 minus Line 6 + Line 7)	2,982,162	5,099,576	7,339,860
INVESTMENT INCOME			
9. Net investment income earned	3,215,015	3,024,095	4,079,452
10. Net realized capital gains (losses) less capital gains tax of \$ 0	86,991	135,516	199,492
11. Net investment gain (loss) (Lines 9 + 10)	3,302,006	3,159,611	4,278,944
OTHER INCOME			
12. Net gain or (loss) from agents' or premium balances charged off (amount recovered \$ 0 amount charged off \$ 0)			
13. Finance and service charges not included in premiums			
14. Aggregate write-ins for miscellaneous income	2,215	1,620	1,664
15. Total other income (Lines 12 through 14)	2,215	1,620	1,664
16. Net income before dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Lines 8 + 11 + 15)	6,286,383	8,260,807	11,620,468
17. Dividends to policyholders			
18. Net income, after dividends to policyholders, after capital gains tax and before all other federal and foreign income taxes (Line 16 minus Line 17)	6,286,383	8,260,807	11,620,468
19. Federal and foreign income taxes incurred	71,714	128,589	208,932
20. Net income (Line 18 minus Line 19) (to Line 22)	6,214,669	8,132,218	11,411,536
CAPITAL AND SURPLUS ACCOUNT			
21. Surplus as regards policyholders, December 31 prior year	110,583,061	102,694,757	102,694,757
22. Net income (from Line 20)	6,214,669	8,132,218	11,411,536
23. Net transfers (to) from Protected Cell accounts			
24. Change in net unrealized capital gains or (losses) less capital gains tax of \$ (12,838)	(37,758)	235,191	593,647
25. Change in net unrealized foreign exchange capital gain (loss)			
26. Change in net deferred income tax	(902,000)		7,568,818
27. Change in nonadmitted assets	(796,717)	(73,320)	(1,466,988)
28. Change in provision for reinsurance	4,814		1,291
29. Change in surplus notes			
30. Surplus (contributed to) withdrawn from protected cells			
31. Cumulative effect of changes in accounting principles			
32. Capital changes:			
32.1 Paid in			
32.2 Transferred from surplus (Stock Dividend)			
32.3 Transferred to surplus			
33. Surplus adjustments:			
33.1 Paid in			
33.2 Transferred to capital (Stock Dividend)			
33.3 Transferred from capital			
34. Net remittances from or (to) Home Office			
35. Dividends to stockholders	(9,180,000)	(8,000,000)	(10,220,000)
36. Change in treasury stock			
37. Aggregate write-ins for gains and losses in surplus			
38. Change in surplus as regards policyholders (Lines 22 through 37)	(4,696,992)	294,089	7,888,304
39. Surplus as regards policyholders, as of statement date (Lines 21 plus 38)	105,886,069	102,988,846	110,583,061

DETAILS OF WRITE-IN LINES			
0501.			
0502.			
0503.			
0598. Summary of remaining write-ins for Line 05 from overflow page			
0599. Totals (Lines 0501 through 0503 plus 0598) (Line 05 above)			
1401. Miscellaneous income (loss)	2,215	1,620	1,664
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page			
1499. Totals (Lines 1401 through 1403 plus 1498) (Line 14 above)	2,215	1,620	1,664
3701.			
3702.			
3703.			
3798. Summary of remaining write-ins for Line 37 from overflow page			
3799. Totals (Lines 3701 through 3703 plus 3798) (Line 37 above)			

CASH FLOW

Cash from Operations	1	2	3
	Current Year To Date	Prior Year To Date	Prior Year Ended December 31
1. Premiums collected net of reinsurance	163,935,912	146,994,225	197,205,898
2. Net investment income	4,731,455	4,635,659	6,699,321
3. Miscellaneous income	2,215	17,515	23,489
4. Total (Lines 1 to 3)	168,669,582	151,647,399	203,928,708
5. Benefit and loss related payments	88,117,901	75,168,024	103,378,814
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts			
7. Commissions, expenses paid and aggregate write-ins for deductions	65,216,907	58,826,175	77,504,738
8. Dividends paid to policyholders			
9. Federal and foreign income taxes paid (recovered) net of \$ 0 tax on capital gains (losses)	208,932	18,811	18,811
10. Total (Lines 5 through 9)	153,543,740	134,013,010	180,902,363
11. Net cash from operations (Line 4 minus Line 10)	15,125,842	17,634,389	23,026,345
Cash from Investments			
12. Proceeds from investments sold, matured or repaid:			
12.1 Bonds	32,525,531	21,299,484	33,920,248
12.2 Stocks	501,989		488,400
12.3 Mortgage loans			
12.4 Real estate			
12.5 Other invested assets	173,767	2,570,404	2,973,190
12.6 Net gains (or losses) on cash, cash equivalents and short-term investments	1,767	1,676	3,837
12.7 Miscellaneous proceeds			
12.8 Total investment proceeds (Lines 12.1 to 12.7)	33,203,054	23,871,564	37,385,675
13. Cost of investments acquired (long-term only):			
13.1 Bonds	30,359,000	26,624,444	45,348,413
13.2 Stocks	850,000		
13.3 Mortgage loans			
13.4 Real estate			
13.5 Other invested assets	1,999,755	9,410,432	11,660,711
13.6 Miscellaneous applications			
13.7 Total investments acquired (Lines 13.1 to 13.6)	33,208,755	36,034,876	57,009,124
14. Net increase (or decrease) in contract loans and premium notes			
15. Net cash from investments (Line 12.8 minus Line 13.7 and Line 14)	(5,701)	(12,163,312)	(19,623,449)
Cash from Financing and Miscellaneous Sources			
16. Cash provided (applied):			
16.1 Surplus notes, capital notes			
16.2 Capital and paid in surplus, less treasury stock			
16.3 Borrowed funds			
16.4 Net deposits on deposit-type contracts and other insurance liabilities			
16.5 Dividends to stockholders	9,180,000	8,000,000	10,220,000
16.6 Other cash provided (applied)	(1,591,941)	750,017	(12,533)
17. Net cash from financing and miscellaneous sources (Line 16.1 through Line 16.4 minus Line 16.5 plus Line 16.6)	(10,771,941)	(7,249,983)	(10,232,533)
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)	4,348,200	(1,778,906)	(6,829,637)
19. Cash, cash equivalents and short-term investments:			
19.1 Beginning of year	13,105,018	19,934,655	19,934,655
19.2 End of period (Line 18 plus Line 19.1)	17,453,218	18,155,749	13,105,018

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

20.0001			
20.0002			
20.0003			

NOTES TO FINANCIAL STATEMENTS

(1) Summary of Significant Accounting Policies

(A) Accounting Practices

The accompanying statutory financial statements of MGA Insurance Company, Inc. (Company) have been prepared on the basis of accounting practices prescribed or permitted by the Texas Department of Insurance. The state of Texas requires insurance companies domiciled in the state of Texas to prepare their statutory financial statements in accordance with the National Association of Insurance Commissioners' (NAIC) *Accounting Practices and Procedures Manual* (NAIC SAP) subject to any deviations prescribed or permitted by the Texas Department of Insurance.

