



## ASSETS

|  | Current Year |                            |  | Prior Year                  |
|--|--------------|----------------------------|--|-----------------------------|
|  | 1<br>Assets  | 2<br>Nonadmitted<br>Assets | 3<br>Net Admitted<br>Assets<br>(Cols. 1-2) | 4<br>Net Admitted<br>Assets |
| 1. Bonds (Schedule D) .....  | 6,199,688    |                            | 6,199,688                                  | 6,373,966                   |
| 2. Stocks (Schedule D)   |              |                            |  |                             |
| 2.1 Preferred stocks .....   |              |                            |  |                             |
| 2.2 Common Stocks .....  | 561,322      |                            | 561,322                                    | 204,821                     |
| 3. Mortgage loans on real estate (Schedule B):   |              |                            |  |                             |
| 3.1 First liens .....  |              |                            |  |                             |
| 3.2 Other than first liens .....   |              |                            |  |                             |
| 4. Real estate (Schedule A):   |              |                            |  |                             |
| 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 (\$.....1,031,848, Schedule E Part 1), cash equivalents (\$.....0, Schedule E Part 2) and short-term investments (\$.....0, Schedule DA) ..... | 1,031,848    |                            | 1,031,848                                  | 592,524                     |
| 6. Contract loans (including \$.....0 premium notes) .....   |              |                            |  |                             |
| 7. Derivatives (Schedule DB) .....   |              |                            |  |                             |
| 8. Other invested assets (Schedule BA) .....   |              |                            |  |                             |
| 9. Receivables for securities .....  |              |                            |  |                             |
| 10. Securities Lending Reinvested Collateral Assets (Schedule DL) .....  |              |                            |  |                             |
| 11. Aggregate write-ins for invested assets .....  |              |                            |  |                             |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....  | 7,792,858    |                            | 7,792,858                                  | 7,171,311                   |
| 13. Title plants less \$.....0 charged off (for Title insurers only) .....   |              |                            |  |                             |
| 14. Investment income due and accrued .....  | 56,092       |                            | 56,092                                     | 54,997                      |
| 15. Premiums and considerations:   |              |                            |  |                             |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....   | 123,078      |                            | 123,078                                    | 60,300                      |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (Including \$.....0 earned but unbilled premiums) .....  | 32,843       |                            | 32,843                                     |                             |
| 15.3 Accrued retrospective premiums .....  |              |                            |  |                             |
| 16. Reinsurance:   |              |                            |  |                             |
| 16.1 Amounts recoverable from reinsurers .....   |              |                            |  |                             |
| 16.2 Funds held by or deposited with reinsured companies .....   |              |                            |  |                             |
| 16.3 Other amounts receivable under reinsurance contracts .....  |              |                            |  |                             |
| 17. Amounts receivable relating to uninsured plans .....   |              |                            |  |                             |
| 18.1 Current federal and foreign income tax recoverable and interest thereon .....   | 85,759       |                            | 85,759                                     | 94,452                      |
| 18.2 Net deferred tax asset .....  |              |                            |  |                             |
| 19. Guaranty funds receivable or on deposit .....  |              |                            |  |                             |
| 20. Electronic data processing equipment and software .....  | 7,210        |                            | 7,210                                      | 11,758                      |
| 21. Furniture and equipment, including health care delivery assets (\$.....0) .....  |              |                            |  |                             |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....   |              |                            |  |                             |
| 23. Receivables from parent, subsidiaries and affiliates .....   |              |                            |  |                             |
| 24. Health care (\$.....0) and other amounts receivable .....  |              |                            |  |                             |
| 25. Aggregate write-ins for other than invested assets .....   |              |                            |  |                             |
| 26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) .....                                   | 8,097,840    |                            | 8,097,840                                  | 7,392,818                   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....  |              |                            |  |                             |
| 28. TOTAL (Lines 26 and 27) .....  | 8,097,840    |                            | 8,097,840                                  | 7,392,818                   |
| <b>DETAILS OF WRITE-INS</b>  |              |                            |  |                             |
| 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. IMR Assets .....   |              |                            |  |                             |
| 2502. ....   |              |                            |  |                             |
| 2503. ....   |              |                            |  |                             |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |              |                            |  |                             |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   |              |                            |  |                             |

## LIABILITIES, SURPLUS AND OTHER FUNDS

|  | 1<br>Current Year | 2<br>Prior Year |
|--|-------------------|-----------------|
| 1. Aggregate reserve for life contracts \$.....39,098 (Exhibit 5, Line 9999999) less \$.....0 included in Line 6.3 (including \$.....0 Modco Reserve) .....  | 39,098            | 23,841          |
| 2. Aggregate reserve for accident and health contracts (including \$.....0 Modco Reserve) .....  | 405,783           | 237,138         |
| 3. Liability for deposit-type contracts (Exhibit 7, Line 14, Col. 1) (including \$.....0 Modco Reserve) .....  |                   |                 |
| 4. Contract claims:  |                   |                 |
| 4.1 Life (Exhibit 8, Part 1, Line 4.4, Column 1 less sum of Columns 9, 10, and 11) .....   | 91,856            | 54,079          |
| 4.2 Accident and health (Exhibit 8, Part 1, Line 4.4, sum of Columns 9, 10, and 11) .....  | 588,461           | 661,265         |
| 5. Policyholders' dividends \$.....0 and coupons \$.....0 due and unpaid (Exhibit 4, Line 10) .....  |                   |                 |
| 6. Provision for policyholders' dividends and coupons payable in following calendar year - estimated amounts:  |                   |                 |
| 6.1 Dividends apportioned for payment (including \$.....0 Modco) .....   |                   |                 |
| 6.2 Dividends not yet apportioned (including \$.....0 Modco) .....   |                   |                 |
| 6.3 Coupons and similar benefits (including \$.....0 Modco) .....  |                   |                 |
| 7. Amount provisionally held for deferred dividend policies not included in Line 6 .....   |                   |                 |
| 8. Premiums and annuity considerations for life and accident and health contracts received in advance less \$.....0 discount; including \$.....0 accident and health premiums (Exhibit 1, Part 1, Column 1, sum of Lines 4 and 14) ..... |                   |                 |
| 9. Contract liabilities not included elsewhere:  |                   |                 |
| 9.1 Surrender values on canceled contracts .....   |                   |                 |
| 9.2 Provision for experience rating refunds, including the liability of \$.....0 accident and health experience rating refunds of which \$.....0 is for medical loss ratio rebate per the Public Health Service Act .....                |                   |                 |
| 9.3 Other amounts payable on reinsurance, including \$.....0 assumed and \$.....0 ceded .....  |                   |                 |
| 9.4 Interest Maintenance Reserve (IMR, Line 6) .....   | 45,309            | 46,909          |
| 10. Commissions to agents due or accrued-life and annuity contracts \$.....0 accident and health \$.....0 and deposit-type contract funds \$.....0 .....   | 136,407           | 119,374         |
| 11. Commissions and expense allowances payable on reinsurance assumed .....  | 25,068            | 1,606           |
| 12. General expenses due or accrued (Exhibit 2, Line 12, Column 6) .....   | 159,886           | 115,721         |
| 13. Transfers to Separate Accounts due or accrued (net) (including \$.....0 accrued for expense allowances recognized in reserves, net of reinsured allowances) .....  |                   |                 |
| 14. Taxes, licenses and fees due or accrued, excluding federal income taxes (Exhibit 3, Line 9, Col. 5) .....  |                   |                 |
| 15.1 Current federal and foreign income taxes, including \$.....0 on realized capital gains (losses) .....   |                   |                 |
| 15.2 Net deferred tax liability .....  | 560               |                 |
| 16. Unearned investment income .....   |                   |                 |
| 17. Amounts withheld or retained by company as agent or trustee .....  | 6,940             | 6,661           |
| 18. Amounts held for agents' account, including \$.....0 agents' credit balances .....   |                   |                 |
| 19. Remittances and items not allocated .....  | 22,806            | 32,453          |
| 20. Net adjustment in assets and liabilities due to foreign exchange rates .....   |                   |                 |
| 21. Liability for benefits for employees and agents if not included above .....  |                   |                 |
| 22. Borrowed money \$.....0 and interest thereon \$.....0 .....  |                   |                 |
| 23. Dividends to stockholders declared and unpaid .....  |                   |                 |
| 24. Miscellaneous liabilities:   |                   |                 |
| 24.01 Asset Valuation Reserve (AVR, Line 16, Column 7) .....   | 196,083           | 43,556          |
| 24.02 Reinsurance in unauthorized and certified (\$.....0) companies .....   |                   |                 |
| 24.03 Funds held under reinsurance treaties with unauthorized and certified (\$.....0) reinsurers .....  |                   |                 |
| 24.04 Payable to parent, subsidiaries and affiliates .....   | 123,199           | 113,246         |
| 24.05 Drafts outstanding .....   |                   |                 |
| 24.06 Liability for amounts held under uninsured plans .....   |                   |                 |
| 24.07 Funds held under coinsurance .....   |                   |                 |
| 24.08 Derivatives .....  |                   |                 |
| 24.09 Payable for securities .....   |                   |                 |
| 24.10 Payable for securities lending .....   |                   |                 |
| 24.11 Capital notes \$.....0 and interest thereon \$.....0 .....   |                   |                 |
| 25. Aggregate write-ins for liabilities .....  |                   |                 |
| 26. TOTAL Liabilities excluding Separate Accounts Business (Lines 1 to 25) .....   | 1,841,456         | 1,455,849       |
| 27. From Separate Accounts Statement .....   |                   |                 |
| 28. TOTAL LIABILITIES (Lines 26 and 27) .....  | 1,841,456         | 1,455,849       |
| 29. Common capital stock .....   | 2,500,000         | 2,500,000       |
| 30. Preferred capital stock .....  |                   |                 |
| 31. Aggregate write-ins for other than special surplus funds .....   |                   |                 |
| 32. Surplus Notes .....  |                   |                 |
| 33. Gross paid in and contributed surplus (Page 3, Line 33, Column 2 plus Page 4, Line 51.1, Column 1) .....   | 2,500,000         | 2,500,000       |
| 34. Aggregate write-ins for special surplus funds .....  |                   |                 |
| 35. Unassigned funds (surplus) .....   | 1,256,384         | 936,969         |
| 36. Less treasury stock, at cost:  |                   |                 |
| 36.1 .....0 shares common (value included in Line 29 \$.....0) .....   |                   |                 |
| 36.2 .....0 shares preferred (value included in Line 30 \$.....0) .....  |                   |                 |
| 37. Surplus (Total Lines 31 + 32 + 33 + 34 + 35 - 36) (Including \$.....0 in Separate Accounts Statement) .....  | 3,756,384         | 3,436,969       |
| 38. TOTALS of Lines 29, 30 and 37 (Page 4, Line 55) .....  | 6,256,384         | 5,936,969       |
| 39. TOTALS of Lines 28 and 38 (Page 2, Line 28, Column 3) .....  | 8,097,840         | 7,392,818       |
| <b>DETAILS OF WRITE-INS</b>  |                   |                 |
| 2501. ....   |                   |                 |
| 2502. ....   |                   |                 |
| 2503. ....   |                   |                 |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |                   |                 |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   |                   |                 |
| 3101. ....   |                   |                 |
| 3102. ....   |                   |                 |
| 3103. ....   |                   |                 |
| 3198. Summary of remaining write-ins for Line 31 from overflow page .....  |                   |                 |
| 3199. TOTALS (Lines 3101 through 3103 plus 3198) (Line 31 above) .....   |                   |                 |
| 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 above) .....   |                   |                 |

## SUMMARY OF OPERATIONS

|   | 1<br>Current Year | 2<br>Prior Year |
|---|-------------------|-----------------|
| 1. Premiums and annuity considerations for life and accident and health contracts (Exhibit 1, Part 1, Line 20.4, Col. 1, less Col.11)   | 4,167,723         | 4,130,102       |
| 2. Considerations for supplementary contracts with life contingencies   |                   |                 |
| 3. Net investment income (Exhibit of Net Investment Income, Line 17)  | 304,923           | 300,018         |
| 4. Amortization of Interest Maintenance Reserve (IMR, Line 5)   | 4,236             | 4,356           |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses  |                   |                 |
| 6. Commissions and expense allowances on reinsurance ceded (Exhibit 1, Part 2, Line 26.1, Column 1)   |                   |                 |
| 7. Reserve adjustments on reinsurance ceded   |                   |                 |
| 8. Miscellaneous Income:  |                   |                 |
| 8.1 Income from fees associated with investment management, administration and contract guarantees from Separate Accounts   |                   |                 |
| 8.2 Charges and fees for deposit-type contracts   |                   |                 |
| 8.3 Aggregate write-ins for miscellaneous income  |                   |                 |
| 9. TOTALS (Lines 1 to 8.3)  | 4,476,882         | 4,434,476       |
| 10. Death benefits  | 417,090           | 315,779         |
| 11. Matured endowments (excluding guaranteed annual pure endowments)  |                   |                 |
| 12. Annuity benefits (Exhibit 8, Part 2, Line 6.4, Columns 4 + 8)   |                   |                 |
| 13. Disability benefits and benefits under accident and health contracts  | 800,038           | 833,158         |
| 14. Coupons, guaranteed annual pure endowments and similar benefits   |                   |                 |
| 15. Surrender benefits and withdrawals for life contracts   |                   |                 |
| 16. Group conversions   |                   |                 |
| 17. Interest and adjustments on contract or deposit-type contract funds   |                   |                 |
| 18. Payments on supplementary contracts with life contingencies   |                   |                 |
| 19. Increase in aggregate reserves for life and accident and health contracts   | 183,902           | 250,265         |
| 20. TOTALS (Lines 10 to 19)   | 1,401,030         | 1,399,202       |
| 21. Commissions on premiums, annuity considerations, and deposit type contract funds (direct business only) (Exhibit 1, Part 2, Line 31, Column 1)                                | 1,250,784         | 1,235,623       |
| 22. Commissions and expense allowances on reinsurance assumed (Exhibit 1, Part 2, Line 26.2, Column 1)  | 183,095           | 187,633         |
| 23. General insurance expenses (Exhibit 2, Line 10, Columns 1, 2, 3 and 4)  | 1,112,673         | 1,083,535       |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes (Exhibit 3, Line 7, Columns 1 + 2 + 3)   | 113,739           | 111,845         |
| 25. Increase in loading on deferred and uncollected premiums  |                   |                 |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance   |                   |                 |
| 27. Aggregate write-ins for deductions  |                   |                 |
| 28. TOTALS (Lines 20 to 27)   | 4,061,321         | 4,017,838       |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 minus Line 28)  | 415,561           | 416,638         |
| 30. Dividends to policyholders  |                   |                 |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 minus Line 30)   | 415,561           | 416,638         |
| 32. Federal and foreign income taxes incurred (excluding tax on capital gains)  | 8,954             | 6,348           |
| 33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32)                      | 406,607           | 410,290         |
| 34. Net realized capital gains (losses) (excluding gains (losses) transferred to the IMR) less capital gains tax of \$.....0 (excluding taxes of \$.....0 transferred to the IMR) |                   |                 |
| 35. Net Income (Line 33 plus Line 34)   | 406,607           | 410,290         |
| <b>CAPITAL AND SURPLUS ACCOUNT</b>  |                   |                 |
| 36. Capital and surplus, December 31, prior year (Page 3, Line 38, Column 2)  | 5,936,969         | 5,469,742       |
| 37. Net Income (Line 35)  | 406,607           | 410,290         |
| 38. Change in net unrealized capital gains (losses) less capital gains tax of \$.....0  | 47,856            | (45,058)        |
| 39. Change in net unrealized foreign exchange capital gain (loss)   |                   |                 |
| 40. Change in net deferred income tax   | (7,319)           | 6,759           |
| 41. Change in nonadmitted assets  | 24,798            | 105,933         |
| 42. Change in liability for reinsurance in unauthorized companies and certified companies   |                   |                 |
| 43. Change in reserve on account of change in valuation basis, (increase) or decrease   |                   |                 |
| 44. Change in asset valuation reserve   | (152,527)         | (10,697)        |
| 45. Change in treasury stock (Page 3, Lines 36.1 and 36.2 Column 2 minus Column 1)  |                   |                 |
| 46. Surplus (contributed to) withdrawn from Separate Accounts during period   |                   |                 |
| 47. Other changes in surplus in Separate Accounts Statement   |                   |                 |
| 48. Change in surplus notes   |                   |                 |
| 49. Cumulative effect of changes in accounting principles   |                   |                 |
| 50. Capital changes:  |                   |                 |
| 50.1 Paid in  |                   |                 |
| 50.2 Transferred from surplus (Stock Dividend)  |                   |                 |
| 50.3 Transferred to surplus   |                   |                 |
| 51. Surplus adjustment:   |                   |                 |
| 51.1 Paid in  |                   |                 |
| 51.2 Transferred to capital (Stock Dividend)  |                   |                 |
| 51.3 Transferred from capital   |                   |                 |
| 51.4 Change in surplus as a result of reinsurance   |                   |                 |
| 52. Dividends to stockholders   |                   |                 |
| 53. Aggregate write-ins for gains and losses in surplus   |                   |                 |
| 54. Net change in capital and surplus for the year (Lines 37 through 53)  | 319,415           | 467,227         |
| 55. Capital and surplus, December 31, current year (Lines 36 + 54) (Page 3, Line 38)  | 6,256,384         | 5,936,969       |
| <b>DETAILS OF WRITE-INS</b>   |                   |                 |
| 08.301.   |                   |                 |
| 08.302.   |                   |                 |
| 08.303.   |                   |                 |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page  |                   |                 |
| 08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)   |                   |                 |
| 2701.   |                   |                 |
| 2702.   |                   |                 |
| 2703.   |                   |                 |
| 2798. Summary of remaining write-ins for Line 27 from overflow page   |                   |                 |
| 2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)  |                   |                 |
| 5301.   |                   |                 |
| 5302.   |                   |                 |
| 5303.   |                   |                 |
| 5398. Summary of remaining write-ins for Line 53 from overflow page   |                   |                 |
| 5399. TOTALS (Lines 5301 through 5303 plus 5398) (Line 53 above)  |                   |                 |

