

**Dhandho Holdings Corp.
and Subsidiaries
Consolidated Balance Sheets**

ASSETS	Quarter Ended March 31, 2016 (Unaudited)
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Investments:	
Bonds - available-for-sale, at fair value	\$ 45,741,050
Preferred stocks - available-for-sale, at fair value	8,999,950
Common stocks - available-for-sale, at fair value	44,976,916
Cash and short term investments	12,864,734
Investment income due and accrued	575,771
Premiums receivable	22,103,609
Reinsurance receivables and recoverables	2,539,291
Deferred tax asset	2,774,787
Property and equipment, net	7,960,491
Income taxes receivable	1,913,511
Deferred policy acquisition costs	1,837,615
Other assets	1,412,683
	153,700,408
<i>Dhandho Holdings Corp.:</i>	
Investments in common stocks, available-for-sale, at fair value	36,863,956
Investments in bonds, available-for-sale, at fair value	365,730
Cash and short-term investments	21,839,023
Other investments	2,100,000
Other Receivables	18,469
Deferred Tax Asset	737,465
DTA Valuation Allowance	(614,459)
Property and equipment, net	21,561
Deposits	9,172
Intangible Assets	7,650,286
	68,991,203
<i>Dhandho India Private Limited:</i>	
Cash and short-term investments	114,489
Property and equipment, net	85,829
Deposits	6,030
Prepaid Expenses	6,095
	212,443
<i>CoverageHQ Agency LLC:</i>	
Cash and short-term investments	22,227
Property and equipment, net	20,435
Deposits	713
	43,375
<i>CoverageHQ Holdings LLC:</i>	
Investments in common stocks, available-for-sale, at fair value	6,004,737
Cash and short-term investments	200,011
	6,204,748
<i>Dhandho Funds LLC:</i>	
Cash and short-term investments	40,561
Property and equipment, net	51,484
	92,045
Total assets	\$ 229,244,222

**Dhandho Holdings Corp.
and Subsidiaries
Consolidated Balance Sheets**

	Quarter Ended March 31, 2016 (Unaudited)
LIABILITIES AND CAPITAL	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Losses and loss adjustment expenses payable	\$ 65,059,179
Commissions payable	1,129,708
Taxes, licenses and fees, excluding federal income taxes	4,842,428
Unearned premiums	25,849,203
Advance premiums	352,077
Remittances and items not allocated	50,559
Security deposits	1,950,874
Surplus note	4,000,000
Mortgage loan	1,952,857
Derivative - interest rate swap	249,241
Other expenses	13,760
Amounts payable under loss portfolio	5,654
	<u>105,455,540</u>
<i>Dhandho Holdings Corp.:</i>	
Accounts payable T. Dietrich	1,000,000
Accounts payable	114,478
Accrued vacations	21,789
Intercompany payable DHL	20,000
Deferred lease payable	1,192
Other accrued liabilities	2,833
	<u>1,160,292</u>
<i>Dhandho India Private Limited:</i>	
Other taxes payable	<u>3,727</u>
<i>CoverageHQ Agency LLC:</i>	
Accounts Payable	<u>-</u>
<i>CoverageHQ Holdings LLC:</i>	
Deferred tax liabilities	<u>(4,855)</u>
<i>Dhandho Funds LLC:</i>	
Accounts Payable	17,500
Total liabilities	<u>106,632,204</u>
CAPITAL	
Common stock	151,978,990
Retained earnings	(22,695,422)
Current year earning (loss)	(585,608)
Treasury - Investment in DHL	(530,397)
Valuation DTA	72,295
Accumulated other comprehensive income, net of taxes	(5,627,840)
Total capital	<u>122,612,018</u>
Total liabilities and capital	<u><u>\$ 229,244,222</u></u>

**Dhandho Holdings Corp.
and Subsidiaries
Consolidated Statement of Operations**

	Quarter Ended March 31, 2016
Revenues:	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	(Unaudited)
Premiums earned	\$ 13,764,248
Net investment income	564,138
Net realized capital gains (losses) on investments	232,826
Rental income	89,844
Other income	87,630
	<u>14,738,686</u>
<i>Dhandho Holdings Corp.:</i>	
Interest and dividend income	53,533
Net realized capital gains (losses)	276,169
Other income	115
	<u>329,817</u>
<i>Dhandho India Private Limited:</i>	
Service Fees	89,713
Other income	9
	<u>89,722</u>
<i>CoverageHQ Agency LLC:</i>	
Interest Income	2
	<u>2</u>
<i>CoverageHQ Holdings LLC:</i>	
Net realized capital gains (losses)	53,843
	<u>53,843</u>
<i>Dhandho Funds LLC:</i>	
Interest Income	0
Total Revenues	<u>15,212,070</u>
Costs and Expenses:	
<i>Stonetrust Holding Company and Stonetrust Management LLC:</i>	
Losses and loss adjustment expenses	8,765,379
Other underwriting expenses	5,480,703
Bad debt expense	86,978
Interest expense	97,259
Depreciation and amortization	7,230
	<u>14,437,549</u>
<i>Dhandho Holdings Corp.:</i>	
Legal fees	17,319
Payroll & related	114,486
Audit and accounting fees	57,585
Subscription expense	4,700
Recruiting	10,405
Travel	11,065
Expense assets under \$500	945
Rent	9,785
Other fees	2,000

Management fees to Dhandho GP	60,000
Repair and maintenance	1,012
Depreciation and amortization	120,139
Sales tax	627
Supplies expense	229
Phone and internet	2,668
Other taxes	7,439
Other expenses	10,493
	<u>430,896</u>
<i>Dhandho India Private Limited:</i>	
Payroll & related	138,368
Legal fees	5,623
Travel	8,720
Rent	16,970
Depreciation and amortization	19,107
Recruiting	13,370
Other fees	29,003
Other expenses	26,576
	<u>257,737</u>
<i>CoverageHQ Agency LLC:</i>	
Payroll & related	295,048
Advertising	22,101
Rent	5,067
Depreciation and amortization	1,158
Phone and internet	1,330
Other expenses	26,749
	<u>351,452</u>
<i>CoverageHQ Holdings LLC:</i>	
Legal fees	12,463
Other expenses	5,000
	<u>17,463</u>
<i>Dhandho Funds LLC:</i>	
Payroll & related	118,593
Subscription expense	83,422
Rent	7,779
Depreciation and amortization	4,085
Travel	1,940
Phone and internet	1,963
Other expenses	8,712
	<u>226,494</u>
Total expenses	<u>15,721,591</u>
Earnings before income taxes	(509,521)
Income tax expense (benefit)	76,087
Net earnings (loss)	<u><u>\$ (585,608)</u></u>