In these statements, the only difference between Texas prescribed practices and NAIC SAP is that Texas regulations allow furniture and equipment to be admitted assets whereas NAIC SAP does not. Reconciliations of net income and policyholders' surplus between amounts presented in the financial statements (Texas basis) and NAIC SAP are as follows:

	9-30-15	12-31-14
<u>Net Income</u>		
(1) Net income, Texas basis	6,214,669	11,411,536
(2) State Prescribed Practices for Furniture and Equipment that increase/(decrease) NAIC SAP	-	-
(3) State Permitted Practices that increase/(decrease) NAIC SAP	-	-
(4) NAIC SAP	6,214,669	11,411,536
<u>Surplus</u>		
(5) Policyholders' surplus, Texas basis	105,886,069	110,583,061
(6) State Prescribed Practices for Furniture and Equipment that increase/(decrease) NAIC SAP	1,364,525	1,456,654
(7) State Permitted Practices that increase/(decrease) NAIC SAP	-	-
(8) NAIC SAP	104,521,544	109,126,407

(B) Use of Estimates

No significant changes

(C) Accounting Policies

(1) through (5) No significant changes

(6) Investment grade loan-backed securities, excluding residential mortgage-backed securities, are stated at amortized cost. The prospective adjustment method is used to value all such securities. In order to value loan-backed securities subject to multiple designations, including residential mortgage-backed securities, the Company followed the procedures established by the NAIC Modeling Process. This two-step process determined the carrying value method and NAIC designation.

(7) through (13) No significant changes

(2) Accounting Changes and Corrections of Errors

No significant changes

(3) Business Combinations and Goodwill

No significant changes

(4) Discontinued Operations

There were no operations that were discontinued in the current or prior year.

(5) Investments

(A) Mortgage Loans

Not applicable

(B) Troubled Debt Restructuring for Debtors

Not applicable

(C) Reverse Mortgages

Not applicable

(D) Loan-Backed Securities

(1) Prepayment assumptions for single class and multi-class mortgage-backed securities were obtained from internal estimates consistent with the current interest rates and economic environment and projections of security dealers available on the Bloomberg information system.

NOTES TO FINANCIAL STATEMENTS

- (2) The following table summarizes by quarter other-than-temporary impairments (OTTI) recorded during the year because the Company had either the intent to sell the securities or the inability or lack of intent to retain as cited in the table:

	Amortized Cost Before OTTI	OTTI Recognized	Fair Value (1-2)
Other Than Temporary Impairment recognized 1 st quarter			
a. Intent to sell			
b. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis			
c. Total 1 st quarter	0	0	0
Other Than Temporary Impairment recognized 2 nd quarter			
d. Intent to sell			
e. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis			
f. Total 2 nd quarter	0	0	0
Other Than Temporary Impairment recognized 3 rd quarter			
g. Intent to sell			
h. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis			
i. Total 3 rd quarter	0	0	0
Other Than Temporary Impairment recognized 4 th quarter			
j. Intent to sell			
k. Inability or lack of intent to retain investment in the security for a period of time sufficient to recover the amortized cost basis			
l. Total 4 th quarter	0	0	0
m. Annual aggregate total	XXXXX	0	XXXXX

- (3) The following table reflects securities with an OTTI recognized in current year earnings based on the fact the present value of cash flows expected to be collected was less than the amortized cost basis of the securities:

CUSIP/ Description	Amortized Cost Before OTTI	Present Value of Projected Cash Flows	OTTI Recognized	Amortized Cost After OTTI	Fair Value at Time of OTTI	Financial Statement Date Reported
Total OTTI			0			

- (4) The following table summarizes gross unrealized investment losses on loan-backed securities based on length of time continuously in these unrealized loss positions as of quarter end:

a. Aggregate amount of unrealized losses:	
1. Less than 12 months	5,495
2. 12 months or longer	255,462
3. Total	260,957
b. Aggregate fair value of securities with unrealized loss:	
1. Less than 12 months	1,131,570
2. 12 months or longer	2,359,585
3. Total	3,491,155

- (5) All loan-backed securities in an unrealized loss position were reviewed to determine whether an OTTI should be recognized. For those securities in an unrealized loss position as of September 30, 2015, the Company has made a decision not to sell any such securities. The Company has evaluated its cash flow requirements and believes that its liquidity is adequate and it will not be required to sell these securities before recovery of their cost basis. The conclusions are supported by a detailed analysis of the underlying credit and projected cash flows on each security. It is possible that the Company could recognize an OTTI in the future on some of the securities held if future events, information and the passage of time cause it to conclude that declines in value are other-than-temporary.

(E) Repurchase Agreements and/or Securities Lending Transactions

(1-2) No significant changes

(3) There were no agreements or transactions involving collateral.

(F) Writedowns for Impairment of Real Estate, Real Estate Sales, Retail Land Sales Operations and Real Estate with Participating Mortgage Loan Features

Not applicable

(G) Low Income Housing Tax Credits

Not applicable

(H) Restricted Assets

No significant changes

(I) Working Capital Finance Investments

Not applicable

(J) Offsetting and Netting of Assets and Liabilities

Not applicable

(6) **Joint Ventures, Partnerships and Limited Liability Companies**

No significant changes

NOTES TO FINANCIAL STATEMENTS

- (7) **Investment Income**
No significant changes
- (8) **Derivative Instruments**
The Company does not own derivative instruments.
- (9) **Income Taxes**
No significant changes
- (10) **Information Concerning Parent, Subsidiaries and Affiliates**
No significant changes
- (11) **Debt**
- (A) Amount, Interest, Maturities, Collateral, Covenants
The Company has no debt outstanding.
- (B) Funding Agreements with Federal Home Loan Bank (FHLB)
The Company has no Federal Home Loan Bank agreements.
- (12) **Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**
- (A) Defined Benefit Plan
The company does not have a defined benefit plan.
- (B through F) No significant changes
- (13) **Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations**
No significant changes
- (14) **Contingencies**
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**
The Company does not have any financial instruments where there is off-balance-sheet-risk of accounting loss due to credit or market risk.
- (17) **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities**
- (A) Transfer of Receivables Reported as Sales
Not applicable
- (B) Transfer and Servicing of Financial Assets
There were no transactions involving the transfer or servicing of financial assets.
- (C) Wash Sales
- (1) In the course of the Company's asset management, securities may be sold and reacquired within thirty days of the sale date to enhance the yield on the investments and to offset realized loss carryforwards for federal income tax purposes.
- (2) There were no wash sale transactions involving unrated securities or securities with an NAIC designation of 3 or below.
- (18) **Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans**
The Company has no such plans.
- (19) **Direct Premium Written / Produced by Managing General Agents / Third Party Administrators**
No significant changes
- (20) **Fair Value Measurement**
- (A) Inputs Used for Assets and Liabilities Measured and Reported at Fair Value
- (1) Items Measured and Reported at Fair Value by Levels 1, 2 and 3
The Company has categorized its assets and liabilities that are measured at fair value into the three-level fair value hierarchy as reflected in the table below. The three-level fair value hierarchy is based on the degree of subjectivity inherent in the valuation method by which fair value was determined. The levels are defined as follows:
- Level 1 – Quoted Prices in Active Markets for Identical Assets and Liabilities:* This category, for items measured at fair value on a recurring basis, includes exchange-traded preferred and common stocks. The estimated fair value of the equity securities within this category are based on quoted prices in active markets.
- Level 2 – Significant Other Observable Inputs:* This category for items measured at fair value on a recurring basis includes bonds, loan-back securities, preferred stocks and common stocks which are not exchange-traded. The estimated fair values of some of these items were determined by independent pricing services using observable inputs. Others were based on quotes from markets which were not considered actively traded.
- Level 3 – Significant Unobservable Inputs:* This category includes valuations based on models where significant inputs are not observable. The unobservable inputs reflect the Company's own estimates as to the assumptions that market participants would use. Investments classified as Level 3 are comprised of securities for which values provided by an independent pricing service or quoted market prices were not used, many of which are not publicly traded or are not actively traded.