**CASH FLOW**

|  |   | 1            | 2          |
|--|---|--------------|------------|
|  |   | Current Year | Prior Year |
| <b>Cash from Operations</b>  |   |              |            |
| 1.   | Premiums collected net of reinsurance .....   | 4,073,045    | 4,167,275  |
| 2.   | Net investment income .....   | 338,981      | 337,511    |
| 3.   | Miscellaneous income .....  |              |            |
| 4.   | TOTAL (Lines 1 through 3) .....   | 4,412,026    | 4,504,786  |
| 5.   | Benefit and loss related payments .....   | 1,252,155    | 1,309,864  |
| 6.   | Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                   |              |            |
| 7.   | Commissions, expenses paid and aggregate write-ins for deductions .....                                     | 2,619,796    | 2,533,380  |
| 8.   | Dividends paid to policyholders .....   |              |            |
| 9.   | Federal and foreign income taxes paid (recovered) net of \$.....0 tax on capital gains (losses) .....       | 261          | 153,359    |
| 10.  | TOTAL (Lines 5 through 9) .....   | 3,872,212    | 3,996,603  |
| 11.  | Net cash from operations (Line 4 minus Line 10) .....   | 539,814      | 508,183    |
| <b>Cash from Investments</b>   |   |              |            |
| 12.  | Proceeds from investments sold, matured or repaid:  |              |            |
| 12.1   | Bonds .....   | 589,258      | 115,000    |
| 12.2   | Stocks .....  |              |            |
| 12.3   | Mortgage loans .....  |              |            |
| 12.4   | Real estate .....   |              |            |
| 12.5   | Other invested assets .....   |              |            |
| 12.6   | Net gains or (losses) on cash, cash equivalents and short-term investments .....                            |              |            |
| 12.7   | Miscellaneous proceeds .....  |              |            |
| 12.8   | TOTAL Investment proceeds (Lines 12.1 to 12.7) .....  | 589,258      | 115,000    |
| 13.  | Cost of investments acquired (long-term only):  |              |            |
| 13.1   | Bonds .....   | 403,331      | 669,234    |
| 13.2   | Stocks .....  | 308,644      | 249,879    |
| 13.3   | Mortgage loans .....  |              |            |
| 13.4   | Real estate .....   |              |            |
| 13.5   | Other invested assets .....   |              |            |
| 13.6   | Miscellaneous applications .....  |              |            |
| 13.7   | TOTAL Investments acquired (Lines 13.1 to 13.6) .....   | 711,975      | 919,113    |
| 14.  | Net increase (decrease) in contract loans and premium notes .....   |              |            |
| 15.  | Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14) .....                                   | (122,717)    | (804,113)  |
| <b>Cash from Financing and Miscellaneous Sources</b>                       |   |              |            |
| 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 .....   |              |            |
| 16.6   | Other cash provided (applied) .....   | 22,227       | 170,556    |
| 17.  | Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6) ..... | 22,227       | 170,556    |
| <b>RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS</b> |   |              |            |
| 18.  | Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17) .....       | 439,324      | (125,374)  |
| 19.  | Cash, cash equivalents and short-term investments:  |              |            |
| 19.1   | Beginning of year .....   | 592,524      | 717,898    |
| 19.2   | End of year (Line 18 plus Line 19.1) .....  | 1,031,848    | 592,524    |

**Note: Supplemental Disclosures of Cash Flow Information for Non-Cash Transactions:**

|         |       |  |  |
|---------|-------|--|--|
| 20.0001 | ..... |  |  |
|---------|-------|--|--|

**ANALYSIS OF OPERATIONS BY LINES OF BUSINESS**

|  | 1<br>Total | 2<br>Industrial<br>Life | Ordinary               |                              |                                 | 6<br>Credit Life<br>(Group and<br>Individual) | Group                      |                | Accident and Health |  |             | 12<br>Aggregate of All<br>Other Lines<br>of Business |
|--|------------|-------------------------|------------------------|------------------------------|---------------------------------|---|----------------------------|----------------|---------------------|--|-------------|--|
|  |            |                         | 3<br>Life<br>Insurance | 4<br>Individual<br>Annuities | 5<br>Supplementary<br>Contracts |   | 7<br>Life<br>Insurance (a) | 8<br>Annuities | 9<br>Group          | 10<br>Credit (Group<br>and Individual) | 11<br>Other |  |
| 1. Premiums and annuity considerations for life and accident and health contracts  | 4,167,723  |                         | 64,665                 |                              |                                 |   | 840,386                    |                | 926,547             |  | 2,336,125   |  |
| 2. Considerations for supplementary contracts with life contingencies  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 3. Net investment income   | 304,923    |                         | 4,731                  |                              |                                 |   | 61,485                     |                | 67,789              |  | 170,918     |  |
| 4. Amortization of Interest Maintenance Reserve (IMR)  | 4,236      |                         |                        |                              |                                 |   | 4,236                      |                |                     |  |             |  |
| 5. Separate Accounts net gain from operations excluding unrealized gains or losses   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 6. Commissions and expense allowances on reinsurance ceded   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 7. Reserve adjustments on reinsurance ceded  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 8. Miscellaneous Income  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 8.1 Fees associated with income from investment management, administration and contract guarantees from Separate Accounts                                    |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 8.2 Charges and fees for deposit-type contracts  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 8.3 Aggregate write-ins for miscellaneous income   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 9. TOTALS (Lines 1 to 8.3)   | 4,476,882  |                         | 69,396                 |                              |                                 |   | 906,107                    |                | 994,336             |  | 2,507,043   |  |
| 10. Death benefits   | 417,090    |                         |                        |                              |                                 |   | 417,090                    |                |                     |  |             |  |
| 11. Matured endowments (excluding guaranteed annual pure endowments)   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 12. Annuity benefits   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 13. Disability benefits and benefits under accident and health contracts   | 800,038    |                         | 15,338                 |                              |                                 |   | 26,550                     |                | 208,431             |  | 549,719     |  |
| 14. Coupons, guaranteed annual pure endowments and similar benefits  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 15. Surrender benefits and withdrawals for life contracts  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 16. Group conversions  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 17. Interest and adjustments on contract or deposit-type contract funds  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 18. Payments on supplementary contracts with life contingencies  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 19. Increase in aggregate reserves for life and accident and health contracts  | 183,902    |                         |                        |                              |                                 |   |                            |                | 770                 |  | 183,132     |  |
| 20. TOTALS (Lines 10 to 19)  | 1,401,030  |                         | 15,338                 |                              |                                 |   | 443,640                    |                | 209,201             |  | 732,851     |  |
| 21. Commissions on premiums, annuity considerations, and deposit-type contract funds (direct business only)  | 1,250,784  |                         | 10,869                 |                              |                                 |   | 164,827                    |                | 15,711              |  | 1,059,377   |  |
| 22. Commissions and expense allowances on reinsurance assumed  | 183,095    |                         |                        |                              |                                 |   |                            |                | 183,095             |  |             |  |
| 23. General insurance expenses   | 1,112,673  |                         | 17,263                 |                              |                                 |   | 224,361                    |                | 247,364             |  | 623,685     |  |
| 24. Insurance taxes, licenses and fees, excluding federal income taxes   | 113,739    |                         | 1,764                  |                              |                                 |   | 22,935                     |                | 25,286              |  | 63,754      |  |
| 25. Increase in loading on deferred and uncollected premiums   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 26. Net transfers to or (from) Separate Accounts net of reinsurance  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 27. Aggregate write-ins for deductions   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 28. TOTALS (Lines 20 to 27)  | 4,061,321  |                         | 45,234                 |                              |                                 |   | 855,763                    |                | 680,657             |  | 2,479,667   |  |
| 29. Net gain from operations before dividends to policyholders and federal income taxes (Line 9 - Line 28)   | 415,561    |                         | 24,162                 |                              |                                 |   | 50,344                     |                | 313,679             |  | 27,376      |  |
| 30. Dividends to policyholders   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 31. Net gain from operations after dividends to policyholders and before federal income taxes (Line 29 - Line 30)  | 415,561    |                         | 24,162                 |                              |                                 |   | 50,344                     |                | 313,679             |  | 27,376      |  |
| 32. Federal income taxes incurred (excluding tax on capital gains)   | 8,954      |                         | 521                    |                              |                                 |   | 1,085                      |                | 6,758               |  | 590         |  |
| 33. Net gain from operations after dividends to policyholders and federal income taxes and before realized capital gains or (losses) (Line 31 minus Line 32) | 406,607    |                         | 23,641                 |                              |                                 |   | 49,259                     |                | 306,921             |  | 26,786      |  |
| <b>DETAILS OF WRITE-INS</b>  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 08.301.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 08.302.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 08.303.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 08.398. Summary of remaining write-ins for Line 8.3 from overflow page   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 08.399. TOTALS (Lines 08.301 through 08.303 plus 08.398) (Line 8.3 above)  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 2701.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 2702.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 2703.  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 2798. Summary of remaining write-ins for Line 27 from overflow page  |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |
| 2799. TOTALS (Lines 2701 through 2703 plus 2798) (Line 27 above)   |            |                         |                        |                              |                                 |   |                            |                |                     |  |             |  |

(a) Includes the following amounts for FEGLI/SGLI: Line 1 \$.....0, Line 10 \$.....0, Line 16 \$.....0, Line 23 \$.....0, Line 24 \$.....0.

## ANALYSIS OF INCREASE IN RESERVES DURING THE YEAR

|   | 1<br>Total | 2<br>Industrial<br>Life | Ordinary               |                              |                                 | 6<br>Credit Life<br>(Group and<br>Individual) | Group                  |                |
|---|------------|-------------------------|------------------------|------------------------------|---------------------------------|---|------------------------|----------------|
|   |            |                         | 3<br>Life<br>Insurance | 4<br>Individual<br>Annuities | 5<br>Supplementary<br>Contracts |   | 7<br>Life<br>Insurance | 8<br>Annuities |
| <b>Involving Life or Disability Contingencies (Reserves)</b>                                    |            |                         |                        |                              |                                 |   |                        |                |
| (Net of Reinsurance Ceded)  |            |                         |                        |                              |                                 |   |                        |                |
| 1. Reserve December 31, prior year .....  | 39,098     |                         | 39,098                 |                              |                                 |   |                        |                |
| 2. Tabular net premiums or considerations .....   |            |                         |                        |                              |                                 |   |                        |                |
| 3. Present value of disability claims incurred .....  |            |                         |                        |                              | X X X                           |   |                        |                |
| 4. Tabular interest .....   |            |                         |                        |                              |                                 |   |                        |                |
| 5. Tabular less actual reserve released .....   |            |                         |                        |                              |                                 |   |                        |                |
| 6. Increase in reserve on account of change in valuation basis .....                            |            |                         |                        |                              |                                 |   |                        |                |
| 7. Other increases (net) .....  |            |                         |                        |                              |                                 |   |                        |                |
| 8. TOTALS (Lines 1 to 7) .....  | 39,098     |                         | 39,098                 |                              |                                 |   |                        |                |
| 9. Tabular cost .....   |            |                         |                        |                              | X X X                           |   |                        |                |
| 10. Reserves released by death .....  |            |                         |                        | X X X                        | X X X                           |   |                        | X X X          |
| 11. Reserves released by other terminations (net) .....   |            |                         |                        |                              |                                 |   |                        |                |
| 12. Annuity, supplementary contract, and disability payments involving life contingencies ..... |            |                         |                        |                              |                                 |   |                        |                |
| 13. Net transfers to or (from) Separate Accounts .....  |            |                         |                        |                              |                                 |   |                        |                |
| 14. TOTAL Deductions (Lines 9 to 13) .....  |            |                         |                        |                              |                                 |   |                        |                |
| 15. Reserve December 31, current year .....   | 39,098     |                         | 39,098                 |                              |                                 |   |                        |                |

## EXHIBIT OF NET INVESTMENT INCOME

|   | 1<br>Collected<br>During Year | 2<br>Earned<br>During Year |
|---|-------------------------------|----------------------------|
| 1. U.S. Government bonds  | (a)                           |                            |
| 1.1 Bonds exempt from U.S. tax  | (a)                           |                            |
| 1.2 Other bonds (unaffiliated)  | 296,406                       | 295,736                    |
| 1.3 Bonds of affiliates   | (a)                           |                            |
| 2.1 Preferred stocks (unaffiliated)                                     | (b)                           |                            |
| 2.11 Preferred stocks of affiliates                                     | (b)                           |                            |
| 2.2 Common stocks (unaffiliated)  | 13,951                        | 15,716                     |
| 2.21 Common stocks of affiliates  |                               |                            |
| 3. Mortgage loans   | (c)                           |                            |
| 4. Real estate  | (d)                           |                            |
| 5. Contract loans   |                               |                            |
| 6. Cash, cash equivalents and short-term investments                    | 17                            | 17                         |
| 7. Derivative instruments   | (f)                           |                            |
| 8. Other invested assets  |                               |                            |
| 9. Aggregate write-ins for investment income                            |                               |                            |
| 10. TOTAL Gross investment income                                       | 310,374                       | 311,469                    |
| 11. Investment expenses   |                               | (g) 6,546                  |
| 12. Investment taxes, licenses and fees, excluding federal income taxes |                               | (g)                        |
| 13. Interest expense  |                               | (h)                        |
| 14. Depreciation on real estate and other invested assets               |                               | (i)                        |
| 15. Aggregate write-ins for deductions from investment income           |                               |                            |
| 16. TOTAL Deductions (Lines 11 through 15)                              |                               | 6,546                      |
| 17. Net Investment income (Line 10 minus Line 16)                       |                               | 304,923                    |

**DETAILS OF WRITE-INS**

|   |  |  |
|---|--|--|
| 0901.   |  |  |
| 0902.   |  |  |
| 0903.   |  |  |
| 0998. Summary of remaining write-ins for Line 9 from overflow page  |  |  |
| 0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)     |  |  |
| 1501.   |  |  |
| 1502.   |  |  |
| 1503.   |  |  |
| 1598. Summary of remaining write-ins for Line 15 from overflow page |  |  |
| 1599. TOTALS (Lines 1501 through 1503 plus 1598) (Line 15 above)    |  |  |

- (a) Includes \$.....14,776 accrual of discount less \$.....(5,764) amortization of premium and less \$.....1,918 paid for accrued interest on purchases.
- (b) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued dividends on purchases.
- (c) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (d) Includes \$.....0 for company's occupancy of its own buildings; and excludes \$.....0 interest on encumbrances.
- (e) Includes \$.....0 accrual of discount less \$.....0 amortization of premium and less \$.....0 paid for accrued interest on purchases.
- (f) Includes \$.....0 accrual of discount less \$.....0 amortization of premium.
- (g) Includes \$.....0 investment expenses and \$.....0 investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$.....0 interest on surplus notes and \$.....0 interest on capital notes.
- (i) Includes \$.....0 depreciation on real estate and \$.....0 depreciation on other invested assets.

## EXHIBIT OF CAPITAL GAINS (LOSSES)

|  | 1   | 2                             | 3   | 4  | 5  |
|--|---|-------------------------------|---|--|--|
|  | Realized Gain<br>(Loss) on Sales<br>or Maturity | Other Realized<br>Adjustments | Total Realized<br>Capital Gain<br>(Loss)<br>(Columns 1 + 2) | Change in<br>Unrealized Capital<br>Gain (Loss) | Change in<br>Unrealized Foreign<br>Exchange Capital<br>Gain (Loss) |
| 1. U.S. Government bonds   |   |                               |   |  |  |
| 1.1 Bonds exempt from U.S. tax                                     |   |                               |   |  |  |
| 1.2 Other bonds (unaffiliated)                                     | 2,637   |                               | 2,637   |  |  |
| 1.3 Bonds of affiliates  |   |                               |   |  |  |
| 2.1 Preferred stocks (unaffiliated)                                |   |                               |   |  |  |
| 2.11 Preferred stocks of affiliates                                |   |                               |   |  |  |
| 2.2 Common stocks (unaffiliated)                                   |   |                               |   | 47,856   |  |
| 2.21 Common stocks of affiliates                                   |   |                               |   |  |  |
| 3. Mortgage loans  |   |                               |   |  |  |
| 4. Real estate   |   |                               |   |  |  |
| 5. Contract loans  |   |                               |   |  |  |
| 6. Cash, cash equivalents and short-term investments               |   |                               |   |  |  |
| 7. Derivative instruments  |   |                               |   |  |  |
| 8. Other invested assets   |   |                               |   |  |  |
| 9. Aggregate write-ins for capital gains (losses)                  |   |                               |   |  |  |
| 10. TOTAL Capital gains (losses)                                   | 2,637   |                               | 2,637   | 47,856   |  |
| <b>DETAILS OF WRITE-INS</b>  |   |                               |   |  |  |
| 0901.  |   |                               |   |  |  |
| 0902.  |   |                               |   |  |  |
| 0903.  |   |                               |   |  |  |
| 0998. Summary of remaining write-ins for Line 9 from overflow page |   |                               |   |  |  |
| 0999. TOTALS (Lines 0901 through 0903 plus 0998) (Line 9 above)    |   |                               |   |  |  |

**EXHIBIT 1 - PART 1 - PREMIUMS AND ANNUITY CONSIDERATIONS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS**

|                                       | 1   | 2               | Ordinary       |                      | 5                                  | Group          |           | Accident and Health |                               |           | 11                                       |
|---------------------------------------|---|-----------------|----------------|----------------------|------------------------------------|----------------|-----------|---------------------|-------------------------------|-----------|--|
|                                       |   |                 | 3              | 4                    |                                    | 6              | 7         | 8                   | 9                             | 10        |  |
|                                       | Total   | Industrial Life | Life Insurance | Individual Annuities | Credit Life (Group and Individual) | Life Insurance | Annuities | Group               | Credit (Group and Individual) | Other     | Aggregate of All Other Lines of Business |
| <b>FIRST YEAR (other than single)</b> |   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 1.                                    | Uncollected   | 123,077         | (2,823)        |                      |                                    | 37,217         |           | 109,082             |                               | (20,399)  |  |
| 2.                                    | Deferred and accrued                                      | 32,843          | 32,843         |                      |                                    |                |           |                     |                               |           |  |
| 3.                                    | Deferred, accrued and uncollected:                        |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 3.1                                   | Direct  | 88,152          | 32,843         |                      |                                    | 55,309         |           |                     |                               |           |  |
| 3.2                                   | Reinsurance assumed                                       | 125,344         |                |                      |                                    |                |           | 125,344             |                               |           |  |
| 3.3                                   | Reinsurance ceded   | 57,576          | 2,823          |                      |                                    | 18,092         |           | 16,262              |                               | 20,399    |  |
| 3.4                                   | Net (Line 1 + Line 2)                                     | 155,920         | 30,020         |                      |                                    | 37,217         |           | 109,082             |                               | (20,399)  |  |
| 4.                                    | Advance   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 5.                                    | Line 3.4 - Line 4   | 155,920         | 30,020         |                      |                                    | 37,217         |           | 109,082             |                               | (20,399)  |  |
| 6.                                    | Collected during year:                                    |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 6.1                                   | Direct  | 1,548,011       | 42,014         |                      |                                    | 145,476        |           | 38,644              |                               | 1,321,877 |  |
| 6.2                                   | Reinsurance assumed                                       | 101,188         |                |                      |                                    |                |           | 101,188             |                               |           |  |
| 6.3                                   | Reinsurance ceded   | 82,323          | 9,922          |                      |                                    | 2,325          |           | 18,283              |                               | 51,793    |  |
| 6.4                                   | Net   | 1,566,876       | 32,092         |                      |                                    | 143,151        |           | 121,549             |                               | 1,270,084 |  |
| 7.                                    | Line 5 + Line 6.4   | 1,722,796       | 62,112         |                      |                                    | 180,368        |           | 230,631             |                               | 1,249,685 |  |
| 8.                                    | Prior year (uncollected + deferred and accrued - advance) | 60,300          |                |                      |                                    | 96,214         |           | (14,261)            |                               | (21,653)  |  |
| 9.                                    | First year premiums and considerations:                   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 9.1                                   | Direct  | 1,530,868       | 74,857         |                      |                                    | 95,490         |           | 38,644              |                               | 1,321,877 |  |
| 9.2                                   | Reinsurance assumed                                       | 218,499         |                |                      |                                    |                |           | 218,499             |                               |           |  |
| 9.3                                   | Reinsurance ceded   | 86,871          | 12,745         |                      |                                    | 11,336         |           | 12,251              |                               | 50,539    |  |
| 9.4                                   | Net (Line 7 - Line 8)                                     | 1,662,496       | 62,112         |                      |                                    | 84,154         |           | 244,892             |                               | 1,271,338 |  |
| <b>SINGLE</b>                         |   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 10.                                   | Single premiums and considerations:                       |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 10.1                                  | Direct  |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 10.2                                  | Reinsurance assumed                                       |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 10.3                                  | Reinsurance ceded   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 10.4                                  | Net   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| <b>RENEWAL</b>                        |   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 11.                                   | Uncollected   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 12.                                   | Deferred and accrued                                      |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 13.                                   | Deferred, accrued and uncollected:                        |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 13.1                                  | Direct  |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 13.2                                  | Reinsurance assumed                                       |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 13.3                                  | Reinsurance ceded   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 13.4                                  | Net (Line 11 + Line 12)                                   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 14.                                   | Advance   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 15.                                   | Line 13.4 - Line 14                                       |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 16.                                   | Collected during year:                                    |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 16.1                                  | Direct  | 1,953,251       | 2,553          |                      |                                    | 856,012        |           | 28,842              |                               | 1,065,844 |  |
| 16.2                                  | Reinsurance assumed                                       | 696,975         |                |                      |                                    |                |           | 696,975             |                               |           |  |
| 16.3                                  | Reinsurance ceded   | 144,999         |                |                      |                                    | 99,780         |           | 44,162              |                               | 1,057     |  |
| 16.4                                  | Net   | 2,505,227       | 2,553          |                      |                                    | 756,232        |           | 681,655             |                               | 1,064,787 |  |
| 17.                                   | Line 15 + Line 16.4                                       | 2,505,227       | 2,553          |                      |                                    | 756,232        |           | 681,655             |                               | 1,064,787 |  |
| 18.                                   | Prior year (uncollected + deferred and accrued - advance) |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 19.                                   | Renewal premiums and considerations:                      |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 19.1                                  | Direct  | 1,953,251       | 2,553          |                      |                                    | 856,012        |           | 28,842              |                               | 1,065,844 |  |
| 19.2                                  | Reinsurance assumed                                       | 696,975         |                |                      |                                    |                |           | 696,975             |                               |           |  |
| 19.3                                  | Reinsurance ceded   | 144,999         |                |                      |                                    | 99,780         |           | 44,162              |                               | 1,057     |  |
| 19.4                                  | Net (Line 17 - Line 18)                                   | 2,505,227       | 2,553          |                      |                                    | 756,232        |           | 681,655             |                               | 1,064,787 |  |
| <b>TOTAL</b>                          |   |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 20.                                   | TOTAL Premiums and annuity considerations:                |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 20.1                                  | Direct  | 3,484,119       | 77,410         |                      |                                    | 951,502        |           | 67,486              |                               | 2,387,721 |  |
| 20.2                                  | Reinsurance assumed                                       | 915,474         |                |                      |                                    |                |           | 915,474             |                               |           |  |
| 20.3                                  | Reinsurance ceded   | 231,870         | 12,745         |                      |                                    | 111,116        |           | 56,413              |                               | 51,596    |  |
| 20.4                                  | Net (Lines 9.4 + 10.4 + 19.4)                             | 4,167,723       | 64,665         |                      |                                    | 840,386        |           | 926,547             |                               | 2,336,125 |  |

**EXHIBIT 1 - PART 2 - DIVIDENDS AND COUPONS APPLIED, REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES AND COMMISSIONS INCURRED (Direct Business Only)**

|  | 1         | 2               | Ordinary       |                      | 5                                  | Group          |           | Accident and Health |                               |           | 11                                       |
|--|-----------|-----------------|----------------|----------------------|------------------------------------|----------------|-----------|---------------------|-------------------------------|-----------|--|
|  |           |                 | 3              | 4                    |                                    | 6              | 7         | 8                   | 9                             | 10        |  |
|  | Total     | Industrial Life | Life Insurance | Individual Annuities | Credit Life (Group and Individual) | Life Insurance | Annuities | Group               | Credit (Group and Individual) | Other     | Aggregate of All Other Lines of Business |
| <b>DIVIDENDS AND COUPONS APPLIED (included in Part 1)</b>      |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 21.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 22.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| <b>REINSURANCE COMMISSIONS AND EXPENSE ALLOWANCES INCURRED</b> |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 23.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 23.1   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 23.2   | 43,700    |                 |                |                      |                                    |                |           | 43,700              |                               |           |  |
| 23.3   | (43,700)  |                 |                |                      |                                    |                |           | (43,700)            |                               |           |  |
| 24.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 24.1   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 24.2   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 24.3   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 25.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 25.1   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 25.2   | 139,395   |                 |                |                      |                                    |                |           | 139,395             |                               |           |  |
| 25.3   | (139,395) |                 |                |                      |                                    |                |           | (139,395)           |                               |           |  |
| 26.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 26.1   |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 26.2   | 183,095   |                 |                |                      |                                    |                |           | 183,095             |                               |           |  |
| 26.3   | (183,095) |                 |                |                      |                                    |                |           | (183,095)           |                               |           |  |
| <b>COMMISSIONS INCURRED (direct business only)</b>             |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 27.  | 899,486   |                 | 10,562         |                      |                                    | 8,343          |           | 5,287               |                               | 875,294   |  |
| 28.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 29.  | 351,298   |                 | 307            |                      |                                    | 156,484        |           | 10,424              |                               | 184,083   |  |
| 30.  |           |                 |                |                      |                                    |                |           |                     |                               |           |  |
| 31.  | 1,250,784 |                 | 10,869         |                      |                                    | 164,827        |           | 15,711              |                               | 1,059,377 |  |

## EXHIBIT 2 - GENERAL EXPENSES

|  | Insurance |                          |                   |  | 5<br>Investment | 6<br>Total |
|--|-----------|--------------------------|-------------------|--|-----------------|------------|
|  | 1<br>Life | Accident and Health      |                   | 4<br>All Other<br>Lines of<br>Business |                 |            |
|  |           | 2<br>Cost<br>Containment | 3<br>All<br>Other |  |                 |            |
| 1. Rent  |           |                          |                   |  |                 |            |
| 2. Salaries and wages  |           |                          |                   |  |                 |            |
| 3.11 Contributions for benefit plans for employees                   | 10,288    |                          | 37,088            |  |                 | 47,376     |
| 3.12 Contributions for benefit plans for agents                      |           |                          |                   |  |                 |            |
| 3.21 Payments to employees under non-funded benefit plans            |           |                          |                   |  |                 |            |
| 3.22 Payments to agents under non-funded benefit plans               |           |                          |                   |  |                 |            |
| 3.31 Other employee welfare  |           |                          |                   |  |                 |            |
| 3.32 Other agent welfare   |           |                          |                   |  |                 |            |
| 4.1 Legal fees and expenses  | 4,349     |                          | 15,677            |  |                 | 20,026     |
| 4.2 Medical examination fees   |           |                          |                   |  |                 |            |
| 4.3 Inspection report fees   | 2,473     |                          | 8,913             |  |                 | 11,386     |
| 4.4 Fees of public accountants and consulting actuaries              | 42,987    |                          | 154,965           |  |                 | 197,952    |
| 4.5 Expense of investigation and settlement of policy claims         | 7,398     |                          | 26,670            |  |                 | 34,068     |
| 5.1 Traveling expenses   | 2,659     |                          | 9,585             |  |                 | 12,244     |
| 5.2 Advertising  | 1,749     |                          | 6,306             |  |                 | 8,055      |
| 5.3 Postage, express, telegraph and telephone                        |           |                          |                   |  |                 |            |
| 5.4 Printing and stationery  | 5,396     |                          | 19,452            |  |                 | 24,848     |
| 5.5 Cost or depreciation of furniture and equipment                  | 1,440     |                          | 5,191             |  |                 | 6,631      |
| 5.6 Rental of equipment  |           |                          |                   |  |                 |            |
| 5.7 Cost or depreciation of EDP equipment and software               | 15,017    |                          | 54,134            |  |                 | 69,151     |
| 6.1 Books and periodicals  |           |                          |                   |  |                 |            |
| 6.2 Bureau and association fees                                      | 2,519     |                          | 9,081             |  |                 | 11,600     |
| 6.3 Insurance, except on real estate                                 |           |                          |                   |  |                 |            |
| 6.4 Miscellaneous losses   |           |                          |                   |  |                 |            |
| 6.5 Collection and bank service charges                              | 3,162     |                          | 11,404            |  |                 | 14,566     |
| 6.6 Sundry general expenses  |           |                          |                   |  |                 |            |
| 6.7 Group service and administration fees                            | 33        |                          | 117               |  |                 | 150        |
| 6.8 Reimbursements by uninsured plans                                |           |                          |                   |  |                 |            |
| 7.1 Agency expense allowance   |           |                          |                   |  |                 |            |
| 7.2 Agents' balances charged off (less \$.....0 recovered)           | 25        |                          | 91                |  |                 | 116        |
| 7.3 Agency conferences other than local meetings                     |           |                          |                   |  |                 |            |
| 9.1 Real estate expenses   |           |                          |                   |  |                 |            |
| 9.2 Investment expenses not included elsewhere                       |           |                          |                   | 6,546                                  |                 | 6,546      |
| 9.3 Aggregate write-ins for expenses                                 | 142,130   |                          | 512,374           |  |                 | 654,504    |
| 10. General expenses Incurred  | 241,625   |                          | 871,048           |  | 6,546 (a)       | 1,119,219  |
| 11. General expenses unpaid December 31, prior year                  | 115,721   |                          |                   |  |                 | 115,721    |
| 12. General expenses unpaid December 31, current year                | 159,886   |                          |                   |  |                 | 159,886    |
| 13. Amounts receivable relating to uninsured plans, prior year       |           |                          |                   |  |                 |            |
| 14. Amounts receivable relating to uninsured plans, current year     |           |                          |                   |  |                 |            |
| 15. General expenses paid during year (Lines 10 + 11 - 12 - 13 + 14) | 197,460   |                          | 871,048           |  | 6,546           | 1,075,054  |

### DETAILS OF WRITE-INS

|   |         |  |         |  |  |         |
|---|---------|--|---------|--|--|---------|
| 09.301. Salaries Reimbursement  | 142,130 |  | 512,374 |  |  | 654,504 |
| 09.302.   |         |  |         |  |  |         |
| 09.303.   |         |  |         |  |  |         |
| 09.398. Summary of remaining write-ins for Line 9.3 from overflow page    |         |  |         |  |  |         |
| 09.399. TOTALS (Lines 09.301 through 09.303 plus 09.398) (Line 9.3 above) | 142,130 |  | 512,374 |  |  | 654,504 |

(a) Includes management fees of \$.....0 to affiliates and \$.....0 to non-affiliates.

## EXHIBIT 3 - TAXES, LICENSES AND FEES (EXCLUDING FEDERAL INCOME TAXES)

|   | Insurance |                             |  | 4<br>Investment | 5<br>Total |                                     |
|---|-----------|-----------------------------|--|-----------------|------------|-------------------------------------|
|   | 1<br>Life | 2<br>Accident<br>and Health |  |                 |            | 3<br>All Other<br>Lines of Business |
|   |           |                             |  |                 |            |                                     |
| 1. Real estate taxes  |           |                             |  |                 |            |                                     |
| 2. State insurance department licenses and fees                 | 1,770     | 6,379                       |  |                 | 8,149      |                                     |
| 3. State taxes on premiums                                      | 9,033     | 32,567                      |  |                 | 41,600     |                                     |
| 4. Other state taxes, incl. \$.....0 for employee benefits      |           |                             |  |                 |            |                                     |
| 5. U.S. Social Security taxes                                   |           |                             |  |                 |            |                                     |
| 6. All other taxes  | 13,896    | 50,094                      |  |                 | 63,990     |                                     |
| 7. Taxes, licenses and fees incurred                            | 24,699    | 89,040                      |  |                 | 113,739    |                                     |
| 8. Taxes, licenses and fees unpaid December 31, prior year      |           |                             |  |                 |            |                                     |
| 9. Taxes, licenses and fees unpaid December 31, current year    |           |                             |  |                 |            |                                     |
| 10. Taxes, licenses and fees paid during year (Lines 7 + 8 - 9) | 24,699    | 89,040                      |  |                 | 113,739    |                                     |

## EXHIBIT 4 - DIVIDENDS OR REFUNDS

|   | 1<br>Life                          | 2<br>Accident and Health |
|---|------------------------------------|--------------------------|
|   | 1. Applied to pay renewal premiums |                          |
| 2. Applied to shorten the endowment or premium-paying period                          |                                    |                          |
| 3. Applied to provide paid-up additions   |                                    |                          |
| 4. Applied to provide paid-up annuities   |                                    |                          |
| 5. TOTAL (Lines 1 through 4)  |                                    |                          |
| 6. Paid-in cash   |                                    |                          |
| 7. Left on deposit  |                                    |                          |
| 8. Aggregate write-ins for dividend or refund options                                 |                                    |                          |
| 9. TOTAL (Lines 5 through 8)  |                                    |                          |
| 10. Amount due and unpaid   |                                    |                          |
| 11. Provision for dividends or refunds payable in the following calendar year         |                                    |                          |
| 12. Terminal dividends  |                                    |                          |
| 13. Provision for deferred dividend contracts   |                                    |                          |
| 14. Amount provisionally held for deferred dividend contracts not included in line 13 |                                    |                          |
| 15. TOTAL (Lines 10 through 14)   |                                    |                          |
| 16. TOTAL from prior year   |                                    |                          |
| 17. TOTAL Dividends or refunds (Lines 9 + 15 - 16)                                    |                                    |                          |

### DETAILS OF WRITE-INS

|  |  |  |
|--|--|--|
| 0801.  |  |  |
| 0802.  |  |  |
| 0803.  |  |  |
| 0898. Summary of remaining write-ins for Line 8 from overflow page |  |  |
| 0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)    |  |  |

## EXHIBIT 5 - AGGREGATE RESERVE FOR LIFE CONTRACTS

| 1<br>Valuation Standard                                 | 2<br>Total | 3<br>Industrial | 4<br>Ordinary | 5<br>Credit (Group<br>and Individual) | 6<br>Group |
|---|------------|-----------------|---------------|---------------------------------------|------------|
| <b>Life Insurance (Gross)</b>                           |            |                 |               |                                       |            |
| Cancer Life Term .....                                  | 39,098     |                 | 39,098        |                                       |            |
| 0199997 Subtotal - Life Insurance (Gross) .....         | 39,098     |                 | 39,098        |                                       |            |
| 0199998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0199999 Totals - (Net) .....                            | 39,098     |                 | 39,098        |                                       |            |
| 0299998 Reinsurance Ceded .....                         |            | X X X           |               | X X X                                 |            |
| 0299999 Totals - (Net) .....                            |            | X X X           |               | X X X                                 |            |
| 0399998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0399999 Totals - (Net) .....                            |            |                 |               |                                       |            |
| 0499998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0499999 Totals - (Net) .....                            |            |                 |               |                                       |            |
| 0599998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0599999 Totals - (Net) .....                            |            |                 |               |                                       |            |
| 0699998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0699999 Totals - (Net) .....                            |            |                 |               |                                       |            |
| 0799997 Subtotal - Miscellaneous Reserves (Gross) ..... |            |                 |               |                                       |            |
| 0799998 Reinsurance Ceded .....                         |            |                 |               |                                       |            |
| 0799999 Totals - (Net) .....                            |            |                 |               |                                       |            |
| 9999999 Totals - (Net) -Page 3, Line 1 .....            | 39,098     |                 | 39,098        |                                       |            |