NOTES TO FINANCIAL STATEMENTS

Description	Level 1	Level 2	Level 3	Total
Assets at Fair Value				
Bonds				
Issuer obligations	-	5,914,951	-	5,914,951
Residential mortgage-backed	-	1,426,961	-	1,426,961
Common Stock	-	641,500	-	641,500
Total Assets at Fair Value	0	7,983,412	0	7,983,412

All of the Company's Level 1 and Level 2 invested assets held as of September 30, 2015 were priced using either independent pricing services or available market prices to determine fair value. The Company classifies such instruments in active markets as Level 1 and those not in active markets as Level 2. Those for which the independent pricing service value is used are classified as Level 2. At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred between Levels 1 and 2. This policy also applies to transfers into or out of Level 3 as stated in paragraph 3 below. There were no transfers between Levels 1 and 2 during the third quarter of 2015.

(2) Rollforward of Level 3 Items:

Description	Level 3 Balance at 12-31-14	Gains (Losses) Included in Income	Gains (Losses) Included in Surplus	Purchases	Sales	Transfers into Level 3	Transfers out of Level 3	Level 3 Balance at 9-30-15
Assets at Fair Value								
Bonds and asset-backed securities	-	-	-	-	-	-	-	-
Total Assets at Fair Value	0	0	0	0	0	0	0	0

(3) Policy on Transfers Into and Out of Level 3

At the end of each reporting period, the Company evaluates whether or not any event has occurred or circumstances have changed that would cause an instrument to be transferred into or out of Level 3. The above table of Level 3 assets begins with the prior period balance and adjusts the balance for the gains or losses (realized and unrealized) that occurred during the current period. Any new purchases that are identified as Level 3 securities are added, and any sales of securities which were previously identified as Level 3 are subtracted. Next, any securities which were previously identified as Level 1 or Level 2 securities and which are currently identified as Level 3 are added. Finally, securities which were previously identified as Level 3 and which are now designated as Level 1 or as Level 2 are subtracted.

(4) Inputs and Techniques Used for Level 2 and Level 3 Fair Values

Level 2 securities have a fair value derived from a market price estimate provided by an independent pricing service. This generally involves a matrix pricing approach which looks at the characteristics of securities traded in actual market transactions and maps them into categories. If the specific security to be priced has not recently traded, it is also categorized, and the market yield on deemed similar instruments is applied to that issue. For securities backed by mortgage loans, key inputs include the market required loss adjusted yield, and the projected default rate, severity, and voluntary prepayment speed on the underlying collateral.

(5) Derivative Fair Values
Not applicable(B) Other Fair Value Disclosures
Not applicable(C) Fair Values for All Financial Instruments by Levels 1, 2 and 3

The table below reflects the fair values and admitted values of all admitted assets and liabilities that are financial instruments excluding those accounted for under the equity method (subsidiaries, partnerships). The fair values are also categorized into the three-level fair value hierarchy as described above in Note 20(A). The Company does not have any liabilities measured at fair value.

Type of Financial Instrument	Fair Value	Admitted Value	Level 1	Level 2	Level 3	Not Practical (Carrying Value)
Bonds	158,173,627	159,611,004	6,186,057	151,987,570	-	-
Common Stock	641,500	641,500	-	641,500	-	-
Cash, cash equivalents and short-term investments	17,450,321	17,453,218	1,994,659	15,455,662	-	-
Total Assets	176,265,448	177,705,722	8,180,716	168,084,732	0	0

(D) Financial Instruments for Which Not Practical to Estimate Fair Values
Not applicable(21) **Other Items**
Not applicable(22) **Events Subsequent**

There were no events occurring subsequent to the close of the books for this statement that would have a material effect on the financial condition of the Company.

(23) **Reinsurance**

No significant changes

(24) **Retrospectively Rated Contracts and Contracts Subject to Redetermination**

Not applicable

NOTES TO FINANCIAL STATEMENTS

(25) Changes in Incurred Losses and Loss Adjustment Expenses

The estimated cost of loss and loss adjustment expenses attributable to insured events of prior years decreased by \$4,348,410 during the current year as a result of ongoing analysis of recent loss development. Original estimates are increased or decreased as additional information becomes known regarding individual claims.

(26) Intercompany Pooling Arrangements

Not applicable

(27) Structured Settlements

The Company has not entered into any structured settlements.

(28) Health Care Receivables

Not applicable

(29) Participating Policies

Not applicable

(30) Premium Deficiency Reserves

On November 4, 2015, the Company evaluated the need to record a premium deficiency reserve and determined no reserve is necessary.

(31) High Deductibles

The Company does not write high deductible coverages.

(32) Discounting of Liabilities for Unpaid Losses and Unpaid Loss Adjustment Expenses

The Company does not discount liabilities for unpaid losses or unpaid loss adjustment expenses.

(33) Asbestos / Environmental Reserves

Not applicable

(34) Subscriber Savings Accounts

Not applicable

(35) Multiple Peril Crop Insurance

Not applicable

(36) Financial Guaranty Insurance

(A) The Company does not write financial guaranty insurance.

(B) The Company does not have insured financial obligations.

GENERAL INTERROGATORIES

PART 1 – COMMON INTERROGATORIES

GENERAL

1.1 Did the reporting entity experience any material transactions requiring the filing of Disclosure of Material Transactions with the State of Domicile, as required by the Model Act? Yes [] No [X]

1.2 If yes, has the report been filed with the domiciliary state? Yes [] No []

2.1 Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity? Yes [] No [X]

2.2 If yes, date of change: _____

3.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer? Yes [X] No []

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

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

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

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

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

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

5. If the reporting entity is subject to a management agreement, including third-party administrator(s), managing general agent(s), attorney-in-fact, or similar agreement, have there been any significant changes regarding the terms of the agreement or principals involved? Yes [] No [X] N/A []
 If yes, attach an explanation.