## EXHIBIT 5 - INTERROGATORIES

- |  |              |
|--|--------------|
| 1.1 Has the reporting entity ever issued both participating and non-participating contracts?   | Yes[ ] No[X] |
| 1.2 If not, state which kind is issued.  |              |
| 2.1 Does the reporting entity at present issue both participating and non-participating contracts?   | Yes[ ] No[X] |
| 2.2 If not, state which kind is issued.  |              |
| 3. Does the reporting entity at present issue or have in force contracts that contain non-guaranteed elements?<br>If so, attach a statement that contains the determination procedures, answers to the interrogatories and an actuarial opinion as described in the instructions.  | Yes[ ] No[X] |
| 4. Has the reporting entity any assessment or stipulated premium contracts in force?<br>If so, state:  | Yes[ ] No[X] |
| 4.1 Amount of insurance:   | \$ ..... 0   |
| 4.2 Amount of reserve:   | \$ ..... 0   |
| 4.3 Basis of reserve   |              |
| 4.4 Basis of regular assessments   |              |
| 4.5 Basis of special assessments   |              |
| 4.6 Assessments collected during the year  | \$ ..... 0   |
| 5. If the contract loan interest rate guaranteed in any one or more of its currently issued contracts is less than 5%, not in advance, state the contract loan rate guarantees on any such contracts   |              |
| 6. Does the reporting entity hold reserves for any annuity contracts that are less than the reserves that would be held on a standard basis?   | Yes[ ] No[X] |
| 6.1 If so, state the amount of reserve on such contracts on the basis actually held:   | \$ ..... 0   |
| 6.2 That would have been held (on an exact or approximate basis) using the actual ages of the annuitants; the interest rate(s) used in 6.1, and the same mortality basis used by the reporting entity for the valuation of comparable annuity benefits issued to standard lives. If the reporting entity has no comparable annuity benefits for standard lives to be valued, the mortality basis shall be the table most recently approved by the state of domicile for valuing individual annuity benefits:<br>Attach statement of methods employed in their valuation. | \$ ..... 0   |
| 7. Does the reporting entity have any Synthetic GIC contracts or agreements in effect as of December 31 of the current year?   | Yes[ ] No[X] |
| 7.1 If yes, state the total dollar amount of assets covered by these contracts or agreements:  | \$ ..... 0   |
| 7.2 Specify the basis (fair value, amortized cost, etc.) for determining the amount  |              |
| 7.3 State the amount of reserves established for this business:  | \$ ..... 0   |
| 7.4 Identify where the reserves are reported in the blank  |              |
| 8. Does the reporting entity have any Contingent Deferred Annuity contracts or agreements in effect as of December 31 of the current year?   | Yes[ ] No[X] |
| 8.1 If yes, state the total dollar amount of account value covered by these contracts or agreements:   | \$ ..... 0   |
| 8.2 State the amount of reserves established for this business:  | \$ ..... 0   |
| 8.3 Identify where the reserves are reported in the blank:   |              |
| 9. Does the reporting entity have any Guaranteed Lifetime Income Benefit contracts, agreements or riders in effect as of December 31 of the current year?  | Yes[ ] No[X] |
| 9.1 If yes, state the total dollar amount of any account value associated with these contracts, agreements or riders:  | \$ ..... 0   |
| 9.2 State the amount of reserves established for this business:  | \$ ..... 0   |
| 9.3 Identify where the reserves are reported in the blank:   |              |

### EXHIBIT 5A - CHANGES IN BASES OF VALUATION DURING THE YEAR

| 1                                   | Valuation Basis   |                 | 4   |
|-------------------------------------|-------------------|-----------------|---|
| Description of Valuation Class      | 2<br>Changed From | 3<br>Changed To | Increase in Actuarial Reserve Due to Change |
| 9999999 TOTAL (Column 4 Only) ..... |                   |                 |   |

## EXHIBIT 6 - AGGREGATE RESERVES FOR ACCIDENT AND HEALTH CONTRACTS

|   | 1<br>Total | 2<br>Group<br>Accident<br>and Health | 3<br>Credit Accident<br>and Health<br>(Group and<br>Individual) | 4<br>Collectively<br>Renewable | Other Individual Contracts |                              |  |                                |                   |
|---|------------|--------------------------------------|---|--------------------------------|----------------------------|------------------------------|--|--------------------------------|-------------------|
|   |            |                                      |   |                                | 5<br>Non-<br>Cancelable    | 6<br>Guaranteed<br>Renewable | 7<br>Non-Renewable<br>for Stated<br>Reasons Only | 8<br>Other<br>Accident<br>Only | 9<br>All<br>Other |
| <b>ACTIVE LIFE RESERVE</b>  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1. Unearned premium reserves .....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 2. Additional contract reserves (a) .....                                 | 405,783    | 770                                  |   |                                |                            | 405,013                      |  |                                |                   |
| 3. Additional actuarial reserves - Asset/Liability analysis .....         |            |                                      |   |                                |                            |                              |  |                                |                   |
| 4. Reserve for future contingent benefits .....                           |            |                                      |   |                                |                            |                              |  |                                |                   |
| 5. Reserve for rate credits .....   |            |                                      |   |                                |                            |                              |  |                                |                   |
| 6. Aggregate write-ins for reserves .....                                 |            |                                      |   |                                |                            |                              |  |                                |                   |
| 7. Totals (Gross) .....   | 405,783    | 770                                  |   |                                |                            | 405,013                      |  |                                |                   |
| 8. Reinsurance ceded .....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 9. TOTALS (NET) .....   | 405,783    | 770                                  |   |                                |                            | 405,013                      |  |                                |                   |
| <b>CLAIM RESERVE</b>  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 10. Present value of amounts not yet due on claims .....                  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 11. Additional actuarial reserves - Asset/Liability analysis .....        |            |                                      |   |                                |                            |                              |  |                                |                   |
| 12. Reserve for future contingent benefits .....                          |            |                                      |   |                                |                            |                              |  |                                |                   |
| 13. Aggregate write-ins for reserves .....                                |            |                                      |   |                                |                            |                              |  |                                |                   |
| 14. TOTALS (Gross) .....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 15. Reinsurance ceded .....   |            |                                      |   |                                |                            |                              |  |                                |                   |
| 16. TOTALS (Net) .....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 17. TOTAL (Net) .....   | 405,783    | 770                                  |   |                                |                            | 405,013                      |  |                                |                   |
| 18. TABULAR FUND INTEREST .....   |            |                                      |   |                                |                            |                              |  |                                |                   |
| <b>DETAILS OF WRITE-INS</b>   |            |                                      |   |                                |                            |                              |  |                                |                   |
| 0601. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 0602. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 0603. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 0698. Summary of remaining write-ins for Line 6 from overflow page .....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 0699. TOTALS (Lines 0601 through 0603 plus 0698) (Line 6 above) .....     |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1301. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1302. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1303. ....  |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1398. Summary of remaining write-ins for Line 13 from overflow page ..... |            |                                      |   |                                |                            |                              |  |                                |                   |
| 1399. TOTALS (Lines 1301 through 1303 plus 1398) (Line 13 above) .....    |            |                                      |   |                                |                            |                              |  |                                |                   |

(a) Attach statement as to valuation standard used in calculating this reserve, specifying reserve bases, interest rates and methods.:

## EXHIBIT 7 - DEPOSIT-TYPE CONTRACTS

|   | 1     | 2                                   | 3                    | 4                         | 5                                       | 6                                     |
|---|-------|-------------------------------------|----------------------|---------------------------|---|---------------------------------------|
|   | Total | Guaranteed<br>Interest<br>Contracts | Annuities<br>Certain | Supplemental<br>Contracts | Dividend<br>Accumulations<br>or Refunds | Premium and<br>Other Deposit<br>Funds |
| 1. Balance at the beginning of the year before reinsurance .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 2. Deposits received during the year .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 3. Investment earnings credited to the account .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 4. Other net change in reserves .....   | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 5. Fees and other charges assessed .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 6. Surrender charges .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 7. Net surrender or withdrawal payments .....   | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 8. Other net transfers to or (from) Separate Accounts .....   | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 9. Balance at the end of current year before reinsurance (Lines 1 + 2 + 3 + 4<br>- 5 - 6 - 7 - 8) ..... | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 10. Reinsurance balance at the beginning of the year .....  | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 11. Net change in reinsurance assumed .....   | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 12. Net change in reinsurance ceded .....   | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 13. Reinsurance balance at the end of the year (Lines 10 + 11 - 12) .....                               | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |
| 14. Net balance at the end of current year after reinsurance (Lines 9 + 13) .....                       | ..... | .....                               | .....                | .....                     | .....                                   | .....                                 |

## EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

### PART 1 - Liability End of Current Year

|                             | 1       | 2               | Ordinary       |                      |                         | 6                                  | Group          |           | Accident and Health |                               |         |
|-----------------------------|---------|-----------------|----------------|----------------------|-------------------------|------------------------------------|----------------|-----------|---------------------|-------------------------------|---------|
|                             |         |                 | 3              | 4                    | 5                       |                                    | 7              | 8         | 9                   | 10                            | 11      |
|                             | Total   | Industrial Life | Life Insurance | Individual Annuities | Supplementary Contracts | Credit Life (Group and Individual) | Life Insurance | Annuities | Group               | Credit (Group and Individual) | Other   |
| 1. Due and Unpaid:          |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 1.1 Direct                  | 22,321  |                 |                |                      |                         |                                    | 934            |           |                     |                               | 21,387  |
| 1.2 Reinsurance assumed     | 231,970 |                 |                |                      |                         |                                    |                |           | 231,970             |                               |         |
| 1.3 Reinsurance ceded       |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 1.4 Net                     | 254,291 |                 |                |                      |                         |                                    | 934            |           | 231,970             |                               | 21,387  |
| 2. In course of settlement: |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.1 Resisted:               |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.11 Direct                 |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.12 Reinsurance assumed    |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.13 Reinsurance ceded      |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.14 Net                    |         |                 | (b)            | (b)                  |                         | (b)                                | (b)            |           |                     |                               |         |
| 2.2 Other:                  |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.21 Direct                 |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.22 Reinsurance assumed    |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.23 Reinsurance ceded      |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 2.24 Net                    |         |                 | (b)            | (b)                  |                         | (b)                                | (b)            |           | (b)                 | (b)                           | (b)     |
| 3. Incurred but unreported: |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 3.1 Direct                  | 634,079 |                 | 19,075         |                      |                         |                                    | 75,075         |           | 348,006             |                               | 191,923 |
| 3.2 Reinsurance assumed     | 89,000  |                 |                |                      |                         |                                    |                |           | 89,000              |                               |         |
| 3.3 Reinsurance ceded       | 297,053 |                 |                |                      |                         |                                    | 3,228          |           | 284,482             |                               | 9,343   |
| 3.4 Net                     | 426,026 |                 | (b)            | (b)                  |                         | (b)                                | (b)            |           | (b)                 | (b)                           | (b)     |
| 4. TOTALS:                  |         |                 |                |                      |                         |                                    |                |           |                     |                               |         |
| 4.1 Direct                  | 656,400 |                 | 19,075         |                      |                         |                                    | 76,009         |           | 348,006             |                               | 213,310 |
| 4.2 Reinsurance assumed     | 320,970 |                 |                |                      |                         |                                    |                |           | 320,970             |                               |         |
| 4.3 Reinsurance ceded       | 297,053 |                 |                |                      |                         |                                    | 3,228          |           | 284,482             |                               | 9,343   |
| 4.4 Net                     | 680,317 | (a)             | (a)            | 19,075               |                         | (a)                                | (a)            |           | 384,494             | (a)                           | 203,967 |

(a) Including matured endowments (but not guaranteed annual pure endowments) unpaid amounting to \$.....0 in Column 2, \$.....0 in Column 3 and \$.....0 in Column 7.  
 (b) Include only portion of disability and accident and health claim liabilities applicable to assumed "accrued" benefits. Reserves (including reinsurance assumed and net of reinsurance ceded) for unaccrued benefits for Ordinary Life Insurance \$.....0, Individual Annuities \$.....0, Credit Life (Group and Individual) \$.....0, and Group Life \$.....0, are included in Page 3, Line 1, (See Exhibit 5, Section on Disability Disabled Lives); and for Group Accident and Health \$.....0, Credit (Group and Individual) Accident and Health \$.....0 and Other Accident and Health \$.....0 are included in Page 3, Line 2, (See Exhibit 6, Claim Reserve).

## EXHIBIT 8 - CLAIMS FOR LIFE AND ACCIDENT AND HEALTH CONTRACTS

### PART 2 - Incurred During the Year

|  | 1         | 2                   | Ordinary           |                      |                         | 6                                  | Group              |           | Accident and Health |                               |         |
|--|-----------|---------------------|--------------------|----------------------|-------------------------|------------------------------------|--------------------|-----------|---------------------|-------------------------------|---------|
|  |           |                     | 3                  | 4                    | 5                       |                                    | 7                  | 8         | 9                   | 10                            | 11      |
|  | Total     | Industrial Life (a) | Life Insurance (b) | Individual Annuities | Supplementary Contracts | Credit Life (Group and Individual) | Life Insurance (c) | Annuities | Group               | Credit (Group and Individual) | Other   |
| 1. Settlements during the year:  |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 1.1 Direct .....   | 1,011,824 |                     |                    |                      |                         |                                    | 462,450            |           |                     |                               | 549,374 |
| 1.2 Reinsurance assumed .....  | 281,580   |                     |                    |                      |                         |                                    |                    |           | 281,580             |                               |         |
| 1.3 Reinsurance ceded .....  | 41,250    |                     |                    |                      |                         |                                    | 41,250             |           |                     |                               |         |
| 1.4 Net (d) .....  | 1,252,154 |                     |                    |                      |                         |                                    | 421,200            |           | 281,580             |                               | 549,374 |
| 2. Liability December 31, current year from Part 1:                    |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 2.1 Direct .....   | 656,400   |                     | 19,075             |                      |                         |                                    | 76,009             |           | 348,006             |                               | 213,310 |
| 2.2 Reinsurance assumed .....  | 320,970   |                     |                    |                      |                         |                                    |                    |           | 320,970             |                               |         |
| 2.3 Reinsurance ceded .....  | 297,053   |                     |                    |                      |                         |                                    | 3,228              |           | 284,482             |                               | 9,343   |
| 2.4 Net .....  | 680,317   |                     | 19,075             |                      |                         |                                    | 72,781             |           | 384,494             |                               | 203,967 |
| 3. Amounts recoverable from reinsurers December 31, current year ..... |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 4. Liability December 31, prior year:                                  |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 4.1 Direct .....   | 794,937   |                     | 3,737              |                      |                         |                                    | 61,199             |           | 518,117             |                               | 211,884 |
| 4.2 Reinsurance assumed .....  | 271,742   |                     |                    |                      |                         |                                    |                    |           | 271,742             |                               |         |
| 4.3 Reinsurance ceded .....  | 351,335   |                     |                    |                      |                         |                                    | 10,857             |           | 332,216             |                               | 8,262   |
| 4.4 Net .....  | 715,344   |                     | 3,737              |                      |                         |                                    | 50,342             |           | 457,643             |                               | 203,622 |
| 5. Amounts recoverable from reinsurers December 31, prior year .....   |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 6. Incurred benefits:  |           |                     |                    |                      |                         |                                    |                    |           |                     |                               |         |
| 6.1 Direct .....   | 873,287   |                     | 15,338             |                      |                         |                                    | 477,260            |           | (170,111)           |                               | 550,800 |
| 6.2 Reinsurance assumed .....  | 330,808   |                     |                    |                      |                         |                                    |                    |           | 330,808             |                               |         |
| 6.3 Reinsurance ceded .....  | (13,032)  |                     |                    |                      |                         |                                    | 33,621             |           | (47,734)            |                               | 1,081   |
| 6.4 Net .....  | 1,217,127 |                     | 15,338             |                      |                         |                                    | 443,639            |           | 208,431             |                               | 549,719 |

(a) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.  
 (b) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.  
 (c) Including matured endowments (but not guaranteed annual pure endowments) amounting to \$.....0 in Line 1.1, \$.....0 in Line 1.4, \$.....0 in Line 6.1 and \$.....0 in Line 6.4.  
 (d) Includes \$.....0 premiums waived under total and permanent disability benefits.

**EXHIBIT OF NONADMITTED ASSETS**

|  | 1  | 2                                      | 3  |
|--|--|--|--|
|  | Current Year Total<br>Nonadmitted Assets | Prior Year Total<br>Nonadmitted Assets | Change in Total<br>Nonadmitted Assets<br>(Col. 2 - Col. 1) |
| 1. Bonds (Schedule D) .....  |  |  |  |
| 2. Stocks (Schedule D):  |  |  |  |
| 2.1 Preferred stocks .....   |  |  |  |
| 2.2 Common stocks .....  |  |  |  |
| 3. Mortgage loans on real estate (Schedule B):   |  |  |  |
| 3.1 First liens .....  |  |  |  |
| 3.2 Other than first liens .....   |  |  |  |
| 4. Real estate (Schedule A):   |  |  |  |
| 4.1 Properties occupied by the company .....   |  |  |  |
| 4.2 Properties held for the production of income .....   |  |  |  |
| 4.3 Properties held for sale .....   |  |  |  |
| 5. Cash (Schedule E-Part 1), cash equivalents (Schedule E-Part 2) and short-term investments (Schedule DA) .....     |  |  |  |
| 6. Contract loans .....  |  |  |  |
| 7. Derivatives (Schedule DB) .....   |  |  |  |
| 8. Other invested assets (Schedule BA) .....   |  |  |  |
| 9. Receivables for securities .....  |  |  |  |
| 10. Securities lending reinvested collateral assets (Schedule DL) .....  |  |  |  |
| 11. Aggregate write-ins for invested assets .....  |  |  |  |
| 12. Subtotals, cash and invested assets (Lines 1 to 11) .....  |  |  |  |
| 13. Title plants (for Title insurers only) .....   |  |  |  |
| 14. Invested income due and accrued .....  |  |  |  |
| 15. Premium and considerations:  |  |  |  |
| 15.1 Uncollected premiums and agents' balances in the course of collection .....                                     |  | 943                                    | 943  |
| 15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due .....                  |  |  |  |
| 15.3 Accrued retrospective premiums .....  |  |  |  |
| 16. Reinsurance:   |  |  |  |
| 16.1 Amounts recoverable from reinsurers .....   |  |  |  |
| 16.2 Funds held by or deposited with reinsured companies .....   |  |  |  |
| 16.3 Other amounts receivable under reinsurance contracts .....  |  |  |  |
| 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 .....  |  | 6,759                                  | 6,759  |
| 19. Guaranty funds receivable or on deposit .....  |  |  |  |
| 20. Electronic data processing equipment and software .....  |  | 17,096                                 | 17,096   |
| 21. Furniture and equipment, including health care delivery assets .....   |  |  |  |
| 22. Net adjustment in assets and liabilities due to foreign exchange rates .....                                     |  |  |  |
| 23. Receivables from parent, subsidiaries and affiliates .....   |  |  |  |
| 24. Health care and other amounts receivable .....   |  |  |  |
| 25. Aggregate write-ins for other than invested assets .....   |  |  |  |
| 26. TOTAL Assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25) ..... |  | 24,798                                 | 24,798   |
| 27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts .....                                    |  |  |  |
| 28. TOTAL (Lines 26 and 27) .....  |  | 24,798                                 | 24,798   |
| <b>DETAILS OF WRITE-INS</b>  |  |  |  |
| 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. IMR Assets .....   |  |  |  |
| 2502. ....   |  |  |  |
| 2503. ....   |  |  |  |
| 2598. Summary of remaining write-ins for Line 25 from overflow page .....  |  |  |  |
| 2599. TOTALS (Lines 2501 through 2503 plus 2598) (Line 25 above) .....   |  |  |  |

## Notes to Financial Statements

### 1. Summary of Significant Accounting Policies.

#### A. Accounting Practices

The financial statements of USIC Life Insurance Company (the Company) are presented on the basis of accounting practices or permitted by the Office of the Commissioner of Insurance Puerto Rico (the Commissioner). The Company's financial statement have been prepared in conformity with the NAIC Annual Statement Instructions and *Accounting Practices and Procedures* manuals, but are subject to any deviations prescribed or permitted by the Commissioner.

#### B. Use of Estimates in the Preparation of the Financial Statements

The preparation of financial statements in conformity with statutory accounting principles requires managements to make estimates and assumptions that affect the reported amounts of assets and liabilities, but actual results could differ from those estimates.

#### C. Accounting Policy

Life premiums are recognized as income over the premium paying period of the related policies. Health premiums are earned ratably over the terms of the related insurance and reinsurance contracts or polices. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such sales commissions, are charged to operation as incurred.

In addition, the company uses the following accounting policies:

**a.) Investments** - For reporting companies maintainig an AVR, bonds not backed by other loans and designated highest quality or high quality (NAIC designations 1 and 5, respectively) are stated at amortized cost and any premium or discount is amortized to income using the interest method. All other debt securities (NAIC designations 6) are reported at the lower of amortized cost or fair value.

Investment income consists primarily of interest. Interest is recognized on the accrual basis. Accrual of income is suspended for bonds that are in default or when the receipt of interest payments is in doubt. Realized capital gains and losses are determined on the specific identification basis and are recorded in earnings.

Declines in the fair value of invested assets below cost are evaluated for other-than-temporary impairment on a quarterly basis. Impairment losses for declines in fair value of debt and equity securities below cost attributable to issuer-specific events are based upon all relevant facts and circumstances for each investment and are recognized when appropriate in accordance with NAIC SAP and related guidance. The Company recognizes other-than-temporary impairments on debt securities when it is either probable that the Company will not collect all amounts due according the contractual terms of the debt security in effect at the date of acquisition or when the Company has made a decision to sell the debt security prior to its maturity at an amount below its amortized cost. When an other-than-temporary impairment is recognized, the debt security is written down to fair value as the new cost basis, and the amount of the write down is recorded as a realized loss.

**b.) Premiums and Related Commissions** - Life premiums are recognized as income over the premium-paying period of the related policies. Accident and health insurance premiums are recognized as revenue pro rata over the terms of the related insurance contracts or polices. Expenses incurred in connection with acquiring new insurance business including acquisition costs such as sales commissions, are charged to operations as incurred.

**c.) Aggregate Reserves for Life, Accident and Health Policies and Contracts** - Aggregate reserves for life and accident and health policies and contracts for future policy benefits include credit disability unearned premiums. Active life reserves for the individual critical illness product are calculated using a 2-year full preliminary term (FPT) method, where the active life reserves are calculated based on interpolated terminal reserves plus net unearned premium less gross unearned premium. Pricing claim costs, with a 5% margin, were used along with a valuation interest rate of 4%. Policy reserves for group life and health and accident insurance include claim reserves and unearned premiums.

**d.) Asset Valuation and Interest Maintenance Reserves** - The Company establishes certain reserves as promulgated by the NAIC. The AVR is determined by formula and is based on the Company's holdings of investments in bonds and other invested assets. This valuation reserve requires appropriation of surplus to provide for possible losses on these investments. Realized and unrealized capital gains and losses, other than those resulting from interest rate changes, are added or charged to the AVR.

The IMR is used to defer realized capital gains and losses, net of tax, on sales and calls of bonds and certain investments which result from interest rate changes. These gains and losses are then amortized into investment income over what would have been the remaining years to maturity of the underlying investment.

**e.) Reinsurance** - The Company limits the maximum net loss that can arise from large risks or risks in concentrated areas of exposure by reinsuring (ceding) certain levels of risks with other insurers or reinsurers under general reinsurance contracts known as "treaties" or by negotiation on an individual risk basis. Amounts recoverable from reinsurance are estimated in a manner consistent with the claim liability associated with the reinsured policy. Reinsurance contracts do not relieve the Company from its obligations to policyholders. Failure of reinsurers to honor their obligations could result in losses to the Company. The Company evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities, or economic characteristics

## Notes to Financial Statements

of the reinsurers to minimize its exposure to significant losses from reinsurer insolvencies.

**f.) Unpaid Policy and Contract Claims** - The liabilities for unpaid policy and contract claims are based on case-basis estimates for reported claims, and on estimates, based on experience, for incurred but not reported claims and claim expenses. Such liabilities are necessarily based on estimates and, while management believes that the amount is adequate, the ultimate liability may be in excess of or less than the amounts provided. Such estimates are periodically reevaluated and any adjustments, as subsequently determined, are reflected in the current period's operations.

**g.) Policy Acquisition Costs** - Commissions and other expenses in connection with the acquisition of premiums are charged to operations as incurred.

### 2. Accounting Changes and Correction of Errors.

Not applicable.

### 3. Business Combinations and Goodwill.

Not applicable.

### 4. Discontinued Operations.

Not applicable.

### 5. Investments.

A. The Company invests its funds in accordance with Chapter 6 of the Puerto Rico Insurance Code.

B. The Company recognizes other-than-temporary impairments on debt securities when it is either probable that the Company will not collect all amounts due according to the contractual terms of the debt security in effect at the date of acquisition or when the Company has made a decision to sell the debt security prior to its maturity at an amount below its amortized cost. When an other-than-temporary impairment is recognized, the debt security is written down to fair value as the new cost basis, and the amount of the write-down is recorded as a realized loss. There were no impairments recorded on for fiscal years ended December 31 of 2014 and 2013.

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

Not applicable.

### 7. Investment Income.

Investment Income was derived from the following sources:

|  |                                 |
|--|---------------------------------|
| US Government Bonds                    | \$ -                            |
| Other Unaffiliated Bonds               | 295,736                         |
| Common Stocks (unaffiliated)           | 15,716                          |
| Cash on Hand and Short Term Investment | 17                              |
| <b>Total</b>                           | <b><u><u>\$ 311,469</u></u></b> |

### 8. Derivative Instruments.

Not applicable.

### 9. Puerto Rico and Federal Income Tax Allocation.

The Company is subject to Puerto Rico income taxes at statutory rates that range from 20% to 39%.

However, Puerto Rico life insurance companies are subject to taxes on their capitals gains and to alternative minimum tax (AMT), as applicable. Net income for the year was reduced by non taxable investment income of approximately \$294,882.

### 10. Information Concerning Parent, Subsidiaries and Affiliates.

The Company is a wholly owned subsidiary of MRM Group, Inc (the Parent), incorporated under the laws of the Commonwealth of Puerto Rico. During the year, USIC Life reimbursed certain expenses to USIC (Affiliate)

## Notes to Financial Statements

for  
the amount of \$654,504.

11. **Debt.**

Not applicable.

12. **Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans.**

Not applicable.

13. **Capital and Surplus, Dividend Restrictions and Quasi Reorganizations.**

A. The Company has 300,000 of \$10 par value common stock authorized; 250,000 shares issued and outstanding.

B. The Company has no preferred stock.

C.D and E.

The maximum amount of dividends which can be paid in the Commonwealth of Puerto Rico is limited to accumulated earnings. At December 31, 2014 there were accumulated earnings of \$1,295,253.

F. There have been no advances to surplus

G. Company Stock Held for Special Purposes - Not applicable

H. Changes in Special Surplus Funds - Not applicable

I. Changes in Unassigned Funds- There is an unrealized gain of \$40,537 net of taxes from unassigned surplus funds (surplus) .

J. Surplus Note - Not applicable

K. L. Quasi- Reorganizations - Not applicable

14. **Contingencies.**

A. Contingent Commitments- Not Applicable

B. Assessments

Pursuant to the PR Insurance Code, the Company is a member of the Puerto Rico Insurance Guaranty Association for Life, Disability and Health Insurance. As a member, the Company is required to provide funds for the settlement of claims and reimbursement of unearned premiums of insurance policies issued by insolvent insurance companies. During 2014 and 2013, no assessments or accrual for possible future assessments were made.

C. Gain Contingencies- Not Applicable

D. All Other Contingencies

In the normal course of business, the Company is involved in various lawsuits, including insurance and corporate cases. Because of the considerable uncertainties that exists, the Company cannot predict the outcome of pending or future litigation. However, management believes that the resolution pending legal proceedings will not have a material effect on the Company's financial position or liquidity, but could have a material adverse effect on the results of operations for a specific period. As of December 31, 2014, the Company does not have any accrual on the financial statements.

15. **Lease.**

Not applicable.

16. **Information About Financial Instruments With Off-Balance Sheet Risk And Financial Instruments With Concentrations of Credit Risk.**

Not applicable.

17. **Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities.**

Not applicable.

18. **Gain or Loss to the Insurer from Uninsured A&H Plans and the Uninsured Portion of Partially Insured Plans.**

Not applicable.

## Notes to Financial Statements

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

Not applicable.

### 20. Other Items.

- A. Extraordinary Items- Not applicable
- B. Troubled Debt Restructuring- Not applicable.
- C. Assets Held by Government Authorities or Pledged as Collateral

Assets in the amount of \$1,261,318 and \$1,262,261 at the end of the current and prior year, respectively were on deposit with the Office of the Insurance Commissioner of Puerto Rico as required by law.

- D. Uncollectible Premiums Receivable

At December 31, 2014 the Company had admitted assets of \$123,078 in Premiums Receivable. There is a provision for non admitted assets for \$0.

- E. Noncash Transactions- Not applicable

### 21. Events Subsequent.

There were no events occurring subsequent to the end of the current year through the date of this filing requiring disclosure.

### 22. Reinsurance.

- A. Ceded Reinsurance Report

Section 1- General Interrogatories

- A. Are any of the reinsurers, listed in Schedule S as non-affiliated, owned in excess of 10% or controlled, either directly or indirectly, by the company or by any representative, officer, trustee, or director of the company? Yes ( ) No (X)
- B. Have any policies issued by the company been reinsured with a company chartered in a country other than the United States (excluding U.S. Branches of such companies) which is owned in excess of 10% or controlled directly or indirectly by an insured, a beneficiary, a creditor or an insured or any other person not primarily engaged in the insurance business? Yes ( ) No (X)

Section 2- Ceded Reinsurance Report- Part A

- A. Does the company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits? Yes ( ) No (X)
- B. Does the company have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts which, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies? Yes ( ) No (X)

Section 3- Ceded Reinsurance Report- Part B

- A. What is the estimated amount of the aggregate reduction in surplus, for agreements, not reflected in Section 2 above, of termination of all reinsurance agreements by either party, as of the date of this statement? Where necessary, the company may consider the current or anticipated experience of the business reinsured in making this estimate. \$0
- B. Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts which were in-force or which had existing reserves established by the company as of the agreement? Yes ( ) No (X)

- B. Uncollectible Reinsurance

The Company has not written off any uncollectible reinsurance during the year.

- C. Commutation of Reinsurance Reflected in Income and Expenses

The Company has not commuted any ceded reinsurance during the year.

### 23. Retrospectively Rated Contracts & Contracts Subject to Redetermination.

## Notes to Financial Statements

Not applicable.

24. **Change in Incurred Losses and Loss Adjustment Expenses.**

Reserves on accident and health contracts for incurred losses and loss adjustment expenses attributable to insured events of prior years developed as anticipated during 2014. See Schedule H- Part 3 and the Five Year Historical Data. Original estimates are increased and decreased as additional information becomes known regarding individual claims. However, no significant trends or unanticipated events were noted in 2014. None of the Company's accident and health contracts are subject to retrospective rating or experience refunds.

25. **Intercompany Pooling Arrangements.**

Not applicable.

26. **Structured Settlements.**

Not applicable.

27. **Health Care Receivables.**

Not applicable.

28. **Participating Policies.**

Not applicable.

29. **Premium Deficiency Reserves.**

Not applicable.

30. **Reserves for Life Contracts and Deposit Type Contracts.**

Not applicable.

31. **Analysis of Annuity Actuarial Reserves and Deposit Liabilities by Withdrawal Characteristics.**

Not applicable.

32. **Premium and Annuity Considerations Deferred and Uncollected.**

As of December 31, 2014 there was an uncollected amount of \$123,078 related to the group life and accident and health insurance business.

33. **Separate Accounts.**

Not applicable.

34. **Loss/Claim Adjustment Expenses.**

Not applicable.

# GENERAL INTERROGATORIES

## PART 1 - COMMON INTERROGATORIES

### GENERAL

- 1.1 Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?  
If yes, complete Schedule Y, Parts 1, 1A and 2. Yes[X] No[ ]
- 1.2 If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations? Yes[ ] No[ ] N/A[X]
- 1.3 State Regulating? Puerto Rico
- 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 State as of what date the latest financial examination of the reporting entity was made or is being made. 12/31/2013
- 3.2 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
- 3.3 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). \_\_\_\_\_
- 3.4 By what department or departments?  
Office of the Commissioner of Insurance of Puerto Rico
- 3.5 Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with departments? Yes[X] No[ ] N/A[ ]
- 3.6 Have all of the recommendations within the latest financial examination report been complied with? Yes[X] No[ ] N/A[ ]
- 4.1 During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity) receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.11 sales of new business? Yes[ ] No[X]
- 4.12 renewals? Yes[ ] No[X]
- 4.2 During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:
- 4.21 sales of new business? Yes[ ] No[X]
- 4.22 renewals? Yes[ ] No[X]
- 5.1 Has the reporting entity been a party to a merger or consolidation during the period covered by this statement? Yes[ ] No[X]
- 5.2 If yes, provide the name of the 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<br>Name of Entity | 2<br>NAIC Company Code | 3<br>State of Domicile |
|---------------------|------------------------|------------------------|
| .....               | .....                  | .....                  |

- 6.1 Has the 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]
- 6.2 If yes, give full information:
- 7.1 Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity? Yes[ ] No[X]
- 7.2 If yes, 0.000%
- 7.21 State the percentage of foreign control
- 7.22 State the nationality(s) of the foreign person(s) or entity(s); or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact and identify the type of entity(s) (e.g., individual, corporation, government, manager or attorney-in-fact)

| 1<br>Nationality | 2<br>Type of Entity |
|------------------|---------------------|
| .....            | .....               |

- 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 the names and location (city and state of the main office) of any affiliates regulated by a federal financial 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<br>Affiliate Name | 2<br>Location (City, State) | 3<br>FRB     | 4<br>OCC     | 5<br>FDIC    | 6<br>SEC     |
|---------------------|-----------------------------|--------------|--------------|--------------|--------------|
| .....               | .....                       | Yes[ ] No[X] | Yes[ ] No[X] | Yes[ ] No[X] | Yes[ ] No[X] |

9. What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?  
BDO Puerto Rico PO Box 363436 San Juan PR 00936-3436
- 10.1 Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation? Yes[ ] No[X]
- 10.2 If response to 10.1 is "yes," provide information related to this exemption:
- 10.3 Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation? Yes[ ] No[X]
- 10.4 If response to 10.3 is "yes," provide information related to this exemption:
- 10.5 Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws? Yes[X] No[ ] N/A[ ]
- 10.6 If the response to 10.5 is "NO" or "N/A" please explain:
11. What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?  
Darrell D. Spell, FSA,MAAA, Milliman USA
- 12.1 Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly? Yes[ ] No[X]
- 12.11 Name of real estate holding company

## GENERAL INTERROGATORIES (Continued)

- 12.12 Number of parcels involved 0  
 12.13 Total book/adjusted carrying value \$ 0  
 12.2 If yes, provide explanation
13. FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:  
 13.1 What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?  
 13.2 Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located? Yes[X] No[ ] N/A[ ]  
 13.3 Have there been any changes made to any of the trust indentures during the year? Yes[ ] No[ ] N/A[X]  
 13.4 If answer to (13.3) is yes, has the domiciliary or entry state approved the changes? Yes[ ] No[ ] N/A[X]

- 14.1 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.  
 14.11 If the response to 14.1 is no, please explain:  
 14.2 Has the code of ethics for senior managers been amended? Yes[ ] No[X]  
 14.21 If the response to 14.2 is yes, provide information related to amendment(s).  
 14.3 Have any provisions of the code of ethics been waived for any of the specified officers? Yes[ ] No[X]  
 14.31 If the response to 14.3 is yes, provide the nature of any waiver(s).