6.1 State as of what date the latest financial examination of the reporting entity was made or is being made. _____ 12/31/2013 _____

6.2 State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released. _____ 12/31/2013 _____

6.3 State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date). _____ 10/16/2014 _____

6.4 By what department or departments?
 Texas 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 [] N/A [X]

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

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

GENERAL INTERROGATORIES

7.2 If yes, give full information

.....

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

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

.....

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

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

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

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

- (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;
- (b) Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;
- (c) Compliance with applicable governmental laws, rules, and regulations;
- (d) The prompt internal reporting of violations to an appropriate person or persons identified in the code; and
- (e) Accountability for adherence to the code.

Yes [X] No []

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

.....

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

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

.....

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

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

.....

FINANCIAL

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

GENERAL INTERROGATORIES

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

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	\$ <u>525</u>	\$ <u>525</u>
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)	\$ <u>525</u>	\$ <u>525</u>
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

15.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state?
If no, attach a description with this statement. Yes No

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

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

17. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes 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
Wells Fargo Bank, N.A. attn. Institutional Trust - Risk Management	Northstar East - 5th Floor MAC N9032-054 608 2nd Avenue South, Minneapolis, MN 55479

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

GENERAL INTERROGATORIES

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

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

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

1 Central Registration Depository	2 Name(s)	3 Address
.....

18.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation 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?
If yes, attach an explanation. Yes [] No [] N/A [X]

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

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

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

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

4.2 If yes, complete the following schedule:

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

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

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

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

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

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

SCHEDULE T - EXHIBIT OF PREMIUMS WRITTEN
Current Year To Date - Allocated by States and Territories

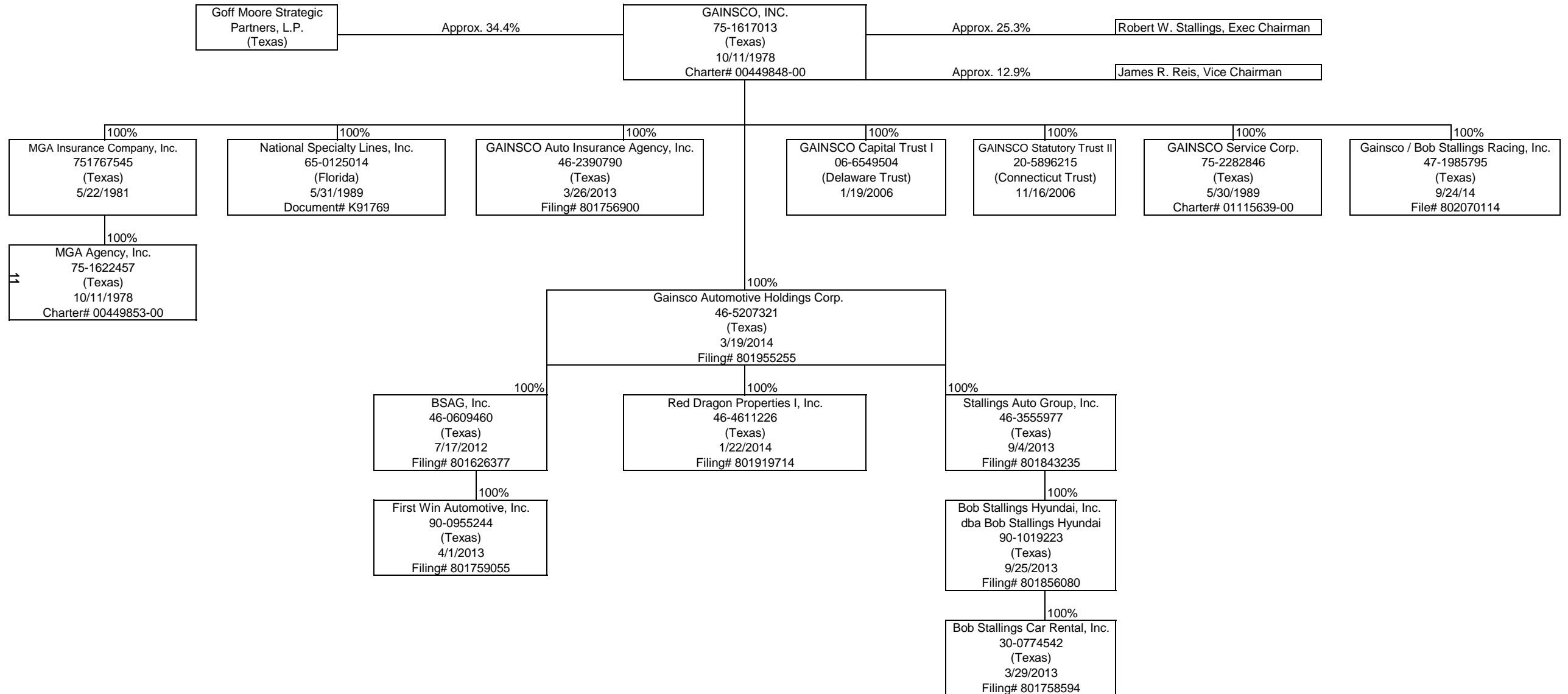
States, Etc.	1	Direct Premiums Written		Direct Losses Paid (Deducting Salvage)		Direct Losses Unpaid		
		Active Status	2 Current Year to Date	3 Prior Year to Date	4 Current Year to Date	5 Prior Year to Date	6 Current Year to Date	7 Prior Year to Date
1. Alabama	AL	L						
2. Alaska	AK	N						
3. Arizona	AZ	L	12,975,353	10,581,255	6,486,684	6,054,901	5,200,358	5,423,090
4. Arkansas	AR	L						
5. California	CA	L	23,718	39,582	7,075	127,584	48,450	83,085
6. Colorado	CO	N						
7. Connecticut	CT	N						
8. Delaware	DE	L						
9. District of Columbia	DC	L						
10. Florida	FL	L	45,723,666	49,744,344	23,636,958	30,016,780	17,245,428	27,159,829
11. Georgia	GA	L	8,531,950	5,335,510	4,314,642	2,858,375	4,005,196	2,424,434
12. Hawaii	HI	N						
13. Idaho	ID	L						
14. Illinois	IL	L						
15. Indiana	IN	L						
16. Iowa	IA	L						
17. Kansas	KS	L						
18. Kentucky	KY	N						
19. Louisiana	LA	L						
20. Maine	ME	N						
21. Maryland	MD	L						
22. Massachusetts	MA	N						
23. Michigan	MI	N						
24. Minnesota	MN	N						
25. Mississippi	MS	L						
26. Missouri	MO	L						
27. Montana	MT	L						
28. Nebraska	NE	L						
29. Nevada	NV	L	(159)	537		5,000		(24,000)
30. New Hampshire	NH	N						
31. New Jersey	NJ	N						
32. New Mexico	NM	L	5,995,777	6,648,332	3,424,815	3,427,247	4,489,506	4,320,131
33. New York	NY	N						
34. North Carolina	NC	L						
35. North Dakota	ND	N						
36. Ohio	OH	L						
37. Oklahoma	OK	L	2,655,884	2,227,681	1,282,822	903,555	1,379,492	991,509
38. Oregon	OR	L						
39. Pennsylvania	PA	L						
40. Rhode Island	RI	N						
41. South Carolina	SC	L	15,710,979	10,341,488	6,367,574	4,699,594	7,745,125	5,398,766
42. South Dakota	SD	N						
43. Tennessee	TN	L	996,827		13,357		93,000	
44. Texas	TX	L	71,230,567	63,211,885	39,517,046	25,746,089	27,179,401	31,784,439
45. Utah	UT	L						
46. Vermont	VT	N						
47. Virginia	VA	L	6,926,203	4,080,902	3,031,165	1,005,027	3,224,633	1,692,632
48. Washington	WA	L						
49. West Virginia	WV	L						
50. Wisconsin	WI	N						
51. Wyoming	WY	L						
52. American Samoa	AS	N						
53. Guam	GU	N						
54. Puerto Rico	PR	N						
55. U.S. Virgin Islands	VI	N						
56. Northern Mariana Islands	MP	N						
57. Canada	CAN	N						
58. Aggregate Other Alien	OT	X X X						
59. Totals	(a) 34		170,770,765	152,211,516	88,082,138	74,844,152	70,610,589	79,253,915

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

(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



SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Group Code	Group Name	NAIC Company Code	ID Number	Federal RSSD	CIK	Name of Securities Exchange if Publicly Traded (U.S. or International)	Names of Parent, Subsidiaries Or Affiliates	Domiciliary Location	Relationship to Reporting Entity	Directly Controlled by (Name of Entity / Person)	Type of Control (Ownership, Board, Management, Attorney-in-Fact, Influence, Other)	If Control is Ownership Provide Percentage	Ultimate Controlling Entity(ies)/Person(s)	*
		00000	75-1617013		786344	OTC Pink	GAINSCO, INC.	TX	UDP	See Organizational Chart	Ownership		See Organizational Chart	1
		00000	75-2282846				GAINSCO Service Corp.	TX	NIA	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0
		40150	75-1767545				MGA Insurance Company, Inc.	TX		GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0
		00000	75-1622457				MGA Agency, Inc.	TX	DS	MGA Insurance Company, Inc.	Ownership	100.0	GAINSCO, INC.	0
		00000	06-6549504				GAINSCO Capital Trust I	DE	OTH	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	2
		00000	20-5896215				GAINSCO Statutory Trust II	CT	OTH	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	2
		00000	65-0125014				National Specialty Lines, Inc.	FL	NIA	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0
		00000	46-0609460				BSAG, Inc.	TX	NIA	Gainsco Automotive Holdings Corp.	Ownership	100.0	GAINSCO, INC.	0
		00000	46-2390790				GAINSCO Auto Insurance Agency, Inc.	TX	NIA	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0
		00000	46-3555977				Stallings Auto Group, Inc.	TX	NIA	Gainsco Automotive Holdings Corp.	Ownership	100.0	GAINSCO, INC.	0
		00000	30-0774542				Bob Stallings Car Rental, Inc.	TX	NIA	Bob Stallings Hyundai, Inc dba Bob Stallings Hyundai	Ownership	100.0	GAINSCO, INC.	0
		00000	90-0955244				First Win Automotive, Inc.	TX	NIA	BSAG, Inc.	Ownership	100.0	GAINSCO, INC.	0
		00000	90-1019223				Bob Stallings Hyundai, Inc. dba Bob Stallings Hyundai	TX	NIA	Stallings Auto Group, Inc.	Ownership	100.0	GAINSCO, INC.	0
		00000	46-4611226				Red Dragon Properties I, Inc.	TX	NIA	Gainsco Automotive Holdings Corp.	Ownership	100.0	GAINSCO, INC.	0
		00000	46-5207321				Gainsco Automotive Holdings Corp.	TX	NIA	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0
		00000	47-1985795				Gainsco / Bob Stallings Racing, Inc.	TX	NIA	GAINSCO, INC.	Ownership	100.0	GAINSCO, INC.	0

SCHEDULE Y

PART 1A - DETAIL OF INSURANCE HOLDING COMPANY SYSTEM

Asterik	Explanation
1	Goff Moore Strategic Partners, LP and John Goff own approximately 33.8% of the outstanding stock of GAINSCO, INC., Robert W. Stallings owns approximately 23.9% of the outstanding stock of GAINSCO, INC. and James R. Reis owns approximately 12.2% of the outstanding stock of GAINSCO, INC.
0	
2	Grantor Trust

PART 1 – LOSS EXPERIENCE

Lines of Business	Current Year to Date			4 Prior Year to Date Direct Loss Percentage
	1 Direct Premiums Earned	2 Direct Losses Incurred	3 Direct Loss Percentage	
1. Fire				
2. Allied lines				
3. Farmowners multiple peril				
4. Homeowners multiple peril				
5. Commercial multiple peril				
6. Mortgage guaranty				
8. Ocean marine				
9. Inland marine				
10. Financial guaranty				
11.1 Medical professional liability-occurrence				
11.2 Medical professional liability-claims made				
12. Earthquake				
13. Group accident and health				
14. Credit accident and health				
15. Other accident and health				
16. Workers' compensation				
17.1 Other liability-occurrence		(84)		
17.2 Other liability-claims made				
17.3 Excess Workers' Compensation				
18.1 Products liability-occurrence				
18.2 Products liability-claims made				
19.1, 19.2 Private passenger auto liability	120,750,963	66,843,016	55.4	57.6
19.3, 19.4 Commercial auto liability				
21. Auto physical damage	41,082,662	23,093,097	56.2	44.6
22. Aircraft (all perils)				
23. Fidelity				
24. Surety				
26. Burglary and theft				
27. Boiler and machinery				
28. Credit				
29. International				
30. Warranty				
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business				
35. TOTALS	161,833,625	89,936,029	55.6	54.6

DETAILS OF WRITE-INS				
3401.				
3402.				
3403.				
3498. Summary of remaining write-ins for Line 34 from overflow page				
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)				