- 15.1 Is the reporting entity the beneficiary of a Letter of Credit that is unrelated to reinsurance where the issuing or confirming bank is not on the SVO Bank List? Yes[ ] No[X]  
 15.2 If the response to 15.1 is yes, indicate the American Bankers Association (ABA) Routing Number and the name of the issuing or confirming bank of the Letter of Credit and describe the circumstances in which the Letter of Credit is triggered.

|         | 1<br>American Bankers Association (ABA) Routing Number | 2<br>Issuing or Confirming Bank Name | 3<br>Circumstances That Can Trigger the Letter of Credit | 4<br>Amount |
|---------|--|--------------------------------------|--|-------------|
| 15.2001 | .....  | .....                                | .....  | .....       |

### BOARD OF DIRECTORS

16. Is the purchase or sale of all investments of the reporting entity passed upon either by the Board of Directors or a subordinate committee thereof? Yes[X] No[ ]  
 17. Does the reporting entity keep a complete permanent record of the proceedings of its Board of Directors and all subordinate committees thereof? Yes[X] No[ ]  
 18. Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict or is likely to conflict with the official duties of such person? Yes[X] No[ ]

### FINANCIAL

19. Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)? Yes[ ] No[X]
- 20.1 Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.11 To directors or other officers \$ ..... 0  
 20.12 To stockholders not officers \$ ..... 0  
 20.13 Trustees, supreme or grand (Fraternal only) \$ ..... 0  
 20.2 Total amount of loans outstanding at end of year (inclusive of Separate Accounts, exclusive of policy loans):  
 20.21 To directors or other officers \$ ..... 0  
 20.22 To stockholders not officers \$ ..... 0  
 20.23 Trustees, supreme or grand (Fraternal only) \$ ..... 0
- 21.1 Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement? Yes[ ] No[X]  
 21.2 If yes, state the amount thereof at December 31 of the current year:  
 21.21 Rented from others \$ ..... 0  
 21.22 Borrowed from others \$ ..... 0  
 21.23 Leased from others \$ ..... 0  
 21.24 Other \$ ..... 0
- 22.1 Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments? Yes[ ] No[X]  
 22.2 If answer is yes:  
 22.21 Amount paid as losses or risk adjustment \$ ..... 0  
 22.22 Amount paid as expenses \$ ..... 0  
 22.23 Other amounts paid \$ ..... 0
- 23.1 Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement? Yes[ ] No[X]  
 23.2 If yes, indicate any amounts receivable from parent included in the Page 2 amount: \$ ..... 0

### INVESTMENT

- 24.01 Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03) Yes[X] No[ ]  
 24.02 If no, give full and complete information, relating thereto  
 24.03 For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)  
 24.04 Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions? Yes[ ] No[ ] N/A[X]  
 24.05 If answer to 24.04 is yes, report amount of collateral for conforming programs. \$ ..... 0  
 24.06 If answer to 24.04 is no, report amount of collateral for other programs. \$ ..... 0  
 24.07 Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract? Yes[ ] No[ ] N/A[X]  
 24.08 Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%? Yes[ ] No[ ] N/A[X]  
 24.09 Does the reporting entity or the reporting entity's securities lending agent utilize the Master Securities Lending Agreement (MSLA) to conduct securities lending? Yes[ ] No[ ] N/A[X]  
 24.10 For the reporting entity's security lending program, state the amount of the following as of December 31 of the current year:

## GENERAL INTERROGATORIES (Continued)

|   |            |
|---|------------|
| 24.101 Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.                   | \$ ..... 0 |
| 24.102 Total book/adjusted carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2. | \$ ..... 0 |
| 24.103 Total payable for securities lending reported on the liability page.                                       | \$ ..... 0 |

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes[X] No[ ]

25.2 If yes, state the amount thereof at December 31 of the current year:

|   |                    |
|---|--------------------|
| 25.21 Subject to repurchase agreements  | \$ ..... 0         |
| 25.22 Subject to reverse repurchase agreements  | \$ ..... 0         |
| 25.23 Subject to dollar repurchase agreements   | \$ ..... 0         |
| 25.24 Subject to reverse dollar repurchase agreements                                 | \$ ..... 0         |
| 25.25 Placed under option agreements  | \$ ..... 0         |
| 25.26 Letter stock or securities restricted as to sale - excluding FHLB Capital Stock | \$ ..... 0         |
| 25.27 FHLB Capital Stock  | \$ ..... 0         |
| 25.28 On deposit with states  | \$ ..... 0         |
| 25.29 On deposit with other regulatory bodies   | \$ ..... 1,261,318 |
| 25.30 Pledged as collateral - excluding collateral pledged to an FHLB                 | \$ ..... 0         |
| 25.31 Pledged as collateral to FHLB - including assets backing funding agreements     | \$ ..... 0         |
| 25.32 Other   | \$ ..... 0         |

25.3 For category (25.26) provide the following:

| 1<br>Nature of Restriction | 2<br>Description | 3<br>Amount |
|----------------------------|------------------|-------------|
|                            |                  |             |

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes[ ] No[X]  
 26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes[ ] No[ ] N/A[X]  
 If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes[ ] No[X]  
 27.2 If yes, state the amount thereof at December 31 of the current year. \$ ..... 0

28. 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 I, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes[X] No[ ]

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

| 1<br>Name of Custodian(s)              | 2<br>Custodian's Address    |
|--|-----------------------------|
| UBS Financial Services Inc of PR ..... | San Juan, Puerto Rico ..... |

28.02 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<br>Name(s) | 2<br>Location(s) | 3<br>Complete Explanation(s) |
|--------------|------------------|------------------------------|
|              |                  |                              |

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes[ ] No[X]  
 28.04 If yes, give full and complete information relating thereto:

| 1<br>Old Custodian | 2<br>New Custodian | 3<br>Date of Change | 4<br>Reason |
|--------------------|--------------------|---------------------|-------------|
|                    |                    |                     |             |

28.05 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<br>Central Registration Depository Number(s) | 2<br>Name                                       | 3<br>Address                |
|--|---|-----------------------------|
|  | UBS Financial Services Inc of Puerto Rico ..... | San Juan, Puerto Rico ..... |

29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5 (b)(1)])? Yes[ ] No[X]  
 29.2 If yes, complete the following schedule:

| 1<br>CUSIP #        | 2<br>Name of Mutual Fund | 3<br>Book/Adjusted Carrying Value |
|---------------------|--------------------------|-----------------------------------|
| 29.2999 Total ..... |                          |                                   |

29.3 For each mutual fund listed in the table above, complete the following schedule:

## GENERAL INTERROGATORIES (Continued)

| 1<br><br>Name of Mutual Fund<br>(from above table) | 2<br><br>Name of Significant Holding<br>of the Mutual Fund | 3<br><br>Amount of<br>Mutual Fund's<br>Book/Adjusted<br>Carrying Value<br>Attributable to<br>the Holding | 4<br><br>Date of<br>Valuation |
|--|--|--|-------------------------------|
|  |  |  |                               |

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

|                             | 1<br><br>Statement<br>(Admitted) Value | 2<br><br>Fair<br>Value | 3<br><br>Excess of<br>Statement over<br>Fair Value (-),<br>or Fair Value over<br>Statement (+) |
|-----------------------------|--|------------------------|--|
| 30.1 Bonds .....            | 6,199,688                              | 4,791,784              | (1,407,904)  |
| 30.2 Preferred stocks ..... |  |                        |  |
| 30.3 Totals .....           | 6,199,688                              | 4,791,784              | (1,407,904)  |

30.4 Describe the sources or methods utilized in determining the fair values  
Based on quoted market prices from SVO database

- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes[X] No[ ]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes[X] No[ ] N/A[ ]
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes[X] No[ ]
- 32.2 If no, list exceptions:

### OTHER

- 33.1 Amount of payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus, if any? \$ ..... 11,386
- 33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to Trade Associations, Service Organizations and Statistical or Rating Bureaus during the period covered by this statement.

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
| MIB ..... | 9,200            |

- 34.1 Amount of payments for legal expenses, if any? \$ ..... 20,096
- 34.2 List the name of the firm and the amount paid if any such payments represented 25% or more of the total payments for legal expenses during the period covered by this statement.

| 1<br>Name                      | 2<br>Amount Paid |
|--------------------------------|------------------|
| Saldana- Saldana-Egozcue ..... | 15,423           |

- 35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or department of government, if any? \$ ..... 0
- 35.2 List the name of firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

| 1<br>Name | 2<br>Amount Paid |
|-----------|------------------|
|           |                  |

# GENERAL INTERROGATORIES (Continued)

## PART 2 - LIFE INTERROGATORIES

- 1.1 Does the reporting entity have any direct Medicare Supplement Insurance in force? Yes [ ] No[X]
- 1.2 If yes, indicate premium earned on U.S. business only. \$ ..... 0
- 1.3 What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit? \$ ..... 0
- 1.31 Reason for excluding:
- 1.4 Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above. \$ ..... 0
- 1.5 Indicate total incurred claims on all Medicare Supplement Insurance. \$ ..... 0
- 1.6 Individual policies:
- Most current three years:
- 1.61 Total premium earned \$ ..... 0
- 1.62 Total incurred claims \$ ..... 0
- 1.63 Number of covered lives ..... 0
- All years prior to most current three years:
- 1.64 Total premium earned \$ ..... 0
- 1.65 Total incurred claims \$ ..... 0
- 1.66 Number of covered lives ..... 0
- 1.7 Group policies:
- Most current three years:
- 1.71 Total premium earned \$ ..... 0
- 1.72 Total incurred claims \$ ..... 0
- 1.73 Number of covered lives ..... 0
- All years prior to most current three years:
- 1.74 Total premium earned \$ ..... 0
- 1.75 Total incurred claims \$ ..... 0
- 1.76 Number of covered lives ..... 0

2. Health Test

|                                     | 1<br>Current Year | 2<br>Prior Year |
|-------------------------------------|-------------------|-----------------|
| 2.1 Premium Numerator .....         | .....             | .....           |
| 2.2 Premium Denominator .....       | 4,167,723         | 4,130,102       |
| 2.3 Premium Ratio (2.1 / 2.2) ..... | .....             | .....           |
| 2.4 Reserve Numerator .....         | 588,461           | 661,265         |
| 2.5 Reserve Denominator .....       | 1,125,198         | 976,323         |
| 2.6 Reserve Ratio (2.4 / 2.5) ..... | 0.523             | 0.677           |

- 3.1 Does this reporting entity have Separate Accounts? Yes [ ] No[X]
- 3.2 If yes, has a Separate Accounts statement been filed with this department? Yes [ ] No [ ] N/A[X]
- 3.3 What portion of capital and surplus funds of the reporting entity covered by assets in the Separate Accounts statement, is not currently distributable from the Separate Accounts to the general account for use by the general account? \$ ..... 0
- 3.4 State the authority under which Separate Accounts are maintained:
- 3.5 Was any of the reporting entity's Separate Accounts business reinsured as of December 31? Yes [ ] No[X]
- 3.6 Has the reporting entity assumed by reinsurance any Separate Accounts business as of December 31? Yes [ ] No[X]
- 3.7 If the reporting entity has assumed Separate Accounts business, how much, if any, reinsurance assumed receivable for reinsurance of Separate Accounts reserve expense allowances is included as a negative amount in the liability for "Transfers to Separate Accounts due or accrued (net)?" \$ ..... 0
- 4.1 Are personnel or facilities of this reporting entity used by another entity or entities or are personnel or facilities of another entity or entities used by this reporting entity (except for activities such as administration of jointly underwritten group contracts and joint mortality or morbidity studies)? Yes [ ] No[X]
- 4.2 Net reimbursement of such expenses between reporting entities:
- 4.21 Paid \$ ..... 0
- 4.22 Received \$ ..... 0
- 5.1 Does the reporting entity write any guaranteed interest contracts? Yes [ ] No[X]
- 5.2 If yes, what amount pertaining to these items is included in:
- 5.21 Page 3, Line 1 \$ ..... 0
- 5.22 Page 4, Line 1 \$ ..... 0
6. For stock reporting entities only:
- 6.1 Total amount paid in by stockholders as surplus funds since organization of the reporting entity: \$ ..... 0
7. Total dividends paid stockholders since the organization of the reporting entity:
- 7.11 Cash \$ ..... 0
- 7.12 Stock \$ ..... 0
- 8.1 Does the company reinsure any Workers' Compensation Carve-Out business defined as: Reinsurance (including retrocessional reinsurance) assumed by life and health insurers of medical, wage loss and death benefits of the occupational illness and accident exposures, but not the employers liability exposures, of business originally written as workers' compensation insurance. Yes [ ] No[X]
- 8.2 If yes, has the reporting entity completed the WORKERS' COMPENSATION CARVE-OUT SUPPLEMENT to the Annual Statement? Yes [ ] No [ ] N/A[X]
- 8.3 If 8.1 is yes, the amounts of earned premiums and claims incurred in this statement are:

|  | 1<br>Reinsurance<br>Assumed | 2<br>Reinsurance<br>Ceded | 3<br>Net<br>Retained |
|--|-----------------------------|---------------------------|----------------------|
| 8.31 Earned premium .....                                  | .....                       | .....                     | .....                |
| 8.32 Paid claims .....                                     | .....                       | .....                     | .....                |
| 8.33 Claim liability and reserve (beginning of year) ..... | .....                       | .....                     | .....                |
| 8.34 Claim liability and reserve (end of year) .....       | .....                       | .....                     | .....                |
| 8.35 Incurred claims .....                                 | .....                       | .....                     | .....                |

8.4 If reinsurance assumed included amounts with attachment points below \$1,000,000, the distribution of the amounts reported in Lines 8.31 and 8.34 for Column (1) are:

## GENERAL INTERROGATORIES (Continued)

|      | Attachment Point          | 1<br>Earned Premium | 2<br>Claim Liability and Reserve |
|------|---------------------------|---------------------|----------------------------------|
| 8.41 | < \$25,000 .....          |                     |                                  |
| 8.42 | \$25,000 - 99,999 .....   |                     |                                  |
| 8.43 | \$100,000 - 249,999 ..... |                     |                                  |
| 8.44 | \$250,000 - 999,999 ..... |                     |                                  |
| 8.45 | \$1,000,000 or more ..... |                     |                                  |

8.5 What portion of earned premium reported in 8.31, Column 1 was assumed from pools? \$ ..... 0

9.1 Does the company have variable annuities with guaranteed benefits? Yes [ ] No [X]

9.2 If 9.1 is yes, complete the following table for each type of guaranteed benefit.

| Type                          |                                | 3<br>Waiting Period Remaining | 4<br>Account Value Related to Column 3 | 5<br>Total Related Account Values | 6<br>Gross Amount of Reserve | 7<br>Location of Reserve | 8<br>Portion Reinsured | 9<br>Reinsurance Reserve Credit |
|-------------------------------|--------------------------------|-------------------------------|--|-----------------------------------|------------------------------|--------------------------|------------------------|---------------------------------|
| 1<br>Guaranteed Death Benefit | 2<br>Guaranteed Living Benefit |                               |  |                                   |                              |                          |                        |                                 |
| .....                         | .....                          | .....                         | .....                                  | .....                             | .....                        | .....                    | .....                  | .....                           |

10. For reporting entities having sold annuities to another insurer where the insurer purchasing the annuities has obtained a release of liability from the claimant (payee) as the result of the purchase of an annuity from the reporting entity only:

10.1 Amount of loss reserves established by these annuities during the current year: \$ ..... 0

10.2 List the name and location of the insurance company purchasing the annuities and the statement value on the purchase date of the annuities.

| 1<br>P&C Insurance Company and Location | 2<br>Statement Value on Purchase Date of Annuities (i.e., Present Value) |
|---|--|
| .....                                   | .....  |

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

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

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

11.4 If yes, please provide the balance of the funds administered as of the reporting date: \$ ..... 0

12.1 Are any of the captive affiliates reported on Schedule S, Part 3 as authorized reinsurers? Yes [ ] No [ ] N/A [X]

12.2 If the answer to 12.1 is yes, please provide the following:

| 1<br>Company Name | 2<br>NAIC Company Code | 3<br>Domiciliary Jurisdiction | 4<br>Reserve Credit | Assets Supporting Reserve Credit |                       |            |
|-------------------|------------------------|-------------------------------|---------------------|----------------------------------|-----------------------|------------|
|                   |                        |                               |                     | 5<br>Letters of Credit           | 6<br>Trust Agreements | 7<br>Other |
| .....             | .....                  | .....                         | .....               | .....                            | .....                 | .....      |

13. Provide the following for individual ordinary life insurance\* policies (U.S. business only) for the current year (prior to reinsurance assumed or ceded)

13.1 Direct Premium Written \$ ..... 0

13.2 Total incurred claims \$ ..... 0

13.2 Number of covered lives ..... 0

| *Ordinary Life Insurance Includes   |
|---|
| Term (whether full underwriting, limited underwriting, jet issue, "short form app")       |
| Whole Life (whether full underwriting, limited underwriting, jet issue, "short form app") |
| Variable Life (with or without Secondary Guarantee)                                       |
| Universal Life (with or without Secondary Guarantee)                                      |
| Variable Universal Life (with or without Secondary Guarantee)                             |

**FIVE - YEAR HISTORICAL DATA****Show Amounts in Whole Dollars Only, No Cents; Show Percentages to One Decimal Place, i.e., 17.6.****Show Amounts of Life Insurance in this Exhibit in Thousands (Omit \$000)**