PART 2 – DIRECT PREMIUMS WRITTEN

	1 Current Quarter	2 Current Year to Date	3 Prior Year Year to Date
1. Fire			
2. Allied lines			
3. Farmowners multiple peril			
4. Homeowners multiple peril			
5. Commercial multiple peril			
6. Mortgage guaranty			
8. Ocean marine			
9. Inland marine			
10. Financial guaranty			
11.1 Medical professional liability-occurrence			
11.2 Medical professional liability-claims made			
12. Earthquake			
13. Group accident and health			
14. Credit accident and health			
15. Other accident and health			
16. Workers' compensation			
17.1 Other liability-occurrence			
17.2 Other liability-claims made			
17.3 Excess Workers' Compensation			
18.1 Products liability-occurrence			
18.2 Products liability-claims made			
19.1, 19.2 Private passenger auto liability	43,997,011	126,560,261	115,924,935
19.3, 19.4 Commercial auto liability			
21. Auto physical damage	15,816,039	44,210,504	36,286,581
22. Aircraft (all perils)			
23. Fidelity			
24. Surety			
26. Burglary and theft			
27. Boiler and machinery			
28. Credit			
29. International			
30. Warranty			
31. Reinsurance-Nonproportional Assumed Property	XXX	XXX	XXX
32. Reinsurance-Nonproportional Assumed Liability	XXX	XXX	XXX
33. Reinsurance-Nonproportional Assumed Financial Lines	XXX	XXX	XXX
34. Aggregate write-ins for other lines of business			
35. TOTALS	59,813,050	170,770,765	152,211,516

DETAILS OF WRITE-INS			
3401.			
3402.			
3403.			
3498. Summary of remaining write-ins for Line 34 from overflow page			
3499. Totals (Lines 3401 through 3403 plus 3498) (Line 34)			

PART 3 (000 omitted)

LOSS AND LOSS ADJUSTMENT EXPENSE RESERVES SCHEDULE

	1	2	3	4	5	6	7	8	9	10	11	12	13
Years in Which Losses Occurred	Prior Year-End Known Case Loss and LAE Reserves	Prior Year-End IBNR Loss and LAE Reserves	Total Prior Year-End Loss and LAE Reserves (Cols. 1 + 2)	2015 Loss and LAE Payments on Claims Reported as of Prior Year-End	2015 Loss and LAE Payments on Claims Unreported as of Prior Year-End	Total 2015 Loss and LAE Payments (Cols 4 + 5)	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported and Open as of Prior Year-End	Q.S. Date Known Case Loss and LAE Reserves on Claims Reported or Reopened Subsequent to Prior Year-End	Q.S. Date IBNR Loss & LAE Reserves	Total Q.S. Loss and LAE Reserves (Cols 7 + 8 + 9)	Prior Year-End Known Case Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 4 + 7 - 1)	Prior Year-End IBNR Loss and LAE Reserves Developed (Savings)/Deficiency (Cols. 5 + 8 + 9 - 2)	Prior Year-End Total Loss and LAE Reserve Developed (Savings)/Deficiency (Cols. 11 + 12)
1. 2012 + prior	7,379	7,966	15,345	7,599	24	7,623	3,520	8	2,975	6,503	3,740	(4,959)	(1,219)
2. 2013	7,672	5,998	13,670	6,171	125	6,296	3,997	83	2,207	6,287	2,496	(3,583)	(1,087)
3. Subtotals 2013 + prior	15,051	13,964	29,015	13,770	149	13,919	7,517	91	5,182	12,790	6,236	(8,542)	(2,306)
4. 2014	26,109	21,809	47,918	25,306	1,987	27,293	10,210	621	7,751	18,582	9,407	(11,450)	(2,043)
5. Subtotals 2014 + prior	41,160	35,773	76,933	39,076	2,136	41,212	17,727	712	12,933	31,372	15,643	(19,992)	(4,349)
6. 2015	X X X	X X X	X X X	X X X	67,877	67,877	X X X	26,289	24,219	50,508	X X X	X X X	X X X
7. Totals	41,160	35,773	76,933	39,076	70,013	109,089	17,727	27,001	37,152	81,880	15,643	(19,992)	(4,349)

8. Prior Year-End Surplus As Regards Policyholders

110,583

Col. 11, Line 7	Col. 12, Line 7	Col. 13, Line 7
As % of Col. 1,	As % of Col. 2,	As % of Col. 3,
Line 7	Line 7	Line 7
1. <u>38.005</u>	2. <u>-55.886</u>	3. <u>-5.653</u>
		Col. 13, Line 7
		Line 8
		4. <u>-3.933</u>

SUPPLEMENTAL EXHIBITS AND SCHEDULES INTERROGATORIES

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

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

Explanation:

Bar Code:



40150201549000030



40150201545500030



40150201536500030



40150201550500030

OVERFLOW PAGE FOR WRITE-INS

SCHEDULE A - VERIFICATION**Real Estate**

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

SCHEDULE B - VERIFICATION**Mortgage Loans**

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

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

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	16,442,291	7,515,124
2. Cost of acquired:		
2.1 Actual cost at time of acquisition		2,033,868
2.2 Additional investment made after acquisition	1,999,755	9,626,843
3. Capitalized deferred interest and other		(124,974)
4. Accrual of discount		
5. Unrealized valuation increase (decrease)	968,569	239,646
6. Total gain (loss) on disposals		
7. Deduct amounts received on disposals	173,767	2,848,216
8. Deduct amortization of premium and depreciation		
9. Total foreign exchange change in book/adjusted carrying value		
10. Deduct current year's other than temporary impairment recognized		
11. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 + 6 - 7 - 8 + 9 - 10)	19,236,848	16,442,291
12. Deduct total nonadmitted amounts		
13. Statement value at end of current period (Line 11 minus Line 12)	19,236,848	16,442,291

SCHEDULE D - VERIFICATION**Bonds and Stocks**

	1 Year To Date	2 Prior Year Ended December 31
1. Book/adjusted carrying value of bonds and stocks, December 31 of prior year	164,956,141	155,875,515
2. Cost of bonds and stocks acquired	31,209,000	45,348,413
3. Accrual of discount	22,349	(19,003)
4. Unrealized valuation increase (decrease)	(1,006,328)	659,819
5. Total gain (loss) on disposals	85,224	202,432
6. Deduct consideration for bonds and stocks disposed of	33,027,518	34,408,648
7. Deduct amortization of premium	1,985,839	2,695,610
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		6,777
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	160,253,029	164,956,141
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	160,253,029	164,956,141

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)	51,624,558	12,628,785	10,026,625	(129,681)	50,623,143	51,624,558	54,097,037	50,509,227
2. NAIC 2 (a)	121,034,744	10,415,530	11,623,393	(571,733)	120,515,271	121,034,744	119,255,148	122,901,630
3. NAIC 3 (a)	5,443,555			(222,560)	6,644,674	5,443,555	5,220,995	5,684,560
4. NAIC 4 (a)	1,475,300		52,184	3,844	1,546,618	1,475,300	1,426,960	1,578,860
5. NAIC 5 (a)		2,407,500		(502,500)			1,905,000	836,585
6. NAIC 6 (a)								
7. Total Bonds	179,578,157	25,451,815	21,702,202	(1,422,630)	179,329,706	179,578,157	181,905,140	181,510,862
PREFERRED STOCK								
8. NAIC 1								
9. NAIC 2	500,000				500,000	500,000	500,000	1,000,000
10. NAIC 3								
11. NAIC 4								
12. NAIC 5								
13. NAIC 6								
14. Total Preferred Stock	500,000				500,000	500,000	500,000	1,000,000
15. Total Bonds & Preferred Stock	180,078,157	25,451,815	21,702,202	(1,422,630)	179,829,706	180,078,157	182,405,140	182,510,862