|  | 1<br>2014 | 2<br>2013 | 3<br>2012 | 4<br>2011 | 5<br>2010 |
|--|-----------|-----------|-----------|-----------|-----------|
| <b>Life Insurance in Force (Exhibit of Life Insurance)</b>   |           |           |           |           |           |
| 1. Ordinary - whole life and endowment (Line 34, Column 4) .....   |           |           |           |           |           |
| 2. Ordinary - term (Line 21, Column 4, less Line 34, Column 4) .....   | 6,216     |           |           |           |           |
| 3. Credit life (Line 21, Column 6) .....   |           |           |           |           |           |
| 4. Group, excluding FEGLI/SGLI (Line 21, Column 9 less<br>Lines 43 & 44, Column 4) .....   | 1,875,330 | 793,138   | 620,786   | 605,929   | 445,124   |
| 5. Industrial (Line 21, Column 2) .....  |           |           |           |           |           |
| 6. FEGLI/SGLI (Lines 43 & 44, Column 4) .....  |           |           |           |           |           |
| 7. TOTAL (Line 21, Column 10) .....  | 1,881,546 | 793,138   | 620,786   | 605,929   | 445,124   |
| <b>New Business Issued (Exhibit of Life Insurance)</b>   |           |           |           |           |           |
| 8. Ordinary - whole life and endowment (Line 34, Column 2) .....   |           |           |           |           |           |
| 9. Ordinary - term (Line 2, Column 4, less Line 34, Column 2) .....  | 6,716     |           |           |           |           |
| 10. Credit life (Line 2, Column 6) .....   |           |           |           |           |           |
| 11. Group (Line 2, Column 9) .....   | 1,172,993 | 174,887   | 70,733    | 162,091   | 326,224   |
| 12. Industrial (Line 2, Column 2) .....  |           |           |           |           |           |
| 13. TOTAL (Line 2, Column 10) .....  | 1,179,709 | 174,887   | 70,733    | 162,091   | 326,224   |
| <b>Premium Income-Lines of Business (Exhibit 1 - Part 1)</b>   |           |           |           |           |           |
| 14. Industrial life (Exhibit 1 - Part 1, Line 20.4, Column 2) .....  |           |           |           |           |           |
| 15.1 Ordinary life insurance (Exhibit 1 - Part 1, Line 20.4, Column<br>3) .....  | 64,665    | 3,540     |           |           |           |
| 15.2 Ordinary individual annuities (Exhibit 1 - Part 1, Line 20.4,<br>Column 4) .....  |           |           |           |           |           |
| 16. Credit life, (group and individual) (Exhibit 1 - Part 1, Line<br>20.4, Column 5) .....   |           |           |           |           |           |
| 17.1 Group life insurance (Exhibit 1 - Part 1, Line 20.4, Column 6) .....  | 840,386   | 913,744   | 843,796   | 526,758   | 351,622   |
| 17.2 Group annuities (Exhibit 1 - Part 1, Line 20.4, Column 7) .....   |           |           |           |           |           |
| 18.1 A & H group (Exhibit 1 - Part 1, Line 20.4, Column 8) .....   | 926,547   | 1,289,138 | 1,230,978 | 998,200   | 909,937   |
| 18.2 A & H credit (group and individual) (Exhibit 1 - Part 1, Line<br>20.4, Column 9) .....  |           |           |           |           |           |
| 18.3 A & H other (Exhibit 1 - Part 1, Line 20.4 Column 10) .....   | 2,336,125 | 1,923,680 | 1,842,807 | 377,156   | 4,789     |
| 19. Aggregate of all other lines of business (Exhibit 1 - Part 1,<br>Line 20.4, Column 11) .....   |           |           |           |           |           |
| 20. TOTAL .....  | 4,167,723 | 4,130,102 | 3,917,581 | 1,902,114 | 1,266,348 |
| <b>Balance Sheet Items (Pages 2 and 3)</b>   |           |           |           |           |           |
| 21. TOTAL Admitted Assets excluding Separate Accounts<br>business (Page 2, Line 26, Column 3) .....  | 8,097,840 | 7,392,818 | 6,632,509 | 5,356,951 | 4,949,830 |
| 22. TOTAL Liabilities excluding Separate Accounts business<br>(Page 3, Line 26) .....  | 1,841,456 | 1,455,849 | 1,162,767 | 941,488   | 885,714   |
| 23. Aggregate life reserves (Page 3, Line 1) .....   | 39,098    | 23,841    | 5,279     |           |           |
| 24. Aggregate A & H reserves (Page 3, Line 2) .....  | 405,783   | 237,138   | 5,436     | 1,383     | 347       |
| 25. Deposit-type contract funds (Page 3, Line 3) .....   |           |           |           |           |           |
| 26. Asset valuation reserve (Page 3, Line 24.1) .....  | 196,083   | 43,556    | 32,859    | 20,016    |           |
| 27. Capital (Page 3, Lines 29 & 30) .....  | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 | 2,500,000 |
| 28. Surplus (Page 3, Line 37) .....  | 3,756,384 | 3,436,969 | 2,969,742 | 1,915,463 | 1,564,116 |
| <b>Cash Flow (Page 5)</b>  |           |           |           |           |           |
| 29. Net Cash from Operations (Line 11) .....   | 539,814   | 508,183   | 1,252,336 | 93,940    | 369,981   |
| <b>Risk-Based Capital Analysis</b>   |           |           |           |           |           |
| 30. TOTAL Adjusted Capital .....   | 6,452,467 | 5,980,525 | 5,502,601 | 4,435,479 | 4,064,116 |
| 31. Authorized control level risk-based capital .....  | 1,213,589 | 672,030   | 611,341   | 483,231   | 365,904   |
| <b>Percentage Distribution of Cash, Cash Equivalents and<br/>Invested Assets<br/>(Page 2, Column 3) (Line No./Page 2, Line 12, Column 3) x<br/>100.0</b> |           |           |           |           |           |
| 32. Bonds (Line 1) .....   | 79.6      | 88.9      | 89.0      | 88.9      | 98.5      |
| 33. Stocks (Lines 2.1 and 2.2) .....   | 7.2       | 2.9       |           |           |           |
| 34. Mortgage loans on real estate (Line 3.1 and 3.2) .....   |           |           |           |           |           |
| 35. Real estate (Lines 4.1, 4.2 and 4.3) .....   |           |           |           |           |           |
| 36. Cash, cash equivalents and short-term investments (Line 5) .....   | 13.2      | 8.3       | 11.0      | 11.1      | 1.5       |
| 37. Contract loans (Line 6) .....  |           |           |           |           |           |
| 38. Derivatives (Page 2, Line 7) .....   |           |           |           |           |           |
| 39. Other invested assets (Line 8) .....   |           |           |           |           |           |
| 40. Receivables for securities (Line 9) .....  |           |           |           |           |           |
| 41. Securities lending reinvested collateral assets (Line 10) .....  |           |           |           |           |           |
| 42. Aggregate write-ins for invested assets (Line 11) .....  |           |           |           |           |           |
| 43. Cash, cash equivalents and invested assets (Line 12) .....   | 100.0     | 100.0     | 100.0     | 100.0     | 100.0     |

## FIVE - YEAR HISTORICAL DATA (Continued)

|   | 1<br>2014 | 2<br>2013 | 3<br>2012 | 4<br>2011 | 5<br>2010 |
|---|-----------|-----------|-----------|-----------|-----------|
| <b>Investments in Parent, Subsidiaries and Affiliates</b>   |           |           |           |           |           |
| 44. Affiliated bonds (Schedule D Summary, Line 12 Column 1) .....   |           |           |           |           |           |
| 45. Affiliated preferred stocks (Schedule D Summary, Line 18, Column 1) .....   |           |           |           |           |           |
| 46. Affiliated common stocks (Schedule D Summary, Line 24, Column 1) .....  |           |           |           |           |           |
| 47. Affiliated short-term investments (subtotal included in Schedule DA Verification, Column 5, Line 10) .....  |           |           |           |           |           |
| 48. Affiliated mortgage loans on real estate .....  |           |           |           |           |           |
| 49. All other affiliated .....  |           |           |           |           |           |
| 50. TOTAL of above Lines 44 to 49 .....   |           |           |           |           |           |
| 51. TOTAL Investment in Parent included in Lines 44 to 49 above .....   |           |           |           |           |           |
| <b>TOTAL Nonadmitted and Admitted Assets</b>  |           |           |           |           |           |
| 52. TOTAL Nonadmitted Assets (Page 2, Line 28, Column 2) .....  |           | 24,798    | 130,731   | 374,583   |           |
| 53. TOTAL Admitted Assets (Page 2, Line 28, Column 3) .....   | 8,097,840 | 7,392,818 | 6,632,509 | 5,356,951 | 4,949,830 |
| <b>Investment Data</b>  |           |           |           |           |           |
| 54. Net investment income (Exhibit of Net Investment Income) .....  | 304,923   | 300,018   | 246,703   | 234,330   | 232,008   |
| 55. Realized capital gains (losses) (Page 4, Line 34, Column 1) .....   |           |           |           |           | (25,169)  |
| 56. Unrealized capital gains (losses) (Page 4, Line 38, Col. 1) .....   | 47,856    | (45,058)  |           |           |           |
| 57. TOTAL of Above Lines 54, 55, and 56 .....   | 352,779   | 254,960   | 246,703   | 234,330   | 206,839   |
| <b>Benefits and Reserve Increase (Page 6)</b>   |           |           |           |           |           |
| 58. TOTAL Contract Benefits-Life (Lines 10, 11, 12, 13, 14 and 15, Col. 1 minus Lines 10, 11, 12, 13, 14 and 15, Cols. 9, 10 & 11) .....                          | 458,978   | 356,882   | 327,700   | 101,453   | 177,918   |
| 59. TOTAL Contract Benefits - A & H (Lines 13 & 14, Columns 9, 10 & 11) .....   | 758,150   | 792,055   | 878,461   | 900,879   | 837,821   |
| 60. Increase in life reserves-other than group and annuities (Line 19, Columns 2 & 3) .....   |           |           |           |           |           |
| 61. Increase in A & H reserves (Line 19, Columns 9, 10 & 11) .....  | 183,902   | 250,265   | 9,332     | 1,036     | (646)     |
| 62. Dividends to policyholders (Line 30, Column 1) .....  |           |           |           |           |           |
| <b>Operating Percentages</b>  |           |           |           |           |           |
| 63. Insurance expense percent (Page 6, Column 1, Lines 21, 22 & 23 less Line 6) / (Page 6 Column 1, Line 1 plus Exhibit 7, Column 2, Line 2) x 100.00 .....       | 61.1      | 60.7      | 51.4      | 43.3      | 32.9      |
| 64. Lapse percent (ordinary only) [(Exhibit of Life Insurance, Column 4, Lines 14 & 15) / 1/2 (Exhibit of Life Insurance, Column 4, Lines 1 & 21)] x 100.00 ..... |           |           |           |           |           |
| 65. A & H loss percent (Schedule H, Part 1, Line 5 + Line 6, Column 2) .....  | 23.2      | 24.7      | 28.6      | 65.5      | 91.5      |
| 66. A & H cost containment percent (Schedule H, Part 1, Line 4, Column 2) .....   |           |           |           |           |           |
| 67. A & H expense percent excluding cost containment expenses (Schedule H, Part 1, Line 10, Column 2) .....   | 68.0      | 67.4      | 56.8      | 46.9      | 25.5      |
| <b>A &amp; H Claim Reserve Adequacy</b>   |           |           |           |           |           |
| 68. Incurred losses on prior years' claims - group health (Schedule H, Part 3, Line 3.1, Column 2) .....  | 262,664   | 265,087   | 229,762   | 532,550   | 433,172   |
| 69. Prior years' claim liability and reserve - group health (Schedule H, Part 3, Line 3.2, Column 2) .....  | 457,643   | 441,559   | 597,968   | 612,715   | 285,642   |
| 70. Incurred losses on prior years' claims - health other than group (Schedule H, Part 3, Line 3.1, Column 1 less Col. 2) .....                                   | 32,255    | 400,059   |           | 1,016     |           |
| 71. Prior years' claim liability and reserve - health other than group (Schedule H, Part 3, Line 3.2, Column 1 less Col. 2) .....                                 | 203,622   | 336,902   | 99,134    | 4,553     | 2,893     |
| <b>Net Gains From Operations After Federal Income Taxes by Lines of Business (Page 6, Line 33)</b>  |           |           |           |           |           |
| 72. Industrial life (Column 2) .....  |           |           |           |           |           |
| 73. Ordinary - life (Column 3) .....  | 23,641    | (1,233)   |           |           |           |
| 74. Ordinary - individual annuities (Column 4) .....  |           |           |           |           |           |
| 75. Ordinary - supplementary contracts (Column 5) .....   |           |           |           |           |           |
| 76. Credit life (Column 6) .....  |           |           |           |           |           |
| 77. Group life (Column 7) .....   | 49,259    | 177,695   | 410,541   | 417,706   | 179,699   |
| 78. Group annuities (Column 8) .....  |           |           |           |           |           |
| 79. A & H - group (Column 9) .....  | 306,921   | 204,122   | 436,387   | (70,917)  | (158,775) |
| 80. A & H - credit (Column 10) .....  |           |           |           |           |           |
| 81. A & H - other (Column 11) .....   | 26,786    | 29,706    | (23,658)  | (100,843) | 2,841     |
| 82. Aggregate of all other lines of business (Column 12) .....  |           |           |           |           |           |
| 83. TOTAL (Column 1) .....  | 406,607   | 410,290   | 823,270   | 245,946   | 23,765    |

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes[ ] No[ ] N/A[X]

If no, please explain:

## EXHIBIT OF LIFE INSURANCE

|   | Industrial            |                            | Ordinary              |                            | Credit Life (Group and Individual)                               |                            | Group         |                   |                            | 10                                  |
|---|-----------------------|----------------------------|-----------------------|----------------------------|--|----------------------------|---------------|-------------------|----------------------------|-------------------------------------|
|   | 1                     | 2                          | 3                     | 4                          | 5  | 6                          | Number of     |                   | 9                          | Total<br>Amount of<br>Insurance (a) |
|   | Number of<br>Policies | Amount of<br>Insurance (a) | Number of<br>Policies | Amount of<br>Insurance (a) | Number of<br>Individual<br>Policies<br>and Group<br>Certificates | Amount of<br>Insurance (a) | 7<br>Policies | 8<br>Certificates | Amount of<br>Insurance (a) |                                     |
| 1. In force end of prior year                                       |                       |                            |                       |                            |  |                            | 42            | 22,794            | 793,138                    | 793,138                             |
| 2. Issued during year   |                       |                            | 127                   | 6,716                      |  |                            | 9             | 21,415            | 1,172,993                  | 1,179,709                           |
| 3. Reinsurance assumed  |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 4. Revived during year  |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 5. Increased during year (net)                                      |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 6. Subtotals, Lines 2 to 5  |                       |                            | 127                   | 6,716                      |  |                            | 9             | 21,415            | 1,172,993                  | 1,179,709                           |
| 7. Additions by dividends during year                               | X X X                 |                            | X X X                 |                            | X X X  |                            | X X X         | X X X             |                            |                                     |
| 8. Aggregate write-ins for increases                                |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 9. TOTALS (Lines 1 and 6 to 8)                                      |                       |                            | 127                   | 6,716                      |  |                            | 51            | 44,209            | 1,966,131                  | 1,972,847                           |
| <b>Deductions during year:</b>                                      |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 10. Death   |                       |                            |                       |                            |  |                            | X X X         | 76                | 449                        | 449                                 |
| 11. Maturity  |                       |                            |                       |                            |  |                            | X X X         |                   |                            |                                     |
| 12. Disability  |                       |                            |                       |                            |  |                            | X X X         |                   |                            |                                     |
| 13. Expiry  |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 14. Surrender   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 15. Lapse   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 16. Conversion  |                       |                            |                       |                            |  |                            | X X X         | X X X             | X X X                      |                                     |
| 17. Decreased (net)   |                       |                            | 42                    | 500                        |  |                            | 7             | 6,886             | 90,352                     | 90,852                              |
| 18. Reinsurance   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 19. Aggregate write-ins for decreases                               |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 20. TOTALS (Lines 10 to 19)   |                       |                            | 42                    | 500                        |  |                            | 7             | 6,962             | 90,801                     | 91,301                              |
| 21. In force end of year (Line 9 minus Line 20)                     |                       |                            | 85                    | 6,216                      |  |                            | 44            | 37,247            | 1,875,330                  | 1,881,546                           |
| 22. Reinsurance ceded end of year                                   | X X X                 |                            | X X X                 | 3,870                      | X X X  |                            | X X X         | X X X             | 123,854                    | 127,724                             |
| 23. Line 21 minus Line 22   | X X X                 |                            | X X X                 | 2,346                      | X X X  | (b)                        | X X X         | X X X             | 1,751,476                  | 1,753,822                           |
| <b>DETAILS OF WRITE-INS</b>   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 0801.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 0802.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 0803.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 0898. Summary of remaining write-ins for Line 8 from overflow page  |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 0899. TOTALS (Lines 0801 through 0803 plus 0898) (Line 8 above)     |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 1901.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 1902.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 1903.   |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 1998. Summary of remaining write-ins for Line 19 from overflow page |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |
| 1999. TOTALS (Lines 1901 through 1903 plus 1998) (Line 19 above)    |                       |                            |                       |                            |  |                            |               |                   |                            |                                     |

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).  
 (b) Group \$.....0; Individual \$.....0.

**EXHIBIT OF LIFE INSURANCE (Continued)**  
**ADDITIONAL INFORMATION ON INSURANCE IN FORCE END OF YEAR**

|                                    | Industrial                 |                                 | Ordinary                   |                                 |
|------------------------------------|----------------------------|---------------------------------|----------------------------|---------------------------------|
|                                    | 1<br>Number<br>of Policies | 2<br>Amount<br>of Insurance (a) | 3<br>Number<br>of Policies | 4<br>Amount<br>of Insurance (a) |
| 24. Additions by dividends .....   | X X X                      |                                 | X X X                      |                                 |
| 25. Other paid-up insurance .....  |                            |                                 |                            |                                 |
| 26. Debit ordinary insurance ..... | X X X                      | X X X                           |                            |                                 |

**ADDITIONAL INFORMATION ON ORDINARY INSURANCE**

|  | Issued During Year<br>(included in Line 2) |                                 | In Force End of Year<br>(included in Line 21) |                                 |
|--|--|---------------------------------|---|---------------------------------|
|  | 1<br>Number<br>of Policies                 | 2<br>Amount<br>of Insurance (a) | 3<br>Number<br>of Policies                    | 4<br>Amount<br>of Insurance (a) |
| Term Insurance Excluding Extended Term Insurance |  |                                 |   |                                 |
| 27. Term policies -- decreasing .....            |  |                                 |   |                                 |
| 28. Term policies -- other .....                 | 127  | 6,716                           | 85  | 6,216                           |
| 29. Other term insurance -- decreasing .....     | X X X                                      |                                 | X X X   |                                 |
| 30. Other term insurance .....                   | X X X                                      |                                 | X X X   |                                 |
| 31. TOTALS (Lines 27 to 30) .....                | 127  | 6,716                           | 85  | 6,216                           |
| Reconciliation to Lines 2 and 21:                |  |                                 |   |                                 |
| 32. Term additions .....                         | X X X                                      |                                 | X X X   |                                 |
| 33. TOTALS, extended term insurance .....        | X X X                                      | X X X                           |   |                                 |
| 34. TOTALS, whole life and endowment .....       |  |                                 |   |                                 |
| 35. TOTALS (Lines 31 to 34) .....                | 127  | 6,716                           | 85  | 6,216                           |

**CLASSIFICATION OF AMOUNT OF INSURANCE (a) BY PARTICIPATING STATUS**

|  | Issued During Year<br>(included in Line 2) |                    | In Force End of Year<br>(included in Line 21) |                    |
|--|--|--------------------|---|--------------------|
|  | 1<br>Non-Participating                     | 2<br>Participating | 3<br>Non-Participating                        | 4<br>Participating |
| 36. Industrial .....                         |  |                    |   |                    |
| 37. Ordinary .....                           | 6,716                                      |                    | 6,716   |                    |
| 38. Credit Life (Group and Individual) ..... |  |                    |   |                    |
| 39. Group .....                              | 1,172,993                                  |                    | 1,875,230                                     |                    |
| 40. TOTALS (Lines 36 to 39) .....            | 1,179,709                                  |                    | 1,881,946                                     |                    |

**ADDITIONAL INFORMATION ON CREDIT LIFE AND GROUP INSURANCE**

|  | Credit Life   |                              | Group                       |                              |
|--|---|------------------------------|-----------------------------|------------------------------|
|  | 1<br>Number of Individual Policies and Group Certificates | 2<br>Amount of Insurance (a) | 3<br>Number of Certificates | 4<br>Amount of Insurance (a) |
| 41. Amount of insurance included in Line 2 ceded to other companies .....                              | X X X   |                              | X X X                       |                              |
| 42. Number in force end of year if the number under shared groups is counted on a pro-rata basis ..... |   | X X X                        |                             | X X X                        |
| 43. Federal Employees' Group Life Insurance included in Line 21 .....                                  |   |                              |                             |                              |
| 44. Servicemen's Group Life Insurance included in Line 21 .....  |   |                              |                             |                              |
| 45. Group Permanent Insurance included in Line 21 .....  |   |                              |                             |                              |

**ADDITIONAL ACCIDENTAL DEATH BENEFITS**

|   |  |
|---|--|
| 46. Amount of additional accidental death benefits in force end of year under ordinary policies (a) ..... |  |
|---|--|

**BASIS OF CALCULATION OF ORDINARY TERM INSURANCE**

|   |
|---|
| 47. State basis of calculation of (47.1) decreasing term insurance contained in Family Income, Mortgage Protection, etc., policies and riders and of (47.2) term insurance on wife and children under Family, Parent and Children, etc. policies and riders included above. |
| 47.1  |
| 47.2  |

**POLICIES WITH DISABILITY PROVISIONS**

| Disability Provision        | Industrial              |                              | Ordinary                |                              | Credit                  |                              | Group                       |                              |
|-----------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-------------------------|------------------------------|-----------------------------|------------------------------|
|                             | 1<br>Number of Policies | 2<br>Amount of Insurance (a) | 3<br>Number of Policies | 4<br>Amount of Insurance (a) | 5<br>Number of Policies | 6<br>Amount of Insurance (a) | 7<br>Number of Certificates | 8<br>Amount of Insurance (a) |
| 48. Waiver of Premium ..... |                         |                              |                         |                              |                         |                              |                             |                              |
| 49. Disability Income ..... |                         |                              |                         |                              |                         |                              |                             |                              |
| 50. Extended Benefits ..... |                         |                              | X X X                   | X X X                        |                         |                              |                             |                              |
| 51. Other .....             |                         |                              |                         |                              |                         |                              |                             |                              |
| 52. TOTAL .....             |                         | (b)                          |                         | (b)                          |                         | (b)                          |                             | (b)                          |

(a) Amounts of life insurance in this exhibit shall be shown in thousands (omit 000).