(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 \$ 8,338,329; NAIC 2 \$ 14,455,806; NAIC 3 \$ 0; NAIC 4 \$ 0; NAIC 5 \$ 0; NAIC 6 \$ 0

SCHEDULE DA - PART 1

Short-Term Investments

	1	2	3	4	5
	Book/Adjusted Carrying Value	Par Value	Actual Cost	Interest Collected Year To Date	Paid for Accrued Interest Year To Date
9199999	22,794,135	X X X	22,997,817	181,643	56,067

SCHEDULE DA - VERIFICATION

Short-Term Investments

	1	2
	Year To Date	Prior Year Ended December 31
1. Book/adjusted carrying value, December 31 of prior year	17,555,245	24,001,802
2. Cost of short-term investments acquired	28,556,817	33,060,576
3. Accrual of discount	75	
4. Unrealized valuation increase (decrease)		
5. Total gain (loss) on disposals	1,768	3,837
6. Deduct consideration received on disposals	23,007,202	38,934,670
7. Deduct amortization of premium	312,568	576,300
8. Total foreign exchange change in book/adjusted carrying value		
9. Deduct current year's other than temporary impairment recognized		
10. Book/adjusted carrying value at end of current period (Lines 1 + 2 + 3 + 4 + 5 - 6 - 7 + 8 - 9)	22,794,135	17,555,245
11. Deduct total nonadmitted amounts		
12. Statement value at end of current period (Line 10 minus Line 11)	22,794,135	17,555,245

NONE Schedule DB - Part A and B Verification

NONE Schedule DB - Part C - Section 1

NONE Schedule DB - Part C - Section 2

NONE Schedule DB - Verification

NONE Schedule E Verification

NONE Schedule A - Part 2 and 3

NONE Schedule B - Part 2 and 3

SCHEDULE BA - PART 2

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

1 CUSIP Ident- ification	2 Name or Description	Location		5 Name of Vendor or General Partner	6 NAIC Desig- nation	7 Date Originally Acquired	8 Type and Strategy	9 Actual Cost at Time of Acquisition	10 Additional Investment Made After Acquisition	11 Amount of Encumbrances	12 Commitment for Additional Investment	13 Percentage of Ownership
		3 City	4 State									
	CapitalSpring Direct Lending Partners	New York	NY	CSDLP General Partner, LLC		05/16/2013			250,296		141,726	1.440
2199999	Other - Joint Venture, Partnership or Limited Liability Interests - Unaffiliated											
									250,296		141,726	X X X
4499999	Subtotal Unaffiliated											
									250,296		141,726	X X X
4699999	Totals											
									250,296		141,726	X X X

EO3

SCHEDULE BA - PART 3

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

1 CUSIP Ident- ification	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.						
	CapitalSpring Direct Lending Par	New York	NY	Return of capital	12/27/2012	08/24/2015	1,478,361							2,848	2,848				
	Fortress Worldwide Transportati	New York	NY	Return of capital	12/27/2012	09/03/2015	3,854,226							45,079	45,079				
2199999	Other - Joint Venture/Partnership Interests - Unaffiliated																		
							5,332,587							47,927	47,927				
4499999	Total Unaffiliated																		
							5,332,587							47,927	47,927				
4699999	Totals																		
							5,332,587							47,927	47,927				

SCHEDULE D - PART 3

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

1 CUSIP Ident- ification	2 Description	3 Foreign	4 Date Acquired	5 Name of Vendor	6 Number of Shares of Stock	7 Actual Cost	8 Par Value	9 Paid for Accrued Interest and Dividends	10 NAIC Designation or Market Indicator (a)
023135-AL-0	Amazon Com Inc		07/13/2015	Wells Fargo Bank		1,007,470	1,000,000.00	2,961	1FE
12189T-BC-7	Burlington Northn Santa Fe Corp		09/09/2015	Southwest Securities		1,096,290	1,000,000.00	21,281	1FE
130789-AE-0	California Wtr Svc Co		09/23/2015	Southwest Securities		1,133,630	1,000,000.00	23,990	1FE
15189T-AQ-0	Centerpoint Energy Inc		08/06/2015	Southwest Securities		1,118,600	1,000,000.00	18,056	2FE
235851-AH-5	Danaher Corp		07/15/2015	First Southwest		1,116,040	1,000,000.00	20,850	1FE
278642-AH-6	Ebay Inc		09/10/2015	Southwest Securities		984,520	1,000,000.00	2,689	2FE
36729W-AA-1	Gastar Exploration Inc		09/03/2015	Jefferies LLC		740,000	1,000,000.00	27,313	5FE
445658-CC-9	Hunt J B Trans Svcs Inc		09/14/2015	Southwest Securities		1,007,760	1,000,000.00	133	2FE
65473Q-AT-0	Nisource Fin Corp		08/04/2015	Wells Fargo Bank		1,147,240	1,000,000.00	4,156	2FE
751212-AA-9	Ralph Lauren Corp		08/14/2015	Southwest Securities		1,010,100	1,000,000.00	8,441	1FE
76116A-AB-4	Resolute Energy Corp		07/30/2015	Jefferies LLC		1,667,500	3,000,000.00	60,208	5FE
761713-BJ-4	Reynolds American Inc		07/15/2015	Wells Fargo Bank		1,000,000	1,000,000.00		2FE
790849-AL-7	St Jude Med Inc		09/15/2015	Southwest Securities		999,310	1,000,000.00		1FE
92343V-AV-6	Verizon Communications Inc		09/11/2015	First Southwest		1,139,560	1,000,000.00	29,104	2FE
3899999	Total Bonds Industrial and Miscellaneous (Unaffiliated)				X X X	15,168,020	16,000,000.00	219,182	X X X
8399997	Total Bonds Part 3				X X X	15,168,020	16,000,000.00	219,182	X X X
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	15,168,020	16,000,000.00	219,182	X X X
9999999	Totals				X X X	15,168,020	X X X	219,182	X X X

E04

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

SCHEDULE D - PART 4

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

1 CUSIP Ident- ification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consid- eration	8 Par Value	9 Actual Cost	10 Prior Year Book/ Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/ Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/ Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Desig- nation or Market Indicator (a)	
										11 Unrealized Valuation Increase/ (Decrease)	12 Current Year's (Amort- ization)/ Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.								
3134G6-F5-7 3133XP-JJ-4	Federal Home Loan Motg Corp FHLB 00-1239		08/28/2015 08/20/2015	CALLED @ 100.000000 PRINCIPAL RECEIPT		1,650,000 43,967	1,650,000.00 43,966.51	1,650,000 46,495	44,186		(219)		(219)		1,650,000 43,967				6,188 1,440	11/28/2018 08/20/2015	1 1	
0599999	Total - Bonds - U.S. Governments				X X X	1,693,967	1,693,966.51	1,696,495	44,186		(219)		(219)		1,693,967				7,628	X X X	X X X	
041841-BC-0 31396Q-WZ-8 3137AE-LS-2 31339M-SK-5 31396Y-SC-7 3137A9-PB-6	Arlington TX Special Fannie Mae-FNR 2009-63 LD FHLMC Series 3910 FHR 2399 PG FNR 2008-17 UF Freddie Mac-FHR 3842 BY		08/17/2015 09/25/2015 09/15/2015 09/15/2015 09/25/2015 09/15/2015	MATURITY PRINCIPAL RECEIPT PRINCIPAL RECEIPT PRINCIPAL RECEIPT PRINCIPAL RECEIPT PRINCIPAL RECEIPT		500,000 22,418 80,498 15,056 10,767 18,692	500,000.00 22,418.35 80,498.50 15,055.74 10,766.54 18,691.96	500,000 23,392 81,454 16,185 10,760 19,659	500,000 22,595 81,309 15,453 10,759 19,123		(176) (810) (398) 8 (431)		(176) (810) (398) 8 (431)		500,000 22,418 80,498 15,056 10,767 18,692				23,900 872 944 566 62 462	08/15/2015 02/25/2039 12/15/2037 01/15/2017 03/25/2038 08/15/2024	1FE 1 1 1 1 1	
3199999	U.S. Total - Bonds - Special Revenue and Special Assessment Non-Guaranteed Obl				X X X	647,431	647,431.09	651,450	649,239		(1,807)		(1,807)		647,431				26,806	X X X	X X X	
009363-AJ-1 1730T0-KF-5 205363-AM-6 459284-AA-3 500255-AP-9 544152-AF-8 61745E-5C-1 74922S-AA-6 75114T-AC-5 75115D-AF-2 855244-AC-3 871503-AG-3 92553P-AF-9 988498-AE-1	Airgas Inc Citigroup Funding Inc. Computer Sciences Corp International CocaCola Enterprises Kohl's Corporation Lorillard Tobacco Co Morgan Stanley RALI 2006-QS-17 RALI 2006-QS5 RALI Ser 2006-QS13 Starbucks Corp Symantec Corp Viacom Inc New YUM! Brands Inc		09/14/2015 09/14/2015 09/15/2015 09/15/2015 07/14/2015 07/16/2015 08/27/2015 09/25/2015 09/25/2015 09/25/2015 07/01/2015 09/15/2015 09/15/2015 09/15/2015	CALLLED @ 100.000000 MATURITY MATURITY MATURITY Wells Fargo Bank Wells Fargo Bank MATURITY PRINCIPAL RECEIPT PRINCIPAL RECEIPT PRINCIPAL RECEIPT CALLED @ 110.936300 MATURITY MATURITY MATURITY		1,000,000 1,000,000 500,000 1,000,000 1,120,340 1,000,000 1,000,000 8,573 19,787 32,397 1,109,363 1,000,000 1,000,000 1,000,000	1,000,000.00 1,000,000.00 500,000.00 1,000,000.00 1,000,000.00 1,000,000.00 1,000,000.00 20,026.78 30,122.50 44,346.42 1,000,000.00 1,000,000.00 1,000,000.00 1,000,000.00 1,000,000.00	1,027,660 1,000,000 512,505 1,030,830 1,221,790 1,019,080 1,000,000 16,183 26,317 38,425 1,167,170 1,038,310 1,078,920 1,087,870	1,017,816 1,000,000 505,217 1,009,150 1,126,749 1,010,714 1,000,000 16,175 25,265 35,394 1,123,274 1,007,795 1,022,931 1,019,876		(17,816) (5,217) (9,150) (22,482) (2,156) (7,602) (6,509) (5,981) (23,145) (7,795) (22,931) (19,876)		(17,816) (5,217) (9,150) (22,482) (2,156) (7,602) (5,478) (2,997) (23,145) (7,795) (22,931) (19,876)		1,000,000 1,000,000 500,000 1,000,000 1,104,267 1,008,558 1,000,000 8,573 19,787 32,397 1,100,129 1,000,000 1,000,000 1,000,000			16,073 (8,558)	16,073 (8,558)	30,965 9,563 12,500 21,250 36,806 14,000 11,515 66 1,131 1,643 54,861 27,500 42,500 42,500	10/01/2015 09/14/2015 09/15/2015 09/15/2015 12/15/2017 08/21/2017 08/27/2015 12/25/2036 05/25/2036 09/25/2036 08/15/2017 09/15/2015 09/15/2015 09/15/2015	2FE 1FE 2FE 2FE 2FE 2FE 1FE 1FM 4FM 4FM 1FE 2FE 2FE 2FE
3899999	Total - Bonds - Industrial and Miscellaneous (Unaffiliated)				X X X	10,790,460	10,594,495.70	11,265,060	10,920,356	4,015	(150,660)		(146,645)		10,773,711		16,749	16,749	306,800	X X X	X X X	
48248A-50-4	KKR Financial Holdings		07/15/2015	Southwest Securities		10,680	10,000.00	10,588	10,572		(4)		(4)		10,568		113	113	375	03/20/2042	2FE	
4899999	Total - Bonds - Hybrid Securities				X X X	10,680	10,000.00	10,588	10,572		(4)		(4)		10,568		113	113	375	X X X	X X X	
8399997	Total - Bonds - Part 4				X X X	13,142,538	12,945,893.30	13,623,593	11,624,353	4,015	(152,690)		(148,675)		13,125,677		16,862	16,862	341,609	X X X	X X X	

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

SCHEDULE D - PART 4

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

1 CUSIP Identification	2 Description	3 F o r e i g n	4 Disposal Date	5 Name of Purchaser	6 Number of Shares of Stock	7 Consideration	8 Par Value	9 Actual Cost	10 Prior Year Book/Adjusted Carrying Value	Change in Book/Adjusted Carrying Value					16 Book/Adjusted Carrying Value at Disposal Date	17 Foreign Exchange Gain (Loss) on Disposal	18 Realized Gain (Loss) on Disposal	19 Total Gain (Loss) on Disposal	20 Bond Interest/Stock Dividends Received During Year	21 Stated Contractual Maturity Date	22 NAIC Designation or Market Indicator (a)
										11 Unrealized Valuation Increase/(Decrease)	12 Current Year's (Amortization)/Accretion	13 Current Year's Other Than Temporary Impairment Recognized	14 Total Change in B./A.C.V. (11+12-13)	15 Total Foreign Exchange Change in B./A.C.V.							
8399998	Summary Item from Part 5 for Bonds				X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X	X X X
8399999	Total Bonds				X X X	13,142,538	12,945,893.30	13,623,593	11,624,353	4,015	(152,690)		(148,675)		13,125,677		16,862	16,862	341,609	X X X	X X X
9999999	Totals					13,142,538	X X X	13,623,593	11,624,353	4,015	(152,690)		(148,675)		13,125,677		16,862	16,862	341,609	X X X	X X X

E05.1

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

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

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

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

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

NONE **Schedule DL - Part 1**

NONE **Schedule DL - Part 2**

NONE Schedule E - Part 2