(b) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

**EXHIBIT OF NUMBER OF POLICIES, CONTRACTS, CERTIFICATES, INCOME PAYABLE AND ACCOUNT VALUES IN FORCE FOR SUPPLEMENTARY CONTRACTS, ANNUITIES, ACCIDENT & HEALTH AND OTHER POLICIES**

**SUPPLEMENTARY CONTRACTS**

|                                      | Ordinary                          |                                       | Group                             |                                       |
|--------------------------------------|-----------------------------------|---------------------------------------|-----------------------------------|---------------------------------------|
|                                      | 1<br>Involving Life Contingencies | 2<br>Not Involving Life Contingencies | 3<br>Involving Life Contingencies | 4<br>Not Involving Life Contingencies |
| 1. In force end of prior year .....  |                                   |                                       | 24,066                            |                                       |
| 2. Issued during year .....          |                                   |                                       | 20,878                            |                                       |
| 3. Reinsurance assumed .....         |                                   |                                       |                                   |                                       |
| 4. Increased during year (net) ..... |                                   |                                       |                                   |                                       |
| 5. TOTALS (Lines 1 to 4) .....       |                                   |                                       | 44,944                            |                                       |
| Deductions during year:              |                                   |                                       |                                   |                                       |
| 6. Decreased (net) .....             |                                   |                                       | 5,071                             |                                       |
| 7. Reinsurance ceded .....           |                                   |                                       |                                   |                                       |
| 8. TOTALS (Lines 6 and 7) .....      |                                   |                                       | 5,071                             |                                       |
| 9. In force end of year .....        |                                   |                                       | 39,873                            |                                       |
| 10. Amount on deposit .....          |                                   | (a)                                   |                                   | (a)                                   |
| 11. Income now payable .....         |                                   |                                       |                                   |                                       |
| 12. Amount of income payable .....   | (a)                               | (a)                                   | (a)                               | (a)                                   |

**ANNUITIES**

|                                      | Ordinary       |               | Group          |                   |
|--------------------------------------|----------------|---------------|----------------|-------------------|
|                                      | 1<br>Immediate | 2<br>Deferred | 3<br>Contracts | 4<br>Certificates |
| 1. In force end of prior year .....  |                |               |                |                   |
| 2. Issued during year .....          |                |               |                |                   |
| 3. Reinsurance assumed .....         |                |               |                |                   |
| 4. Increased during year (net) ..... |                |               |                |                   |
| 5. TOTALS (Lines 1 to 4) .....       |                |               |                |                   |
| Deductions during year:              |                |               |                |                   |
| 6. Decreased (net) .....             |                |               |                |                   |
| 7. Reinsurance ceded .....           |                |               |                |                   |
| 8. TOTALS (Lines 6 and 7) .....      |                |               |                |                   |
| 9. In force end of year .....        |                |               |                |                   |
| Income now payable:                  |                |               |                |                   |
| 10. Amount of income payable: .....  | (a)            | X X X         | X X X          | (a)               |
| Deferred fully paid:                 |                |               |                |                   |
| 11. Account balance .....            | X X X          | (a)           | X X X          | (a)               |
| Deferred not fully paid:             |                |               |                |                   |
| 12. Account balance .....            | X X X          | (a)           | X X X          | (a)               |

**ACCIDENT AND HEALTH INSURANCE**

|                                      | Group             |                        | Credit        |                        | Other         |                        |
|--------------------------------------|-------------------|------------------------|---------------|------------------------|---------------|------------------------|
|                                      | 1<br>Certificates | 2<br>Premiums in Force | 3<br>Policies | 4<br>Premiums in Force | 5<br>Policies | 6<br>Premiums in Force |
| 1. In force end of prior year .....  | 32,068            | 1,595,310              |               |                        | 22            | 3,826                  |
| 2. Issued during year .....          | 19,008            | 128,524                |               |                        | 6,979         | 2,027,822              |
| 3. Reinsurance assumed .....         |                   |                        |               |                        |               |                        |
| 4. Increased during year (net) ..... |                   | X X X                  |               | X X X                  |               | X X X                  |
| 5. TOTALS (Lines 1 to 4) .....       | 51,076            | X X X                  |               | X X X                  | 7,001         | X X X                  |
| Deductions during year:              |                   |                        |               |                        |               |                        |
| 6. Conversions .....                 |                   | X X X                  | X X X         | X X X                  | X X X         | X X X                  |
| 7. Decreased (net) .....             | 11,576            | X X X                  |               | X X X                  | 3,675         | X X X                  |
| 8. Reinsurance ceded .....           |                   | X X X                  |               | X X X                  |               | X X X                  |
| 9. TOTALS (Lines 6 to 8) .....       | 11,576            | X X X                  |               | X X X                  | 3,675         | X X X                  |
| 10. In force end of year .....       | 39,500            | (a) 1,043,998          |               | (a)                    | 3,326         | (a) 2,031,648          |

**DEPOSIT FUNDS AND DIVIDEND ACCUMULATIONS**

|                                      | 1                       | 2                                |
|--------------------------------------|-------------------------|----------------------------------|
|                                      | Deposit Funds Contracts | Dividend Accumulations Contracts |
| 1. In force end of prior year .....  |                         |                                  |
| 2. Issued during year .....          |                         |                                  |
| 3. Reinsurance assumed .....         |                         |                                  |
| 4. Increased during year (net) ..... |                         |                                  |
| 5. TOTALS (Lines 1 to 4) .....       |                         |                                  |
| Deductions during year:              |                         |                                  |
| 6. Decreased (net) .....             |                         |                                  |
| 7. Reinsurance ceded .....           |                         |                                  |
| 8. TOTALS (Lines 6 and 7) .....      |                         |                                  |
| 9. In force end of year .....        |                         |                                  |
| 10. Amount of account balance .....  | (a)                     | (a)                              |

(a) See Paragraph 9 of the Annual Audited Financial Reports in the General section of the annual statement instructions.

# SCHEDULE T - PREMIUMS AND ANNUITY CONSIDERATIONS ALLOCATED BY STATES AND TERRITORIES

| States, Etc.   | 1<br>Active Status | Direct Business Only         |                             |  |                           |                                |                             |
|--|--------------------|------------------------------|-----------------------------|--|---------------------------|--------------------------------|-----------------------------|
|  |                    | Life Contracts               |                             | 4<br>Accident and Health Insurance Premiums, Including Policy, Membership and Other Fees | 5<br>Other Considerations | 6<br>Total Columns 2 through 5 | 7<br>Deposit-Type Contracts |
|  |                    | 2<br>Life Insurance Premiums | 3<br>Annuity Considerations |  |                           |                                |                             |
| 1. Alabama (AL)  | N                  |                              |                             |  |                           |                                |                             |
| 2. Alaska (AK)   | N                  |                              |                             |  |                           |                                |                             |
| 3. Arizona (AZ)  | N                  |                              |                             |  |                           |                                |                             |
| 4. Arkansas (AR)   | N                  |                              |                             |  |                           |                                |                             |
| 5. California (CA)   | N                  |                              |                             |  |                           |                                |                             |
| 6. Colorado (CO)   | N                  |                              |                             |  |                           |                                |                             |
| 7. Connecticut (CT)  | N                  |                              |                             |  |                           |                                |                             |
| 8. Delaware (DE)   | N                  |                              |                             |  |                           |                                |                             |
| 9. District of Columbia (DC)   | N                  |                              |                             |  |                           |                                |                             |
| 10. Florida (FL)   | N                  |                              |                             |  |                           |                                |                             |
| 11. Georgia (GA)   | N                  |                              |                             |  |                           |                                |                             |
| 12. Hawaii (HI)  | N                  |                              |                             |  |                           |                                |                             |
| 13. Idaho (ID)   | N                  |                              |                             |  |                           |                                |                             |
| 14. Illinois (IL)  | N                  |                              |                             |  |                           |                                |                             |
| 15. Indiana (IN)   | N                  |                              |                             |  |                           |                                |                             |
| 16. Iowa (IA)  | N                  |                              |                             |  |                           |                                |                             |
| 17. Kansas (KS)  | N                  |                              |                             |  |                           |                                |                             |
| 18. Kentucky (KY)  | N                  |                              |                             |  |                           |                                |                             |
| 19. Louisiana (LA)   | N                  |                              |                             |  |                           |                                |                             |
| 20. Maine (ME)   | N                  |                              |                             |  |                           |                                |                             |
| 21. Maryland (MD)  | N                  |                              |                             |  |                           |                                |                             |
| 22. Massachusetts (MA)   | N                  |                              |                             |  |                           |                                |                             |
| 23. Michigan (MI)  | N                  |                              |                             |  |                           |                                |                             |
| 24. Minnesota (MN)   | N                  |                              |                             |  |                           |                                |                             |
| 25. Mississippi (MS)   | N                  |                              |                             |  |                           |                                |                             |
| 26. Missouri (MO)  | N                  |                              |                             |  |                           |                                |                             |
| 27. Montana (MT)   | N                  |                              |                             |  |                           |                                |                             |
| 28. Nebraska (NE)  | N                  |                              |                             |  |                           |                                |                             |
| 29. Nevada (NV)  | N                  |                              |                             |  |                           |                                |                             |
| 30. New Hampshire (NH)   | N                  |                              |                             |  |                           |                                |                             |
| 31. New Jersey (NJ)  | N                  |                              |                             |  |                           |                                |                             |
| 32. New Mexico (NM)  | N                  |                              |                             |  |                           |                                |                             |
| 33. New York (NY)  | N                  |                              |                             |  |                           |                                |                             |
| 34. North Carolina (NC)  | N                  |                              |                             |  |                           |                                |                             |
| 35. North Dakota (ND)  | N                  |                              |                             |  |                           |                                |                             |
| 36. Ohio (OH)  | N                  |                              |                             |  |                           |                                |                             |
| 37. Oklahoma (OK)  | N                  |                              |                             |  |                           |                                |                             |
| 38. Oregon (OR)  | N                  |                              |                             |  |                           |                                |                             |
| 39. Pennsylvania (PA)  | N                  |                              |                             |  |                           |                                |                             |
| 40. Rhode Island (RI)  | N                  |                              |                             |  |                           |                                |                             |
| 41. South Carolina (SC)  | N                  |                              |                             |  |                           |                                |                             |
| 42. South Dakota (SD)  | N                  |                              |                             |  |                           |                                |                             |
| 43. Tennessee (TN)   | N                  |                              |                             |  |                           |                                |                             |
| 44. Texas (TX)   | N                  |                              |                             |  |                           |                                |                             |
| 45. Utah (UT)  | N                  |                              |                             |  |                           |                                |                             |
| 46. Vermont (VT)   | N                  |                              |                             |  |                           |                                |                             |
| 47. Virginia (VA)  | N                  |                              |                             |  |                           |                                |                             |
| 48. Washington (WA)  | N                  |                              |                             |  |                           |                                |                             |
| 49. West Virginia (WV)   | N                  |                              |                             |  |                           |                                |                             |
| 50. Wisconsin (WI)   | N                  |                              |                             |  |                           |                                |                             |
| 51. Wyoming (WY)   | N                  |                              |                             |  |                           |                                |                             |
| 52. American Samoa (AS)  | N                  |                              |                             |  |                           |                                |                             |
| 53. Guam (GU)  | N                  |                              |                             |  |                           |                                |                             |
| 54. Puerto Rico (PR)   | L                  | 1,028,912                    |                             | 2,455,207  |                           | 3,484,119                      |                             |
| 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. Subtotal   | (a)1               | 1,028,912                    |                             | 2,455,207  |                           | 3,484,119                      |                             |
| 90. Reporting entity contributions for employee benefits plans                             | X X X              |                              |                             |  |                           |                                |                             |
| 91. Dividends or refunds applied to purchase paid-up additions and annuities               | X X X              |                              |                             |  |                           |                                |                             |
| 92. Dividends or refunds applied to shorten endowment or premium paying period             | X X X              |                              |                             |  |                           |                                |                             |
| 93. Premium or annuity considerations waived under disability or other contract provisions | X X X              |                              |                             |  |                           |                                |                             |
| 94. Aggregate other amounts not allocable by State   | X X X              |                              |                             |  |                           |                                |                             |
| 95. TOTALS (Direct Business)   | X X X              | 1,028,912                    |                             | 2,455,207  |                           | 3,484,119                      |                             |
| 96. Plus Reinsurance Assumed   | X X X              |                              |                             | 915,474  |                           | 915,474                        |                             |
| 97. TOTALS (All Business)  | X X X              | 1,028,912                    |                             | 3,370,681  |                           | 4,399,593                      |                             |
| 98. Less Reinsurance Ceded   | X X X              | 123,861                      |                             | 108,009  |                           | 231,870                        |                             |
| 99. TOTALS (All Business) less Reinsurance Ceded   | X X X              | 905,051                      |                             | (b) 3,262,672  |                           | 4,167,723                      |                             |
| <b>DETAILS OF WRITE-INS</b>  |                    |                              |                             |  |                           |                                |                             |
| 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              |                              |                             |  |                           |                                |                             |
| 9401   | X X X              |                              |                             |  |                           |                                |                             |
| 9402   | X X X              |                              |                             |  |                           |                                |                             |
| 9403   | X X X              |                              |                             |  |                           |                                |                             |
| 9498. Summary of remaining write-ins for Line 94 from overflow page                        | X X X              |                              |                             |  |                           |                                |                             |
| 9499. TOTALS (Lines 9401 through 9403 plus 9498) (Line 94 above)                           | X X X              |                              |                             |  |                           |                                |                             |

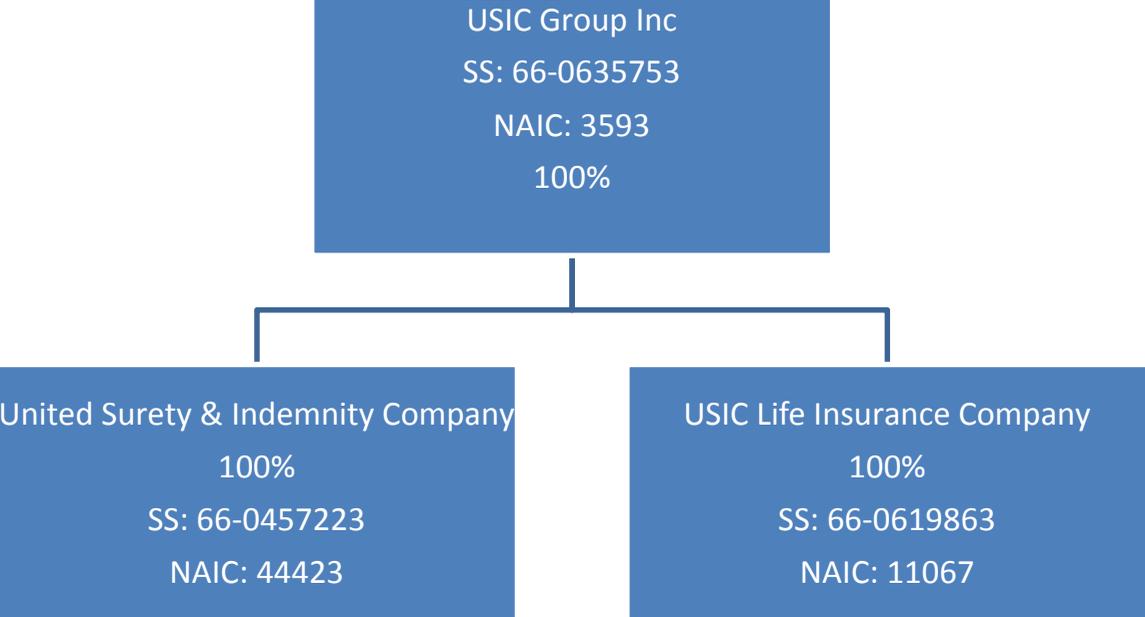
(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business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

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

(b) Column 4 should balance with Exhibit 1, Lines 6.4, 10.4 and 16.4, Cols. 8, 9 and 10 or with Schedule H, Part 1, Column 1, Line 1. Indicate which.... Exhibit 1, Lines 6.4, 10.4, and 16.4, Cols 8, 9 and 10

Explanation of basis of allocation by states, etc., of premiums and annuity considerations: 100% Allocated to Puerto Rico

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



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